NCP NextGen A/S

Dandyvej 19, 7100 Vejle

CVR no. 40 50 61 36

Annual report 2023

Approved at the Company's annual general meeting on 27 May 2024

Chair of the meeting:

Michael Thomsen
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Date: 2024.05.28 14:18:06 +02'00'

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Michael Henrik Thomsen

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of NCP NextGen A/S for the financial year 1 January - 31 December 2023.

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

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

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

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

Vejle, 27 May 2024
Executive Board:

Michael Thomsen
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Date: 2024.05.28 14:18:28 +02'00'

Michael Henrik Thomsen
Managing director

Board of Directors:

Christopher Lambert 2024.05.28 15:21:04 +02'00'	Michael Thomsen Digitally signed by Michael Thomsen Date: 2024.05.28 14:18:43 +02'00'	Lene Frederiksen Lind Digitally signed by Lene Frederiksen Lind Date: 2024.05.28 15:15:13 +02'00'
Christopher Beck Lambert Chairman	Michael Henrik Thomsen	Lene Lind

Independent auditor's report

To the shareholder of NCP NextGen A/S

Opinion

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

We have audited the Financial Statements of NCP NextGen A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on the Management's Review

Management is responsible for the Management's Review.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance 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.

Independent auditor's report

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

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

Odense, 27 May 2024
PricewaterhouseCoopers
Statsautoriseret Revisionsanpartsselskab
CVR no. 33 77 12 31

Henrik Forthoft Lind	Brian Petersen
State Authorised Public Accountant	State Authorised Public Accountant
mne34169	mne33722

Management's review

Company details

Name	NCP NextGen A/S
Address, Postal code, City	Dandyvej 19, 7100 Vejle
CVR no.	40 50 61 36
Established	2 May 2019
Registered office	Vejle
Financial year	1 January - 31 December
Board of Directors	Christopher Beck Lambert, Chairman Michael Henrik Thomsen Lene Lind
Executive Board	Michael Henrik Thomsen, Managing director
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionsanpartsselskab Munkebjergvænget 1, sal 3, 5230 Odense

Management's review

Financial highlights

DKK'000	2023 12 months	2022 12 months	2021 12 months	2020 12 months	2019 7 months
Key figures					
Gross profit	11,071	38,722	12,612	6,196	2,174
Operating profit/loss	206	-8,191	12,312	5,915	2,097
Net financials	-2,722	-267	-23	28	0
Profit/loss before tax	-2,516	35,758	12,289	5,943	2,097
Profit/loss for the year	-1,963	28,173	9,585	4,635	1,635
Total assets	206,903	167,203	27,420	8,601	6,973
Investments in property, plant and equipment	43,658	113,855	7,548	0	0
Equity	42,465	44,428	16,255	6,670	2,035
Financial ratios					
Current ratio	32.7%	39.8%	153.0%	443.6%	141.2%
Equity ratio	20.5%	26.6%	59.3%	77.5%	29.2%
Return on equity	-4.5%	92.9%	83.6%	106.5%	80.3%

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss: Profit/loss before net financials +/- Other operating income and other operating expenses

Current ratio: $\frac{\text{Current assets x 100}}{\text{Current liabilities}}$

Equity ratio: $\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$

Return on equity: $\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

Management's review

Business review

The Company's purpose is to develop, produce and sell nicotine containing products as well as directly and indirectly related business activities based on the Board of Director's assessment.

Financial review

The income statement for 2023 shows a loss of DKK 1,963 thousand against a profit of DKK 28,173 thousand last year, and the balance sheet at 31 December 2023 shows equity of DKK 42,465 thousand (2022: DKK 44,428 thousand).

Management considers the Company's financial performance in the year satisfactory and in line with expectations.

Impact on the external environment

The external and internal environmental impact is considered low. Most of the the company’s activities with environmental impact is performed in the Sister Company Fertin Pharma A/S.

