



Norbert Acquisition ApS

Vestervej 48
9240 Nibe
CVR No. 43664239

Annual report 2023

The Annual General Meeting adopted the annual report on 26.01.2024

Peter Larsen
Chairman of the General Meeting

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Entity details

Entity

Norbert Acquisition ApS

Vestervej 48

9240 Nibe

Business Registration No.: 43664239

Registered office: Aalborg

Financial year: 01.01.2023 - 31.12.2023

Executive Board

Stefan Andreas Walter Happak

Bernd Strack

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Østre Havnepromenade 26, 4th floor

9000 Aalborg

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of Norbert Acquisition ApS for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Nibe, 26.01.2024

Executive Board

Stefan Andreas Walter Happak

Bernd Strack

Independent auditor's report

To the shareholders of Norbert Acquisition ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Norbert Acquisition ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) and 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 financial statements" section of this auditor's 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 financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 ISA 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 financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Entity'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 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 Entity'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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aalborg, 26.01.2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

René Winther Pedersen

State Authorised Public Accountant

Identification No (MNE) mne34173

Kristina Møller

State Authorised Public Accountant

Identification No (MNE) mne50561

Management commentary

Financial highlights

| | 2023 | 2022 |
|---|----------|-----------|
| | DKK'000 | DKK'000 |
| Key figures | | |
| Gross profit/loss | 29,903 | 1,243 |
| Operating profit/loss | (8,895) | (6,257) |
| Net financials | (7,015) | (478) |
| Profit/loss for the year | (16,006) | (6,738) |
| Profit for the year excl. minority interests | (11,671) | (4,755) |
| Balance sheet total | 245,436 | 279,227 |
| Investments in property, plant and equipment | 1,769 | 2,121 |
| Equity | 83,396 | 99,402 |
| Equity excl. minority interests | 45,738 | 57,410 |
| Cash flows from operating activities | 5,110 | (2,301) |
| Cash flows from investing activities | (3,295) | (159,680) |
| Cash flows from financing activities | (14,425) | 189,187 |
| Ratios | | |
| Equity ratio (%) | 18.64 | 20.56 |

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

Equity ratio (%):

Equity excl. minority interests * 100

Balance sheet total

Primary activities

The Entity's primary activity is investments in group enterprises.

The Group's activities consists of imports and wholesale af bindery articles, pots and crafts.

Development in activities and finances

For 2023, the Group realised a loss of TDKK 16,006 against a loss of TDKK 6,738 in 2022.

The result is considered satisfactory taking the current market conditions into consideration.

Profit/loss for the year in relation to expected developments

The profit of the year is lower than expected, primarily due to lower sales in the Scandinavian export markets, whereas the domestic market was less influenced even though the inflation had an impact during the year. The sales setup was maintained, which will be an important factor in the years to come, where increased activity is expected again.

Outlook

A positive development is expected to continue in 2024, as the sales activity in the export markets is expected to increase. The increase in the sales activity is expected to contribute to an decreased loss before tax compared to 2023. Thus, loss before tax in 2024 is expected to end up in the level of TDKK -8,400 to TDKK -6,400.

Use of financial instruments

Currency risks are offset using forward swaps. It is estimated that there is a low risk in relation to changes in prices, creditworthiness, liquidity and cash flows.

Knowledge resources

It is estimated that the Group has the necessary resources.

Environmental performance

The Group has high focus on the environment, both in relation to product range, as well as in daily operations.

Events after the balance sheet date

No events after the balance sheet date to this date have occurred that would influence the evaluation of this annual report.

Consolidated income statement for 2023

| | Notes | 2023 DKK | 2022 DKK |
|--|-------|---------------------|--------------------|
| Gross profit/loss | | 29,902,851 | 1,242,960 |
| Staff costs | 1 | (17,871,918) | (603,389) |
| Depreciation, amortisation and impairment losses | 2 | (20,361,441) | (682,148) |
| Other operating expenses | | (564,510) | (6,214,575) |
| Operating profit/loss | | (8,895,018) | (6,257,152) |
| Other financial income | | 237,021 | 15,904 |
| Other financial expenses | 3 | (7,251,658) | (494,005) |
| Profit/loss before tax | | (15,909,655) | (6,735,253) |
| Tax on profit/loss for the year | 4 | (96,213) | (2,563) |
| Profit/loss for the year | 5 | (16,005,868) | (6,737,816) |

