
Re-Match A/S

HI-Park 415 Hammerum, DK-7400 Herning

Annual Report for 2023

CVR No. 41 98 34 26

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 28/6 2024

Leo Hansen
Chairman of the
general meeting



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Management's statement

The supervisory board and executive board have today discussed and approved the annual report of Re-Match A/S for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

Management recommends that the annual report should be approved by the company in general meeting.

Herning, 28 June 2024

Executive Board

Christian Ørum Madsen
CEO

Board of Directors

Jakob Fuhr Hansen

Laurits Mathias Bach Sørensen

Anders Wilhjelm

Kristin Parello-Plesner

Erik Osmundsen

Ali Arda Ersöz

Independent Auditor's report

To the shareholder of Re-Match 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 Re-Match 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 ("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 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.

Material Uncertainty Related to Going Concern

We draw attention to the material uncertainty that exists which may cast significant doubt on the Company's ability to continue as a going concern, as commitments for financing have not yet been obtained. In note 1 in the Financial Statements, it states that it is uncertain if sufficient liquidity in the form of capital contributions or loans will be received in the forthcoming year from the shareholder, to finance the ongoing operations.

It is Management's assessment that such commitments will be received, and therefore the Financial Statements has been prepared assuming the company's continued operations as going concern.

Our opinion is not modified in respect of this matter.

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.

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:

Independent Auditor's report

- 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.

Herning, 28 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jacob Brinch

State Authorised Public Accountant

mne35447

Kasper Ladekjær

State Authorised Public Accountant

mne50738

Company information

The Company	Re-Match A/S HI-Park 415 Hammerum 7400 Herning CVR No: 41 98 34 26 Financial period: 1 January - 31 December Incorporated: 30 December 2020 Municipality of reg. office: Herning
Board of Directors	Jakob Fuhr Hansen Laurits Mathias Bach Sørensen Anders Wilhjelm Kristin Parello-Plesner Erik Osmundsen Ali Arda Ersöz
Executive Board	Christian Ørum Madsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Platanvej 4 DK-7400 Herning

Income statement 1 January - 31 December

	Note	2023	2022
		DKK	DKK
Gross loss		-4,287,201	-272,660
Staff expenses	3	-17,246,850	0
Depreciation and impairment losses of property, plant and equipment		-2,256,611	0
Profit/loss before financial income and expenses		-23,790,662	-272,660
Financial income		4,210	42,000
Financial expenses	4	-1,343,689	-809,017
Profit/loss before tax		-25,130,141	-1,039,677
Tax on profit/loss for the year		0	0
Net profit/loss for the year		-25,130,141	-1,039,677
 Distribution of profit			
		2023	2022
		DKK	DKK
Proposed distribution of profit			
Retained earnings		-25,130,141	-1,039,677
		-25,130,141	-1,039,677

Balance sheet 31 December

Assets

	Note	2023	2022
		DKK	DKK
Plant and machinery		21,629,804	0
Other fixtures and fittings, tools and equipment		228,682	0
Leasehold improvements		733,435	0
Property, plant and equipment		22,591,921	0
Deposits		2,479,211	0
Fixed asset investments		2,479,211	0
Fixed assets		25,071,132	0
Finished goods and goods for resale		3,794,121	0
Inventories		3,794,121	0
Trade receivables		1,831,832	2,280,539
Receivables from group enterprises		219,435	7,786,749
Other receivables		1,814,229	0
Prepayments		1,030,086	781,876
Receivables		4,895,582	10,849,164
Cash at bank and in hand		54,353	59,426
Current assets		8,744,056	10,908,590
Assets		33,815,188	10,908,590

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		400,000	400,000
Retained earnings		-26,163,401	-1,033,260
Equity		-25,763,401	-633,260
Trade payables		4,393,106	4,894,033
Payables to group enterprises		45,536,757	2,681,000
Other payables		3,175,929	3,966,817
Deferred income	5	6,472,797	0
Short-term debt		59,578,589	11,541,850
Debt		59,578,589	11,541,850
Liabilities and equity		33,815,188	10,908,590
Going concern	1		
Key activities	2		
Contingent assets, liabilities and other financial obligations	6		
Related parties	7		
Accounting Policies	8		

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 January	400,000	-1,033,260	-633,260
Net profit/loss for the year	0	-25,130,141	-25,130,141
Equity at 31 December	400,000	-26,163,401	-25,763,401

Notes to the Financial Statements

1. Going concern

Re-Match A/S is owned by Re-Match Holding A/S, which on top of the factory in Herning has invested in factories in Holland and France.

As the season of de-installing worn-out pitches was seriously delayed due to the winter/early spring weather conditions in the spring of 2024 Management had to look for financial support from Re-Match Holding A/S.

