Project Astro Bidco A/S

C/O Re-Match Holding A/S, HI-Park 415, DK-7400 Herning

Annual Report for
24 February - 31 December 2023

CVR No. 43 87 58 92

The Annual Report was presented and adopted at the Annual General Meeting of the company on 27/6 2024

Henrik Laursen
Chairman of the general meeting

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Contents

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Project Astro Bidco A/S for the financial year 24 February - 31 December 2023.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023.

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

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

Herning, 21 June 2024

Executive Board

Christian Ørum Madsen
Manager

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 shareholders of Project Astro Bidco A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 24 February - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Project Astro Bidco A/S for the financial year 24 February - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

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

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

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

Management's responsibilities for the Financial Statements

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

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

Independent Auditor's report

Auditor’s responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group´s and the Parent Company´s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group´s and the Parent Company´s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Independent Auditor's report

Hellerup, 21 June 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jacob Brinch	Kasper Ladekjær
State Authorised Public Accountant	State Authorised Public Accountant
mne35447	mne50738

Company information

The Company	Project Astro Bidco A/S C/O Re-Match Holding A/S HI-Park 415 7400 Herning CVR No: 43 87 58 92 Financial period: 24 February - 31 December Municipality of reg. office: Ikast-Brande
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 Strandvejen 44 DK-2900 Hellerup

Group Chart

Company	Residence	Ownership
Project Astro Bidco A/S	**Herning, Denmark**	
Re-Match Holding A/S	Herning, Denmark	100%
Re-Match A/S	Herning, Denmark	100%
Re-Match Netherlands B.V.	Tiel, Holland	100%
Re-Match (UK) Limited	London, UK	100%
Re-Match AS	Oslo, Norge	100%
Re-Match USA, Inc.	New Castle, Delaware, USA	100%
Re-Match France	Strasbourg, France	60%

Financial Highlights

Seen over a 1-year period, the development of the Group is described by the following financial highlights:

	Group
	2023
	TDKK 10 months
Key figures	
Profit/loss	
Gross profit/loss	-39,246
Profit/loss of primary operations	-68,994
Profit/loss of financial income and expenses	-6,270
Net profit/loss for the year	-75,264
Balance sheet	
Balance sheet total	211,674
Investment in property, plant and equipment	13,586
Equity	60,649
Cash flows	
Cash flows from:	
- operating activities	-25,454
- investing activities	-143,458
- financing activities	193,133
Change in cash and cash equivalents for the year	24,221
Number of employees	73
Ratios	
Return on assets	-32.6%
Solvency ratio	28.7%
Return on equity	-248.2%

Management's review

Key activities

Project Astro Bidco A/S is a holding company for the company Re-Match. Re-Match has developed a patented and certified process that uses state-of-the-art machinery to recycle worn-out artificial turf pitches. It turns what would otherwise be a waste problem with a significant negative environmental impact into clean and separated end products that can replace virgin products in the installation of new pitches or for use in other industries.

The business model is to collect worn-out artificial sports pitches, retrieving a gate fee, followed by a patented mechanical separation process, after which it is possible to sell and distribute fibres, sand, and rubber individually.

Development in the year

2023 turned out to be a year of substantial strategic improvements for Re-Match; the new factory in Tiel, Netherlands, started operations early in the year, the ownership structure was strengthened significantly, the building of the third factory in Erstein, France has made impressive progress and started up production as expected in Q1 2024. Furthermore, we had a major breakthrough with the "yarn-to-yarn" project. As the first turf recycler ever, we have developed a proprietary process that successfully converts plastic fibres into a resin that fully meets the demands of high-quality turf yarns. It is an industry-leading innovation that brings the upcycled content in new turf yarns to an unprecedented level of 50%.

Patents are pending to protect this new, important innovation.

The investments needed to succeed with new factories and product development throughout 2023 have naturally been quite substantial considering the size of the Re-Match business. This has only been possible to follow through with dedication and hard work from all employees and with a strong back-up from the owners.

The business has shown a steep increase in activities since the beginning of Q2 2023 - with more to come in 2024 with improved performances from both the Danish and Dutch factories and adding to that the upcoming business of Re-Match France.

The financial performance has been limited by the high levels of front-end stock that Re-Match entered the fiscal year with both in Denmark and the Netherlands. The stock levels have limited the capacity to operate at full, normal activity during the season, and thus reduced the budgeted revenue significantly. On the positive side Re-Match has, with a strong focus on the back-end products, during the year been able to qualify these products at many new customers both within the artificial turf business as well as major industrial consumers of rubber, sand and polymer granules, and in this way been able to substantiate the commercial basis for the business going forward.