Consolidated balance sheet at 31.12.2023

Assets

| | Notes | 2023 DKK | 2022 DKK |
|--|-------|--------------------|--------------------|
| Acquired intangible assets | | 6,425,689 | 7,227,292 |
| Acquired rights | | 28,794,227 | 29,901,370 |
| Goodwill | | 139,298,849 | 154,833,246 |
| Intangible assets | 6 | 174,518,765 | 191,961,908 |
| Other fixtures and fittings, tools and equipment | | 2,523,318 | 1,607,139 |
| Leasehold improvements | | 143,350 | 465,522 |
| Property, plant and equipment | 7 | 2,666,668 | 2,072,661 |
| Deposits | | 727,121 | 944,445 |
| Financial assets | 8 | 727,121 | 944,445 |
| Fixed assets | | 177,912,554 | 194,979,014 |
| Manufactured goods and goods for resale | | 36,758,433 | 42,725,118 |
| Prepayments for goods | | 2,669,508 | 1,751,002 |
| Inventories | | 39,427,941 | 44,476,120 |
| Trade receivables | | 13,041,794 | 10,235,188 |
| Other receivables | | 335,873 | 2,331,438 |
| Prepayments | 9 | 123,258 | 0 |
| Receivables | | 13,500,925 | 12,566,626 |
| Cash | | 14,594,199 | 27,205,068 |
| Current assets | | 67,523,065 | 84,247,814 |
| Assets | | 245,435,619 | 279,226,828 |

Equity and liabilities

| | Notes | 2023 DKK | 2022 DKK |
|--|--------------|---------------------|---------------------|
| Contributed capital | | 41,000 | 41,000 |
| Translation reserve | | (593) | 0 |
| Retained earnings | | 45,697,995 | 57,369,061 |
| Equity belonging to Parent's shareholders | | 45,738,402 | 57,410,061 |
| Equity belonging to minority interests | | 37,657,267 | 41,992,322 |
| Equity | | 83,395,669 | 99,402,383 |
| Deferred tax | 10 | 7,204,238 | 7,943,238 |
| Other provisions | 11 | 13,000,000 | 13,000,000 |
| Provisions | | 20,204,238 | 20,943,238 |
| Bank loans | | 64,000,000 | 80,000,000 |
| Payables to group enterprises | | 43,526,927 | 41,606,158 |
| Other payables | | 935,294 | 903,377 |
| Non-current liabilities other than provisions | 12 | 108,462,221 | 122,509,535 |
| Current portion of non-current liabilities other than provisions | 12 | 16,000,000 | 0 |
| Payables to other credit institutions | | 100,851 | 15,526,347 |
| Trade payables | | 12,159,290 | 15,279,860 |
| Tax payable | | 813,460 | 33,007 |
| Joint taxation contribution payable | | 0 | 2,928,483 |
| Other payables | | 4,299,890 | 2,603,975 |
| Current liabilities other than provisions | | 33,373,491 | 36,371,672 |
| Liabilities other than provisions | | 141,835,712 | 158,881,207 |
| Equity and liabilities | | 245,435,619 | 279,226,828 |
| Financial instruments | 14 | | |
| Fair value information | 15 | | |
| Unrecognised rental and lease commitments | 16 | | |
| Assets charged and collateral | 17 | | |
| Transactions with related parties | 18 | | |
| Subsidiaries | 19 | | |

Consolidated statement of changes in equity for 2023

| | Contributed capital DKK | Translation reserve DKK | Retained earnings DKK | Equity belonging to Parent's shareholders DKK | Equity belonging to minority interests DKK |
|---------------------------|-------------------------------|-------------------------------|-----------------------------|---|--|
| Equity beginning of year | 41,000 | 0 | 57,369,062 | 57,410,062 | 41,992,322 |
| Exchange rate adjustments | 0 | (593) | 0 | (593) | (254) |
| Profit/loss for the year | 0 | 0 | (11,671,067) | (11,671,067) | (4,334,801) |
| Equity end of year | 41,000 | (593) | 45,697,995 | 45,738,402 | 37,657,267 |
| | | | | | Total DKK |
| Equity beginning of year | | | | | 99,402,384 |
| Exchange rate adjustments | | | | | (847) |
| Profit/loss for the year | | | | | (16,005,868) |
| Equity end of year | | | | | 83,395,669 |