Management of Re-Match Holding is fundamentally interested in supporting Re-Match A/S, however being in an expansion phase, also Re-Match Holding A/S is dependent on investors. Main investors already in the first half of 2024 supported Re-Match Holding with EUR 2 million to secure the continued development and ramp-up of the business. Management is in close dialog with Re-Match Holding A/S and budgets and business plans are shared between the two companies.

It is the assessment of Management of Re-Match Holding A/S that a commitment will be received to support the need of liquidity to the Group and hence to Re-Match A/S. Therefore, the annual report has been prepared assuming the company's continued operations as a going concern.

For further explanation management are referring to the Management review in the Group for Re-Match Holding A/S. Despite this and as described in note 0 of the Consolidated Financial Statements for Re-Match Holding A/S, a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern as commitments for refinancing of operating activities have not yet been obtained as of the date of the annual report.

2. Key activities

The company's main activity consists of conducting business with development, production and sales within the recycling and waste disposal industry as well as other business that, in the opinion of the Board of Directors, is associated with it.

3. Staff Expenses

	<u>2023</u>	<u>2022</u>
	DKK	DKK
Wages and salaries	15,924,014	0
Pensions	886,889	0
Other social security expenses	301,764	0
Other staff expenses	134,183	0
	<u>17,246,850</u>	<u>0</u>
Average number of employees	<u>27</u>	<u>0</u>

Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
4. Financial expenses		
Interest paid to group enterprises	1,198,089	783,551
Other financial expenses	145,600	25,466
	<u>1,343,689</u>	<u>809,017</u>

5. Deferred income

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

	<u>2023</u>	<u>2022</u>
	DKK	DKK
6. Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Withing 1 year	5,693,638	0
Between 1 and 5 years	23,114,834	0

Other contingent liabilities

The Danish 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 is disclosed in the Annual Report of Project Astro Bidco A/S, which is the management company of the joint taxation purposes. Moreover, the Danish 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 Company's liability.

7. Related parties

The company is included in the Group Annual report of its parent company, Re-Match Holding A/S (CVR 3546 5529), HI-Park 415, Hammerum, 7400 Herning, as well as in the Group Annual report of the Ultimate Parent company, Project Astro Bidco A/S (CVR 4387 5892), HI-Park 415, Hammerum, 7400 Herning.

All transactions with related parties during the period were carried out at market terms.

Notes to the Financial Statements

8. Accounting policies

The Annual Report of Re-Match A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in DKK.

Recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Translation policies

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

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

Income statement

Revenue

The Company recognises revenue from receiving waste for recycling and subsequently selling the output raw materials to customers. Revenue is mainly derived from receiving gate fees for handling the disposal of artificial turf, but in the long-term revenue will mainly be derived from selling raw materials.

Revenue recognition requires an agreement with the customer, which creates enforceable rights and obligations between the parties, has commercial substance, and identifies payment terms. In addition, it must be probable that the consideration determined in the contract will be collected.

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

The Company recognises revenue when it transfers control of the goods to a customer. All revenue is derived from contracts with customers. No significant element of financing is deemed present as the sales are made with a credit term of 10 days, which is consistent with market practice.

Front-end

Front-end revenue is a fee for receiving old fields (gate fee). The fee is received for a promise of recycling the materials into new raw materials to reduce waste. Revenue is recognised when the recycling process is finished. Receivables are recognised when goods are received (picked up by transport) and income is deferred until the recycle process is finished.

Back-end

Back-end revenue is income from selling raw materials. After recycling an old field, several types of raw materials are made; sand in different versions, SBR rubber in different versions and other types. This is primarily sold to maintain soccer pitches but also other production customers using the materials in e.g., furniture production. Revenue is recognised when the customer has control over the raw materials. Customers have control when the materials are delivered at the destination.

Other

Other revenue types are roll-up and transportation. Rollup is a service where old fields are cut up to be removed. Transport can be both transport of old fields to Re-Match and transport of raw materials to the customer. For both services, a sub-contractor is involved. Re-Match is acting as a principal in both scenarios. The Company has generally concluded that it is the principal in those revenue arrangements, because it typically controls the goods or services before transferring them to the customer. Roll-up is recognised when the work is done, as this is always a separate performance obligation. Transport is not distinct from front-end or back-end and is recognised as bundled performance obligation at a point of time.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses include expenses related to administration, bad debts etc.

Gross loss

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Notes to the Financial Statements

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

Other operating income and expenses

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

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Plant and machinery	3-25 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-10 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of 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 depreciation.

If so, the asset is written down to its lower recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Notes to the Financial Statements

Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Finished goods cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Receivables

Receivables are measured at amortised cost.

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, using the effective interest rate of individual receivables or portfolios of receivables as discount rate.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Deferred tax assets and liabilities

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Current tax receivables and liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Financial liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

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