Going in to 2023 the expectations to selling large quantities of plastic fibres for acoustic panels were quite high. Unfortunately, through the year these expectations were never met as the market changed notable, opening up the European market for imports of, apparently, substituting products from Asia.

Tiel factory
The year of 2023 has been a ramp-up year for the new blue-print factory in Tiel. Following an initial, successful ramp-up, we began to experience setbacks due to difficulties of recruiting employees and challenges in getting the downtime reduced as planned.
However, during Autumn the factory passed the first milestone of hitting a throughput, that under normalized conditions, generated a cash-positive result in 3 consecutive months. During the last part of 2023, the factory has had planned downtime due to intentional maintenance and implementation of additional important machinery that was not part of the main machinery deliveries. The quality of the products produced has since the beginning showed a very high and consistent quality.

Management's review

Herning factory
As planned, the production in Herning was resumed in April 2023, after a production shut-down during the Winter months, and as planned with higher production volumes as a result of the improvements performed during the shut-down. However, due to the shut-down Re-Match was not able to take in the normal amount of worn-out artificial turf pitches in 2023, this resulting in a much lower revenue hence the reduced market activity.

Other factories
In the French Joint Venture, the organisation is now commissioning all the machinery following an installation period going exactly as planned.

Throughout the year, Eric Levresse (CEO of Re-Match France) and his team have onboarded key employees and prepared the market by engaging with relevant stakeholders within and outside the turf industry. The ground-breaking happened in March 2023 and the first artificial turf was recycled in Q1 2024.

In US, a site for the first Re-Match factory outside Europe was secured in 2022. By the end of 2023 Re-Match US Inc. received all relevant permits and expects to start construction of the new factory in 2024/2025. This factory will be designed and constructed based on the blue-print for Re-Match factories with the learnings from the factories in Tiel and Erstein incorporated.

The revenue for 2023 on a group basis ended at DKK 48.770t. Despite the temporary, partial production shutdown in Denmark and the full pitch storages, Re-Match managed to grow the revenue significantly compared to last year.

Targets and expectations for the year ahead

Re-Match expects that 2024 will bring significant improvements to the financial and operational performance as the ramp-up of production at the Tiel factory progresses and the Herning factory will continue its progress. Improved prices on both front- and back-end materials will also contribute positively, as will the newly market-introduced granules from recycled plastic fibres for the yarn-to-yarn applications as well as other important applications in the market.

The Tiel factory will continue to produce progressively more recycled material from artificial turf that can be sold for use in new products or in new artificial turf pitches. This will have a significant positive effect on revenue in 2024, while costs will not increase proportionally. It is expected that the Tiel factory will reach cashflow positive during 2024.

For the Herning factory, it is expected that the financial performance will continue to improve in 2024 on a month-by-month basis as well. Combined with the current trend of increasing prices and commercial agreements, it is expected that the Herning factory will operate on a level that will ensure a positive gross profit as the revenue from the front-end activities are expected to grow substantially this year.As these lines are being written the very first rolls of artificial turf pitches are processed in the new factory in Erstein, fully on-track with the planned timeline.

A lengthy ramp-up phase lies ahead where all of the learnings made from the factory in Tiel has been incorporated in order to secure an efficient ramp-up.

Looking a bit further into the horizon, the next factory after the French factory will be built in the US. The first factory in the US is planned to be built in Pennsylvania, where a site was secured during 2022. During 2023 Re-Match has secured the permits needed and after paying the needed deposit to The Pennsylvania Department of Environmental Protection (DEP) the first pitches from an external storage have been transferred to our facility.

Preparations are made to initiate the construction process late 2024 or early 2025. Before initiating the construction of the factory and finalizing the design of the machinery, we will ensure that the learnings from the initial ramp-up in Erstein are incorporated into the design and ramp-up plan of the first US factory.

Management's review

Research and development

The company has successfully finalized the development of a method to create yarn from re-used pitch material. This project has been finalized in the first quarter of 2024.

External environment

As a recycler, the maximisation of the commercial value of materials and sales volume are the most crucial factors for the environmental performance of our business.

In 2023 we recycled the equivalent of 197 standard pitches, equivalent to avoiding carbon emissions by approximately 43,438t compared to incineration.