Consolidated cash flow statement for 2023

| | Notes | 2023 DKK | 2022 DKK |
|---|-------|---------------------|----------------------|
| Operating profit/loss | | (8,895,018) | (6,257,152) |
| Amortisation, depreciation and impairment losses | | 20,361,441 | 682,148 |
| Working capital changes | 13 | 1,720,306 | 3,697,138 |
| Cash flow from ordinary operating activities | | 13,186,729 | (1,877,866) |
| Financial income received | | 251,496 | 15,904 |
| Financial expenses paid | | (5,345,363) | (439,115) |
| Taxes refunded/(paid) | | (2,983,243) | 0 |
| Cash flows from operating activities | | 5,109,619 | (2,301,077) |
| Acquisition etc. of intangible assets | | (2,000,000) | (148,620,981) |
| Acquisition etc. of property, plant and equipment | | (1,768,701) | 0 |
| Sale of property, plant and equipment | | 256,386 | 0 |
| Acquisition of fixed asset investments | | (51,838) | (2,120,653) |
| Sale of fixed asset investments | | 269,162 | 0 |
| Acquisition of enterprises | | 0 | (8,938,788) |
| Cash flows from investing activities | | (3,294,991) | (159,680,422) |
| Free cash flows generated from operations and investments before financing | | 1,814,628 | (161,981,499) |
| Loans raised | | 0 | 121,551,268 |
| Cash capital increase | | 0 | 62,045,116 |
| Contributed upon formation | | 0 | 120,000 |
| Changes in payables to other institutions | | (15,425,497) | 448,978 |
| Cash acquired through enterprises etc. | | 0 | 5,021,205 |
| Other cash flows from financing activities | | 1,000,000 | 0 |
| Cash flows from financing activities | | (14,425,497) | 189,186,567 |
| Increase/decrease in cash and cash equivalents | | (12,610,869) | 27,205,068 |
| Cash and cash equivalents beginning of year | | 27,205,068 | 0 |
| Cash and cash equivalents end of year | | 14,594,199 | 27,205,068 |

Cash and cash equivalents at year-end are composed of:

| | | |
|--|-------------------|-------------------|
| Cash | 14,594,199 | 27,205,068 |
| Cash and cash equivalents end of year | 14,594,199 | 27,205,068 |

Notes to consolidated financial statements

1 Staff costs

| | 2023 | 2022 |
|---------------------------------------|-------------------|----------------|
| | DKK | DKK |
| Wages and salaries | 16,151,974 | 532,235 |
| Pension costs | 1,500,400 | 62,674 |
| Other social security costs | 219,544 | 8,480 |
| | 17,871,918 | 603,389 |
| Average number of full-time employees | 36 | 34 |

| | Remuneration of management 2023 DKK | Remuneration of management 2022 DKK |
|--------------------|--|--|
| Executive Board | 3,915,360 | 116,960 |
| Board of Directors | 150,000 | 0 |
| | 4,065,360 | 116,960 |

2 Depreciation, amortisation and impairment losses

| | 2023 | 2022 |
|--|-------------------|----------------|
| | DKK | DKK |
| Amortisation of intangible assets | 19,443,143 | 634,156 |
| Depreciation on property, plant and equipment | 985,929 | 47,992 |
| Profit/loss from sale of intangible assets and property, plant and equipment | (67,631) | 0 |
| | 20,361,441 | 682,148 |

3 Other financial expenses

| | 2023 | 2022 |
|---|------------------|----------------|
| | DKK | DKK |
| Financial expenses from group enterprises | 1,870,426 | 57,058 |
| Other interest expenses | 4,737,145 | 140,016 |
| Exchange rate adjustments | 57,624 | 77,832 |
| Other financial expenses | 586,463 | 219,099 |
| | 7,251,658 | 494,005 |

4 Tax on profit/loss for the year

| | 2023 | 2022 |
|------------------------|---------------|--------------|
| | DKK | DKK |
| Current tax | 835,213 | 33,007 |
| Change in deferred tax | (739,000) | (30,444) |
| | 96,213 | 2,563 |