The CSR report for Fertin Pharma A/S’ report on social responsibility matters can be found at the following link: https://www.fertin.com/sustainability/

Events after the balance sheet date

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

Outlook

For 2024 the company expects a result before tax between 35-45 DKK million. The expected improvement is primarily driven by expected higher sales.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2023	2022
	Gross profit	11,071	38,722
	Distribution costs	-202	-159
3,4,	Administrative expenses	-10,663	-2,538
	Operating profit	206	36,025
5	Financial income	262	61
6	Financial expenses	-2,984	-328
	Profit/loss before tax	-2,516	35,758
7	Tax for the year	553	-7,585
	Profit/loss for the year	-1,963	28,173

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	ASSETS		
	Fixed assets		
9	Intangible assets		
	Software	1,613	2,536
	Development projects in progress and prepayments for intangible assets	0	87
		1,613	2,623
10	Property, plant and equipment		
	Land and buildings	13,327	0
	Plant and machinery	115,588	37,193
	Property, plant and equipment under construction	23,140	79,485
		152,055	116,678
	Total fixed assets	153,668	119,301
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	8,595	6,986
	Work in progress	183	397
	Finished goods and goods for resale	2,288	1,751
		11,066	9,134
	Receivables		
	Trade receivables	36,545	25,964
	Receivables from group enterprises	3,344	0
	Other receivables	1,884	8,789
11	Prepayments	13	0
		41,786	34,753
	Cash	383	4,015
	Total non-fixed assets	53,235	47,902
	TOTAL ASSETS	206,903	167,203

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
12	Share capital	400	400
	Retained earnings	42,065	44,028
	Total equity	42,465	44,428
	Provisions		
13	Deferred tax	1,746	2,300
	Total provisions	1,746	2,300
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	11,495	25,221
	Payables to group enterprises	140,307	80,730
	Corporation tax payable	0	6,148
	Other payables	10,890	8,376
		162,692	120,475
	Total liabilities other than provisions	162,692	120,475
	TOTAL EQUITY AND LIABILITIES	206,903	167,203

1 Accounting policies
2 Special items
8 Appropriation of profit/loss
14 Contractual obligations and contingencies, etc.
15 Security and collateral
16 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Retained earnings	Total
	Equity at 1 January 2022	400	15,855	16,255
8	Transfer, see "Appropriation of profit/loss"	0	28,173	28,173
	Equity at 1 January 2023	400	44,028	44,428
8	Transfer, see "Appropriation of profit/loss"	0	-1,963	-1,963
	Equity at 31 December 2023	400	42,065	42,465

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of NCP NextGen A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

Changes in accounting policies

Preparing the annual report in accordance with the provisions of the Danish Financial Statements Act for medium-sized reporting class C entities is a change compared to the annual report for 2022, in which the annual report was prepared in accordance with the provisions for reporting class B entities.

Applying the provisions and requirements for medium-sized class C entities did not affect the comparative figures or equity. If new disclosures were required, the comparative figures have been included.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company Philip Morris International Inc.

Reporting currency

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

Foreign currency translation

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

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

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2020.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Gross profit

The items revenue, production costs and other operating income have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Production costs

Production costs comprise costs incurred in generating the revenue for the year. Such costs include direct and indirect costs of raw materials, consumables and production staff, rent and leases, as well as depreciation on production plant.

Production costs also comprise research and development costs that do not qualify for capitalisation and amortisation of capitalised development costs.

Also, provision for losses on construction contracts is recognised.

Distribution costs

Distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc. carried out in the year, including costs related to sales staff, advertising, exhibitions and amortisation/depreciation. Sales and marketing costs are recognised in the income statement when the Company obtains control of the sales or marketing product.

Administrative expenses

Administrative expenses include expenses incurred in the year for company management and administration.

Other operating income

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

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

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

Software	3-10 years
Buildings	10-70 years
Plant and machinery	5-20 years
Fixtures and fittings, other plant and equipment	3-5 years

Land is not depreciated

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

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

Tax

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

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

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

Balance sheet

Intangible assets

Intangible assets include development projects and software licences. Investments in software programs includes the cost of direct software cost and internally and externally related labour cost regarding the development process.

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

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

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 5 years and cannot exceed 20 years.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment is assessed for impairment on an annual basis.