Branches abroad

Re-Match started in 2023 to produce in a factory in Tiel, Holland. In 2024 the production in Erstein, France (JV) started as well. The two companies are independent legal entities and have a full organization.

Uncertainty relating to recognition and measurement

Capitalisation of costs for development projects
Initial capitalization of costs is based on Management’s judgement that technological and economic feasibility is confirmed. Management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits when determining the amount to be capitalized.

Value of financial assets
The value of the subsidiary is based on Management’s judgement that technological and economic feasibility is confirmed, so that the investment in the subsidiary will earn its invested value back. Management makes assumptions regarding the expected future cash generation of the subsidiary and calculates future payback based on budgets and DCF models. This determines the value of the financial assets.

Unusual events

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

Subsequent events

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

Income statement 24 February - 31 December

	Note	Group 2023 DKK 10 months	Parent company 2023 DKK 10 months
Gross profit/loss	2	**-39,246,257**	**-14,938,459**
Staff expenses	3	-25,495,093	0
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	4	-4,252,764	0
Profit/loss before financial income and expenses		**-68,994,114**	**-14,938,459**
Income from investments in participating interests		-922,981	0
Financial income		5,997,169	0
Financial expenses		-11,344,368	-273,212
Profit/loss before tax		**-75,264,294**	**-15,211,671**
Tax on profit/loss for the year		0	0
Net profit/loss for the year	5	**-75,264,294**	**-15,211,671**

Balance sheet 31 December

Assets

	Note	Group	Parent company
		2023	2023
		DKK	DKK
Completed development projects		88,572	0
Acquired patents		3,486,279	0
Acquired licenses		2,258,443	0
Development projects in progress		18,734,757	0
Intangible assets	6	**24,568,051**	**0**
Plant and machinery		91,483,704	0
Other fixtures and fittings, tools and equipment		546,189	0
Leasehold improvements		4,324,011	0
Prepayments for property, plant and equipment		316,376	0
Property, plant and equipment	7	**96,670,280**	**0**
Investments in subsidiaries	8	0	279,610,423
Investments in joint ventures	9	8,369,907	0
Receivables from participating interests	10	5,823,358	0
Deposits	10	2,850,170	0
Fixed asset investments		**17,043,435**	**279,610,423**
Fixed assets		**138,281,766**	**279,610,423**
Inventories	11	**8,324,964**	**0**
Trade receivables		5,001,862	0
Receivables from group enterprises		0	66,450,000
Other receivables		32,152,033	12,003,071
Prepayments	12	3,691,977	0
Receivables		**40,845,872**	**78,453,071**
Cash at bank and in hand		**24,221,110**	**7,870,951**
Current assets		**73,391,946**	**86,324,022**
Assets		**211,673,712**	**365,934,445**

Balance sheet 31 December

Liabilities and equity

	Note	Group 2023	Parent company 2023
		DKK	DKK
Share capital		58,626,286	58,626,286
Share premium account		0	0
Retained earnings		2,022,791	299,008,555
Equity		**60,649,077**	**357,634,841**
Other payables		27,792,338	0
Deferred income		21,127,405	0
Long-term debt	13	**48,919,743**	**0**
Trade payables		14,524,520	0
Payables to group enterprises		8,299,604	8,299,604
Other payables	13	67,587,768	0
Deferred income	13, 14	11,693,000	0
Short-term debt		**102,104,892**	**8,299,604**
Debt		**151,024,635**	**8,299,604**
Liabilities and equity		**211,673,712**	**365,934,445**

Uncertainty relating to recognition and measurement	1
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Statement of changes in equity

Group

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Cash payment concerning formation of entity	40,000	240,000	0	280,000
Cash capital increase	58,586,286	313,980,226	0	372,566,512
Net profit/loss for the year	0	0	-75,264,294	-75,264,294
Transfer from share premium account	0	-314,220,226	77,287,085	-236,933,141
Equity at 31 December	**58,626,286**	**0**	**2,022,791**	**60,649,077**

Parent company

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Cash payment concerning formation of entity	40,000	240,000	0	280,000
Cash capital increase	58,586,286	313,980,226	0	372,566,512
Net profit/loss for the year	0	0	-15,211,671	-15,211,671
Transfer from share premium account	0	-314,220,226	314,220,226	0
Equity at 31 December	**58,626,286**	**0**	**299,008,555**	**357,634,841**