5 Proposed distribution of profit/loss

| | 2023 | 2022 |
|--|---------------------|--------------------|
| | DKK | DKK |
| Retained earnings | (11,671,067) | (4,755,055) |
| Minority interests' share of profit/loss | (4,334,801) | (1,982,761) |
| | (16,005,868) | (6,737,816) |

6 Intangible assets

| | Acquired intangible assets DKK | Acquired rights DKK | Goodwill DKK |
|---|---|------------------------------------|-------------------------|
| Cost beginning of year | 7,252,098 | 30,000,000 | 155,343,966 |
| Additions | 0 | 2,000,000 | 0 |
| Cost end of year | 7,252,098 | 32,000,000 | 155,343,966 |
| Amortisation and impairment losses beginning of year | (24,806) | (98,630) | (510,720) |
| Amortisation for the year | (801,603) | (3,107,143) | (15,534,397) |
| Amortisation and impairment losses end of year | (826,409) | (3,205,773) | (16,045,117) |
| Carrying amount end of year | 6,425,689 | 28,794,227 | 139,298,849 |

Acquired rights comprises of the acquired customer relations as a part of a purchase of an activity from a third party. The value is assessed based on the expected future profit from the activity.

7 Property, plant and equipment

| | Other fixtures and fittings, tools and equipment DKK | Leasehold improvements DKK |
|---|--|----------------------------------|
| Cost beginning of year | 6,205,246 | 2,504,456 |
| Additions | 1,768,701 | 0 |
| Disposals | (661,051) | 0 |
| Cost end of year | 7,312,896 | 2,504,456 |
| Depreciation and impairment losses beginning of year | (4,598,108) | (2,038,934) |
| Depreciation for the year | (663,766) | (322,172) |
| Reversal regarding disposals | 472,296 | 0 |
| Depreciation and impairment losses end of year | (4,789,578) | (2,361,106) |
| Carrying amount end of year | 2,523,318 | 143,350 |

8 Financial assets

| | Deposits DKK |
|------------------------------------|-----------------|
| Cost beginning of year | 944,445 |
| Additions | 51,838 |
| Disposals | (269,162) |
| Cost end of year | 727,121 |
| Carrying amount end of year | 727,121 |

9 Prepayments

Prepayments consist of other prepaid costs, including subscriptions relating to the financial year 2024.

10 Deferred tax

| | 2023 DKK | 2022 DKK |
|-------------------------------|--------------------|--------------------|
| Intangible assets | (7,371,238) | (8,168,238) |
| Property, plant and equipment | 107,000 | 115,000 |
| Receivables | 60,000 | 110,000 |
| Deferred tax | (7,204,238) | (7,943,238) |

| | 2023 DKK | 2022 DKK |
|------------------------------------|--------------------|--------------------|
| Changes during the year | | |
| Beginning of year | (7,943,238) | 0 |
| Recognised in the income statement | 739,000 | 30,444 |
| Business combinations | 0 | (7,973,682) |
| End of year | (7,204,238) | (7,943,238) |

| | 2023 | 2022 |
|---|--------------------|--------------------|
| | DKK | DKK |
| Deferred tax has been recognised in the balance sheet as follows | | |
| Deferred tax liabilities | (7,204,238) | (7,943,238) |
| | (7,204,238) | (7,943,238) |

11 Other provisions

Other provisions consist of an earnout note issued as part of the business combination with Nordiq A/S. The earnout is profit contingent, recognised as the value deemed most likely to occur.

12 Non-current liabilities other than provisions

| | Due within 12 months | Due after more than 12 months | Outstanding after 5 years |
|-------------------------------|-------------------------|-------------------------------------|------------------------------|
| | 2023 | 2023 | 2023 |
| | DKK | DKK | DKK |
| Bank loans | 16,000,000 | 64,000,000 | 0 |
| Payables to group enterprises | 0 | 43,526,927 | 0 |
| Other payables | 0 | 935,294 | 870,264 |
| | 16,000,000 | 108,462,221 | 870,264 |

13 Changes in working capital

| | 2023 | 2022 |
|--|------------------|------------------|
| | DKK | DKK |
| Increase/decrease in inventories | 5,048,180 | (80,186) |
| Increase/decrease in receivables | (934,299) | (1,285,490) |
| Increase/decrease in trade payables etc. | (2,393,575) | 5,062,814 |
| | 1,720,306 | 3,697,138 |

14 Derivative financial instruments

Other receivables comprise forward contracts with a negative fair value of TDKK 133.