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

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

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables, direct labour and direct production overheads. Indirect production overheads and borrowing costs are not included in the cost.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

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

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

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Prepayments

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

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to
minor risks of changes in value.

Income taxes and deferred taxes

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

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

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

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Special items

DKK'000	2023	2022
Income		
Gain of IP rights PMI	0	44,215
	0	44,215
Special items are recognised in the below items of the financial statements		
Other operating income	0	44,215
Net profit on special items	0	44,215

3 Staff costs

Remuneration to management is part of the management fee and is estimated to DKK 530 thousand, where DKK 23 thousand is pension.

The Company has no employees.

4 Amortisation/depreciation of intangible assets and property, plant and equipment

Amortisation of intangible assets	923	154
Depreciation of property, plant and equipment	8,281	2,035
	9,204	2,189

Amortisation/depreciation of intangible assets and property, plant and equipment is recognised in the income statement under the following items:

Production costs	8,281	1,958
Administrative expenses	923	231
	9,204	2,189

5 Financial income

Other financial income	262	61
	262	61

Other financial income consists of exchange rate gains.

6 Financial expenses

Interest expenses, group entities	2,586	97
Other financial expenses	398	231
	2,984	328

Other financial expenses consist of bank charges and currency valuation losses.

7 Tax for the year

Estimated tax charge for the year	0	6,148
Deferred tax adjustments in the year	-553	1,374
Tax adjustments, prior years	0	63
	-553	7,585

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2023	2022
8 Appropriation of profit/loss		
Recommended appropriation of profit/loss		
Retained earnings/accumulated loss	-1,963	28,173
	-1,963	28,173

9 Intangible assets

DKK'000	Software	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 January 2023	2,767	87	2,854
Disposals	0	-87	-87
Cost at 31 December 2023	2,767	0	2,767
Impairment losses and amortisation at 1 January 2023	231	0	231
Amortisation for the year	923	0	923
Impairment losses and amortisation at 31 December 2023	1,154	0	1,154
Carrying amount at 31 December 2023	1,613	0	1,613

10 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Property, plant and equipment under construction	Total
Cost at 1 January 2023	0	39,151	79,485	118,636
Additions	0	0	43,658	43,658
Transferred	13,383	86,620	-100,003	0
Cost at 31 December 2023	13,383	125,771	23,140	162,294
Impairment losses and depreciation at 1 January 2023	0	1,958	0	1,958
Depreciation	56	8,225	0	8,281
Impairment losses and depreciation at 31 December 2023	56	10,183	0	10,239
Carrying amount at 31 December 2023	13,327	115,588	23,140	152,055

Financial statements 1 January - 31 December

Notes to the financial statements

11 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years.

DKK'000	2023	2022
12 Share capital		
Analysis of the share capital:		
400,000 Ordinary shares of DKK 1.00 nominal value each	400	400
	400	400

13 Deferred tax

	2023	2022
Deferred tax at 1 January	2,300	926
Deferred tax adjustments in the year via the income statement	-553	1,374
Deferred tax at 31 December	1,747	2,300

14 Contractual obligations and contingencies, etc.

The Company is jointly taxed with Philip Morris ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2021 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 16 September 2021.

Other financial obligations

Other rent and lease liabilities:

DKK'000	2023	2022
Rent and lease liabilities	2,377	713

The Company has liabilities under operating leases for machines and premises, totalling DKK 2,377 thousand of which DKK 610 thousand falls due within 1 year and DKK 1,767 thousand falls due in the period from 1 to 5 years from the balance sheet date.

15 Security and collateral

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

Financial statements 1 January - 31 December

Notes to the financial statements

16 Related parties

NCP NextGen A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Claudio Bidco A/S	Vejle, Denmark	Ownership
Vectura Fertin Pharma Inc.	Stamford, Connecticut, USA	Ownership
Philip Morris International Inc.	Stamford, Connecticut, USA	Ultimate ownership

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Philip Morris International Inc.	677 Washington blvd., Suite 1100, Stamford, Connecticut, USA	The consolidated finanical statement can be requisitioned in the following link: https://www.pmi.com/investor-relations/reports-filings

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.