Cash flow statement 24 February - 31 December

	Note	Group 2023 DKK 10 months
Result of the year		-75,264,294
Adjustments	15	10,522,944
Change in working capital	16	44,634,452
Cash flow from operations before financial items		**-20,106,898**
Financial income		5,997,169
Financial expenses		-11,344,368
Cash flows from operating activities		**-25,454,097**
Purchase of intangible assets		-25,121,671
Purchase of property, plant and equipment		-100,369,424
Fixed asset investments made etc		-17,966,416
Cash flows from investing activities		**-143,457,511**
Repayment of payables to group enterprises		8,299,604
Repayment of other long-term debt		48,919,743
Cash capital increase		372,846,512
Other equity entries		-236,933,141
Cash flows from financing activities		**193,132,718**
Change in cash and cash equivalents		**24,221,110**
Cash and cash equivalents at 31 December		**24,221,110**
Cash and cash equivalents are specified as follows:		
Cash at bank and in hand		24,221,110
Cash and cash equivalents at 31 December		**24,221,110**

Notes to the Financial Statements

1. Uncertainty relating to recognition and measurement

Critical accounting judgements and key sources of estimation uncertainty

As part of the preparation of the Financial Statements, Management makes a number of accounting estimates and assumptions as a basis for recognising and measuring the Group's assets, liabilities, income and expenses as well as judgements made in applying the entity's accounting policies. The estimates, judgements and assumptions made are based on experience gained and other factors that are considered prudent by Management in the circumstances, but which are inherently subject to uncertainty and volatility.

The assumptions may be incomplete or inaccurate, and unforeseen events or circumstances may occur, for which reason the actual results may differ from the estimates and judgements made. The accounting policies are described in detail in note 18 to the Financial Statements to which we refer.

Management considers the following accounting estimates and judgements to be significant in the preparation of the Financial Statements.

Value of financial assets

The company has invested in its subsidiary, Re-Match Holding A/S, as of March 1, 2023. During the financial year of 2023, the capital was increased herein. Management's assessment is that there is no impairment required in the subsidiary as of December 31, 2023.

The value of the subsidiary, Re-Match Holding A/S, is based on Management's judgment that the technological and economic feasibility of the Re-Match technology and concept is confirmed. In the valuation, Management's assumptions regarding the expected future cash generation of the subsidiary, and consequently future cash flows, determine the value of the financial assets

	Group	Parent company
	2023	2023
	DKK	DKK
2. Special items		
Special items consist of costs to external advisors and investment banks in relation to the de-listing from the Danish stock exchange. Special items are recognised as "Other external expenses" in the income statement	12,761,428	0
	12,761,428	**0**

Notes to the Financial Statements

		Group	Parent company
		2023	2023
		DKK 10 months	DKK 10 months
3.	**Staff Expenses**		
	Wages and salaries	20,145,576	0
	Pensions	4,714,336	0
	Other social security expenses	237,514	0
	Other staff expenses	397,667	0
		25,495,093	**0**
	Including remuneration to the Executive Board and Board of Directors:		
	Executive board	1,118,038	0
	Board of directors	411,572	0
		1,529,610	**0**
	Average number of employees	**73**	**0**

		Group	Parent company
		2023	2023
		DKK 10 months	DKK 10 months
4.	**Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment**		
	Amortisation of intangible assets	553,620	0
	Depreciation of property, plant and equipment	3,699,144	0
		4,252,764	**0**

		Parent company
		2023
		DKK
5.	**Profit allocation**	
	Retained earnings	-15,211,671
		-15,211,671

6. Intangible fixed assets

Group

	Completed development projects	Acquired patents	Acquired licenses	Development projects in progress
	DKK	DKK	DKK	DKK
Cost at 24 February	0	0	0	0
Net effect from merger and acquisition	7,011,968	4,534,317	2,806,891	10,725,015
Additions for the year	0	468,075	1,136,575	8,009,742
Cost at 31 December	7,011,968	5,002,392	3,943,466	18,734,757
Impairment losses and amortisation at 24 February	0	0	0	0
Net effect from merger and acquisition	6,619,280	1,104,534	1,132,929	0
Amortisation for the year	304,116	411,579	552,094	0
Impairment losses and amortisation at 31 December	6,923,396	1,516,113	1,685,023	0
Carrying amount at 31 December	**88,572**	**3,486,279**	**2,258,443**	**18,734,757**

Completed development projects relate to the development of plastic recycling. Management has an expectation of positive earnings from the project.