The forward contracts will be settled by January-May 2024 and have been acquired to mitigate the currency risk regarding the Company's future receivables and payables abroad. By year end 2023 the contract is expected to mitigate the risk for a total of net; TUSD 844. The contracts have been entered with the Company's normal bank connections.

The forward contracts can be specified as follows:

31/12/2023:

23 contracts to buy a total of nom. TUSD 801 to exchangesrates between 666.68 - 704.61 with an end date between 16/01/2024 and 15/05/2024.

2 contracts to sell a total of nom. TUSD 43 to exchangesrates between 669.74 - 673.62 with an end date between 25/01/2024 and 15/05/2024.

15 Fair value information

| | Forward Contract DKK |
|--|-------------------------------------|
| Fair value end of year | (132,652) |
| Unrealised fair value adjustments recognised in the income statement | (132,652) |

16 Unrecognised rental and lease commitments

| | 2023 DKK | 2022 DKK |
|---|---------------------|---------------------|
| Total liabilities under rental or lease agreements until maturity | 5,639,281 | 6,184,957 |

17 Assets charged and collateral

As security for balances with Sydbank, 2 corporate mortgages of DKK 15 million and DKK 10 million are provided, comprising simple claims relating to the sale of goods and services and stocks, with a value of TDKK 52,470.

18 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

19 Subsidiaries

| | Registered in | Ownership % | Equity DKK | Profit/loss DKK |
|---|----------------------|------------------------|-----------------------|----------------------------|
| Norbert HoldCo ApS | Denmark | 70.00 | 146,577,222 | 1,412 |
| Norbert BidCo ApS - 100% owned by Nobert HoldCo ApS | Denmark | 70.00 | 134,390,549 | (4,674,079) |
| Nordiq A/S - 100% owned by Nobert BidCo ApS | Denmark | 70.00 | 41,615,718 | 8,665,902 |
| Nordiq GmbH - 100% owned by Nordiq A/S | Germany | 70.00 | 164,155 | (22,162) |

Parent income statement for 2023

| | Notes | 2023 DKK | 2022 DKK |
|---------------------------------|-------|--------------------|------------------|
| Gross profit/loss | | (77,750) | (30,000) |
| Other financial income | 1 | 2,968 | 0 |
| Other financial expenses | 2 | (1,920,770) | (134,890) |
| Profit/loss before tax | | (1,995,552) | (164,890) |
| Tax on profit/loss for the year | 3 | 439,021 | 36,276 |
| Profit/loss for the year | 4 | (1,556,531) | (128,614) |

Parent balance sheet at 31.12.2023

Assets

| | Notes | 2023 DKK | 2022 DKK |
|--|-------|--------------------|--------------------|
| Investments in group enterprises | | 102,608,527 | 102,608,527 |
| Financial assets | 5 | 102,608,527 | 102,608,527 |
| Fixed assets | | 102,608,527 | 102,608,527 |
| Joint taxation contribution receivable | | 2,498,054 | 157,342 |
| Receivables | | 2,498,054 | 157,342 |
| Cash | | 996,851 | 1,027,856 |
| Current assets | | 3,494,905 | 1,185,198 |
| Assets | | 106,103,432 | 103,793,725 |

Equity and liabilities

| | Notes | 2023 DKK | 2022 DKK |
|--|--------------|---------------------|---------------------|
| Contributed capital | | 41,000 | 41,000 |
| Retained earnings | | 60,438,972 | 61,995,502 |
| Equity | | 60,479,972 | 62,036,502 |
| Payables to group enterprises | | 43,526,927 | 41,606,157 |
| Non-current liabilities other than provisions | 6 | 43,526,927 | 41,606,157 |
| Trade payables | | 37,500 | 30,000 |
| Tax payable | | 813,460 | 33,007 |
| Joint taxation contribution payable | | 1,245,573 | 88,059 |
| Current liabilities other than provisions | | 2,096,533 | 151,066 |
| Liabilities other than provisions | | 45,623,460 | 41,757,223 |
| Equity and liabilities | | 106,103,432 | 103,793,725 |
| Employees | 7 | | |
| Contingent liabilities | 8 | | |
| Related parties with controlling interest | 9 | | |
| Transactions with related parties | 10 | | |