It is Management's assessment that the expected useful lives of the finite-lived assets, as well as the expected future revenue streams from the assets, are sufficient to cover the value of recognised developed projects at the reporting date.

Notes to the Financial Statements

7. Property, plant and equipment

Group

	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements	Prepayments for property, plant and equipment
	DKK	DKK	DKK	DKK
Cost at 24 February	0	0	0	0
Net effect from merger and acquisition	92,909,382	1,719,107	3,549,826	0
Additions for the year	10,709,246	63,782	2,496,609	316,376
Disposals for the year	1,339,867	0	0	0
Cost at 31 December	104,958,495	1,782,889	6,046,435	316,376
Revaluations at 24 February	0	0	0	0
Net effect from merger and acquisition	-9,838,497	-895,023	-1,240,029	0
Revaluations at 31 December	-9,838,497	-895,023	-1,240,029	0
Impairment losses and depreciation at 24 February	0	0	0	0
Depreciation for the year	3,636,294	341,677	482,395	0
Impairment losses and depreciation at 31 December	3,636,294	341,677	482,395	0
Carrying amount at 31 December	**91,483,704**	**546,189**	**4,324,011**	**316,376**

Notes to the Financial Statements

	Parent company
	2023
	DKK

8. Investments in subsidiaries

Cost at 24 February	0
Additions for the year	279,610,423
Cost at 31 December	279,610,423
Carrying amount at 31 December	**279,610,423**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership	Equity	Net profit/loss for the year
Re-Match Holding A/S	Herning, Denmark	36.563.739	100%	-51,408,908	-191,052,548
Re-Match A/S	Herning, Denmark	400.000	100%	-25,763,401	-25,130,142
Re-Match Netherlands B.V.	Tiel, Holland	745	100%	-103,764,260	-61,250,444
Re-Match AS	Oslo, Norge	19.890	100%	-118,356	-35,273
Re-Match USA, Inc.	New Castle, Delaware, USA	674	100%	-23,770,973	-7,827,343
Re-Match (UK) Limited	London, UK	858	100%	-54,734	-1,253
				-204,880,632	**-285,297,003**

Notes to the Financial Statements

	Group	Parent company
	2023	2023
	DKK	DKK
9. Investments in joint ventures		
Cost at 24 February	0	0
Net effect from merger and acquisition	8,369,907	0
Cost at 31 December	8,369,907	0
Carrying amount at 31 December	**8,369,907**	**0**

Investments in joint ventures are specified as follows:

Name	Place of registered office	Share capital	Owner-ship	Equity	Net profit/loss for the year
Re-Match France	Strasbourg, France	19.004.895	60%	13,949,846	-1,571,773
				13,949,846	**-1,571,773**

The Group has a 60% (2022: 60%) interest in a joint venture in France, Re-Match France. The Group's interest in Re-Match France is accounted for using the equity method in the Consolidated Financial Statements.

Notes to the Financial Statements

10. Other fixed asset investments

Group

	Receivables from participating interests	Deposits
	DKK	DKK
Cost at 24 February	0	0
Net effect from merger and acquisition	5,823,358	2,850,170
Cost at 31 December	5,823,358	2,850,170
Carrying amount at 31 December	**5,823,358**	**2,850,170**

The Group has made a convertible loan available to Re-Match France in an amount of EUR 880,000, which is not bearing interest. It has been included in other financial assets and classified as financial assets at fair value through profit or loss.

The EUR 880t convertible bonds investment in the joint venture is measured at fair value through profit or loss at an amount of DKK 0t as of 31st of December 2023 (31st of December 2022: DKK 0t). The bond bears no interest and can currently be converted into shares resulting in an increase in the ownership percentage from 60 to 96. Following such conversion, the partner has the right to subscribe for such a number of shares at the same issue price as the conversion price in the convertible bond to retain that the pre-conversion ownership percentage, 40, is retained.

Consequently, Re-Match will either obtain control upon conversion or additional capital will be contributed to the entity resulting in increased earnings in the entity. On this basis, Management has considered the convertible bond to have the nature of a demand deposit and consequently measured it at its nominal amount.

Fair value is determined based on level 3 input.

	Group	**Parent company**
	2023	2023
	DKK	DKK
11. Inventories		
Finished goods and goods for resale	8,324,964	0
	8,324,964	**0**

12. Prepayments

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

	Group	Parent company
	2023	2023
	DKK	DKK

13. Long-term debt

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

The debt falls due for payment as specified below:

	Group 2023 DKK	Parent company 2023 DKK
Other payables		
After 5 years	0	0
Between 1 and 5 years	27,792,338	0
Long-term part	27,792,338	0
Other short-term payables	67,587,768	0
	95,380,106	**0**
Deferred income		
After 5 years	0	0
Between 1 and 5 years	21,127,405	0
Long-term part	21,127,405	0
Other deferred income	11,693,000	0
	32,820,405	**0**

14. Deferred income

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

15. Cash flow statement - Adjustments

	Group 2023 DKK 10 months
Financial income	-5,997,169
Financial expenses	11,344,368
Depreciation, amortisation and impairment losses, including losses and gains on sales	4,252,764
Income from investments in participating interests	922,981
	10,522,944

Notes to the Financial Statements

16. Cash flow statement - Change in working capital

	Group 2023 DKK 10 months
Change in inventories	-8,324,964
Change in receivables	-40,845,872
Change in trade payables, etc	93,805,288
	44,634,452

17. Contingent assets, liabilities and other financial obligations

	Group 2023 DKK	Parent company 2023 DKK
Charges and security		
The following assets have been placed as security with bankers:		
As security for debt to other credit institutions and other debt, totalling DKK 19,500t the Company has been granted a company charge of which the carrying amount accounts for DKK 2,253t of December 2023.	2,253,000	0
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	527,880	0
Between 1 and 5 years	32,283	0
	560,163	**0**

18. Related parties

	Basis
Controlling interest	
Ortsa Holdco AB	50-66%

Transactions

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

There have been no transactions with the Supervisory Board, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions and normal management remuneration.

Notes to the Financial Statements

19. Subsequent events

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

Notes to the Financial Statements

20. Accounting policies

The Annual Report of Project Astro Bidco A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The Financial Statements are presented in Danish kroner (DKK).

For the purpose of clarity, the Financial Statements and the notes to the Financial Statements are prepared using the concepts of materiality and relevance. This means that line items not considered material in terms of quantitative and qualitative measures or relevant to financial statement users are aggregated and presented together with other items in the Financial Statements. Similarly, information not considered material is not presented in the notes.

The accounting policies, except as described below, have been applied consistently during the financial year and for the comparative figures.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Project Astro Bidco A/S (The Parent), and subsidiaries which are entities controlled by Re-Match Holding A/S. The Group controls an entity when it directly or indirectly owns more than 50% of the voting rights or may otherwise exercise a controlling influence.

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 items of a uniform nature and subsequently eliminating intercompany transactions, internal shareholdings and balances and unrealised intercompany gains or losses. The Financial Statements used for consolidation are prepared in accordance with the Group's accounting policies.

The line items of subsidiaries are recognised 100% in the Consolidated Financial Statements. Investments in subsidiaries are offset by the interest's share of subsidiaries' net assets at the acquisition date at fair value.

Leases

When entering into an agreement, the Group assesses whether an agreement is a lease agreement or contains a lease element.

The right-of-use asset is measured at cost, which is calculated as the present value of the lease obligation plus any direct costs related to the entering into of the lease and prepaid lease payments.

The right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the useful life of the asset.

The Group leases properties which include a service element in the payments to the lessor. This service is deducted from the lease payment when measuring the lease obligation. Where the Group cannot reliably separate lease and non-lease items, it is considered a single lease payment.

Short-term leases with a maximum lease term of 12 months and leases where the underlying asset has a low value are not recognised in the statement of financial position.

The lease term is defined as the non-cancellable period of a lease together with periods covered by options to extend the lease if it is reasonably certain that the options will be exercised, and periods covered by options to terminate the lease if it is reasonably certain that the options will not be exercised. A number of leases contain extension and termination options in order to guarantee operational flexibility in managing the leases.

The lease obligation, which is recognised in “Lease liabilities”, is measured at the present value of the remaining lease payments, discounted by the Group’s incremental loan interest rate if the implicit interest rate is not stated in the lease agreement or cannot reasonably be determined. The lease obligation is subsequently adjusted if:

– The value of the index or interest rate on which the lease payments are based changes.
– There is a change in the expectations related to exercise of options to extend or shorten the lease period due to a material event or material change in circumstances which are within the control of the lessee.
– The lease term is changed as a result of exercising an option to extend or shorten the lease term.