Parent statement of changes in equity for 2023

| | Contributed capital DKK | Retained earnings DKK | Total DKK |
|---------------------------|-------------------------------|-----------------------------|-------------------|
| Equity beginning of year | 41,000 | 61,995,503 | 62,036,503 |
| Profit/loss for the year | 0 | (1,556,531) | (1,556,531) |
| Equity end of year | 41,000 | 60,438,972 | 60,479,972 |

Notes to parent financial statements

1 Other financial income

| | 2023 | 2022 |
|-----------------------|--------------|----------|
| | DKK | DKK |
| Other interest income | 2,968 | 0 |
| | 2,968 | 0 |

2 Other financial expenses

| | 2023 | 2022 |
|---|------------------|----------------|
| | DKK | DKK |
| Financial expenses from group enterprises | 1,870,426 | 57,058 |
| Exchange rate adjustments | 50,344 | 77,832 |
| | 1,920,770 | 134,890 |

3 Tax on profit/loss for the year

| | 2023 | 2022 |
|--------------------------------------|------------------|-----------------|
| | DKK | DKK |
| Refund in joint taxation arrangement | (439,021) | (36,276) |
| | (439,021) | (36,276) |

4 Proposed distribution of profit and loss

| | 2023 | 2022 |
|-------------------|--------------------|------------------|
| | DKK | DKK |
| Retained earnings | (1,556,531) | (128,614) |
| | (1,556,531) | (128,614) |

5 Financial assets

| | Investments in group enterprises DKK |
|------------------------------------|---|
| Cost beginning of year | 102,608,527 |
| Cost end of year | 102,608,527 |
| Carrying amount end of year | 102,608,527 |

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

6 Non-current liabilities other than provisions

| | Due after more than 12 months 2023 DKK |
|-------------------------------|---|
| Payables to group enterprises | 43,526,927 |
| | 43,526,927 |

The outstanding amount on payables to group enterprises after 5 years is DKK 0.

7 Employees

The Entity has no employees other than the Executive Board. The Executive Officer has not received any remuneration.

8 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed Entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

9 Related parties with controlling interest

TopCo FIII Holding GmbH, München, owns all shares in the Entity, thus exercising control.

Hans Hermann Freudenberg, Deutschland, has 51% of the voting rights in Norbert Acquisition ApS, thus exercising control.

10 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Non-comparability

The Entity's first financial year was 2022 and covered only a period of 37 days. Therefore, the financial year is not comparable to 2022.

Recognition and measurement

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

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

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

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

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

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised in intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful lives. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value, which has been calculated as the discounted value of expected future net cash flows by using an approximate risk-free interest rate adjusted for any factors that a potential market participant would attribute value to when acquiring the instrument. Derivative financial instruments are recognised in other receivables or other payables.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods, other operating income, costs of raw materials and consumables and external expenses.

Revenue

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

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and normal writedowns of the relevant inventories.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for Entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities.

Other financial income

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

Other financial expenses

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

Tax on profit/loss for the year

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

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

Balance sheet**Goodwill**

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For other amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and the extent to which the goodwill amount includes time-limited intangible resources that it has not been possible to separate and recognise as separate assets.

The useful life of goodwill have been determined to 10 years.

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

Intellectual property rights etc.

Intellectual property rights etc. comprise acquired rights related to business combinations and property rights of software solutions.

Intellectual property rights acquired are measured at cost less accumulated amortisation and are amortised on a straight-line basis over a 3-10 years period.

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

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

| | Useful life | Residual value |
|--|--------------------|-----------------------|
| Other fixtures and fittings, tools and equipment | 2-5 years | 0-40 % |
| Leasehold improvements | 2-5 years | 0 % |

Estimated useful lives and residual values are reassessed annually.

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

Investments in group enterprises

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

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value. Cost consists of purchase price plus delivery costs.

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

Receivables

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

Joint taxation contributions payable or receivable

Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Minority interests

On initial recognition, minority interests are measured at the minority interests' share of the acquiree's net assets measured at fair value. No goodwill related to the minority interests' equity interests in the acquiree is recognised.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Other provisions

Other provisions comprise anticipated costs of decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

On acquisition of enterprises and investments in group enterprises, provisions are made for costs relating to restructuring in the acquired enterprise that were decided and published at the acquisition date at the latest.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Tax payable or receivable

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

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.