Subsequent adjustments of the lease obligation are recognised as a correction to the right-of-use asset. However, if the right-of-use asset has a value of DKK 0, a negative reassessment of the right-of-use asset is recognised in the statement of profit or loss.

Translation policies

Transactions denominated in currencies other than the functional currency are considered transactions in foreign currency.

On initial recognition, transactions nominated in foreign currencies are translated to the functional currency at the exchange rates at the transaction date. Foreign exchange rate adjustments arising between the transaction date and the date of payment are recognised in the statement of profit or loss in financial income or financial expenses.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates at the reporting date. The difference between the exchange rates at the reporting date and at the date of transaction or the exchange rate in the latest Financial Statements is recognised in the statement of profit or loss in financial income or financial expenses.

Notes to the Financial Statements

Income statement

Revenue

The Group 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 Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

The Group 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 pitches (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 pitches are cut up to be removed.
Transport can be both transport of old pitches 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 Group 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 include the raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses comprise sales and marketing costs, external consultancy costs, other employee-related costs, IT and software costs, investor relations costs, loss allowances for doubtful trade receivables and other administrative expenses.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income and other external expenses.

Staff expenses

Staff costs consist of salaries, sales commissions, bonuses, pensions and social costs, share-based payments, vacation pay, and other benefits. Salaries, bonuses, pensions and social costs, share-based payments, vacation pay, and other benefits are recognised in the year in which the associated services are rendered by the employees. The Group has entered into retirement benefits schemes and similar agreements with employees. Contributions to defined contribution plans are recognised in the statement of profit or loss in the period to which they relate, and any contributions outstanding are recognised in the statement of financial position as other liabilities.

Amortisation, depreciation and impairment losses

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

Income from investments in participating interests

The item "Income from investments in participating interests" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses include interest income, interest expense, amortisation of borrowing costs and realised and unrealised exchange gains and losses.

Tax on profit/loss for the year

Tax on the profit or loss for the year comprises the year's current tax and changes in deferred tax. The tax expense relating to the profit or loss for the year is recognised in the statement of profit or loss, and the tax expense relating to items recognised in other comprehensive income and directly in equity, respectively, is recognised in other comprehensive income or directly in equity. Exchange rate adjustments of deferred tax are recognised as part of the adjustment of deferred tax for the year.

Current tax payable and receivable is recognised in the statement of financial position as the expected tax on the taxable income for the year, adjusted for tax paid on account. The current tax charge for the year is calculated based on the tax rates and rules enacted at the statement of financial position date.

Re-Match Holding A/S and Re-Match A/S is included in a national joint taxation with its Parent. The tax charge for the year is allocated between the Danish jointly taxed companies in proportion to their taxable income, taking taxes paid into account.

Balance sheet

Intangible fixed assets

Development projects

Intangible assets with determinable useful lives comprise completed and in -progress development projects, patents and software and are measured at cost less accumulated amortisation and impairment losses. Completed development projects by the Group are recognised as an asset if the cost of development is reliably measurable and an analysis shows that future economic benefits exceed the cost.

Furthermore, development costs are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the asset so that it will be available for use
- Management intends to complete the asset and use or sell it
- there is an ability to use or sell the asset
- it can be demonstrated how the asset will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the asset are available, and
- the expenditure attributable to the asset during its development can be reliably measured.

Cost is defined as development costs incurred to the development of plastic upcycling processes and consists primarily of direct salaries and other directly attributable costs.

Amortisation and impairment charges are recognised in the statement of profit or loss.

Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the expected useful life on a straight-line basis. During the period of development, the asset is tested for impairment annually.

Other intangible fixed assets

Expected useful lives are reassessed regularly. The Group regularly reviews the carrying amounts of its finite-lived intangible assets to determine whether there is an indication of an impairment loss. Intangible assets are amortised on a straight-line basis over the expected useful lives of the finite-lived assets, which are as follows

– Patents: 5-20 years
– Software: 5 years

Property, plant and equipment

Investment properties

Investment properties constitute land and buildings held to earn a return on the invested capital by way of current operating income and/or capital appreciation on sale.

On acquisition investment properties are measured at cost comprising the acquisition price and costs of acquisition. The cost of own constructed assets comprises the acquisition price and expenses directly related to the acquisition, including costs of acquisition and indirect expenses for labour, materials, components and supsuppliers up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of properties are recognised in cost over the construction period.

After the initial recognition investment properties are measured at cost net of depreciation and impairment losses.

Property, plant and equipment comprise plant and machinery, leasehold improvements and other fixtures and fittings, tool and equipment. Plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Plant and machinery and fixtures and fittings, tools and equipment, are depreciated on a straight-line basis over the expected useful lives of the finite-lived assets, which are as follows:

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

Impairment of fixed assets

Property, plant and equipment is tested for impairment if indications of impairment exist. Property, plant and equipment are written down to their recoverable amount if the carrying amount exceeds the higher of the fair value less costs to sell and the value in use. Depreciation and impairment charges are recognised in the statement of profit or loss.

Investments in participating interests

The Group's investment in its joint venture is accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately. The statement of profit or loss reflects the Group's share of the results of operations of the joint venture. Any change in other comprehensive income (OCI) of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture. The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the joint venture. The Financial Statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and it's carrying value, and then recognises the loss within 'Share of profit of a joint venture' in the statement of profit or loss. Upon joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Other fixed asset investments

Other fixed asset investments consist of deposits. On initial recognition, deposits are measured at fair value and subsequently at amortised cost less impairment losses, if any.

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.

Notes to the Financial Statements

Receivables

Provision for bad debts is made when the Group does not expect to collect all amounts due. The provision is determined by individually assessing them for likelihood of recovery. The provision reflects lifetime expected credit losses, i.e., possible default events over the expected life of the trade receivables, weighted by the probability of that default occurring. Judgement has been applied in determining the level of provision for expected credit losses, taking into account the credit risk characteristics of customers and the likelihood of recovery assessed on a combination of collective and individual basis as relevant. While the provision is considered appropriate, changes in estimation basis or in economic conditions could lead to a change in the level of provision recorded and consequently on the charge or credit to profit or loss.

For trade receivables relating to accounts which are long overdue with significant amounts or known insolvencies or non-response to collection activities, they are assessed individually for impairment allowance. The Group determines the provision for expected credit losses by evaluating each customer individually and assessing them for likelihood of recovery, taking into account prevailing economic conditions and forward -looking assumptions.

The Group measures the loss allowance for trade receivables at an amount equal to the lifetime expected credit losses. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to its recognised amount is recognised in profit or loss, as an impairment loss or a reversal of an impairment loss. Trade and other receivables are written off (either partially or in full) when there is no reasonable expectation of recovery.

However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

The costs of allowances for bad debts and write-offs for trade receivables are recognised in the statement of profit or loss in other external expenses.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred tax is calculated using the liability method on all temporary differences between the accounting and taxable values of assets and liabilities.

Deferred tax assets are assessed yearly and only recognised to the extent that it is more likely than not that they can be utilised. Deferred tax assets, including the tax value of tax losses carried forward, are recognised as other non-current assets and measured at the amount at which they are expected to be realised, either by setting off deferred tax liabilities or by setting off tax on future earnings within the same legal entity or a jointly taxed entity.

Deferred tax is measured based on the tax legislation and statutory tax rates in the respective countries that will apply under the legislation in force on the statement of financial position date when the deferred tax asset is expected to crystallise as current tax. Changes in deferred tax resulting from changes in tax rates are recognised in the statement of profit or loss.

The Group recognises deferred tax assets relating to losses carried forward when Management finds that these can be offset against taxable income in the foreseeable future. An assessment is made taking into consideration the effect of restrictions in utilisation in local tax legislation. Future taxable income is assessed based on budgets as well as Management's expectations regarding growth and operating margin in the coming years.

Financial liabilities

Interest -bearing liabilities are measured at amortised cost.

Notes to the Financial Statements

Other payables include bonus and commission accruals, vacation pay obligations, payroll taxes and VAT. Payables are measured at cost.

Cash Flow Statement

The cash flow statement is presented using the indirect method and shows cash flows from operating, investing and financing activities for the year as well as the Group's cash and cash equivalents at the beginning and end of the financial year.

Cash flows from operating activities

Cash flows from operating activities are calculated based on operating profit/loss, adjusted for the cash flow effect of non-cash operating items, working capital changes, financial expenses paid and income tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with the acquisition and sale of non-current intangible assets, property, plant and equipment, and financial assets.

Cash flows from financing activities

Cash flows from financing activities comprise payments arising from changes in the size or composition of the Group's share capital and dividend paid. Cash and cash equivalents comprise cash at bank and in hand.

Financial Highlights

Explanation of financial ratios

Return on assets	Profit/loss of ordinary primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity