

CemGreen ApS

Humlemarken 2A, 9500 Hobro

Company reg. no. 37 94 38 43

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 30 June 2025.

Lasse Nørbye Døssing
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's statement	1
Independent auditor's report	2
Management's review	
Company information	5
Management's review	6
Financial statements 1 January - 31 December 2024	
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11
Accounting policies	14

Notes:

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

Management's statement

Today, the Executive Board has approved the annual report of CemGreen ApS for the financial year 1 January - 31 December 2024.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

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

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

Hobro, 30 June 2025

Executive board

Lasse Nørbye Døssing

Stefan Mandix Larsen

Martin Hagsted Rasmussen

Independent auditor's report

To the Shareholders of CemGreen ApS

Opinion

We have audited the financial statements of CemGreen ApS for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

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

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Independent auditor's report

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

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

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

Statement on Management's Review

Management is responsible for Management's Review.

Independent auditor's report

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, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Taastrup, 30 June 2025

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Martin Santino Lo Turco

State Authorised Public Accountant
mne35467

Company information

The company

CemGreen ApS
Humlemarken 2A
9500 Hobro

Company reg. no. 37 94 38 43
Established: 8 August 2016
Domicile:
Financial year: 1 January - 31 December

Executive board

Lasse Nørbye Døssing
Stefan Mandix Larsen
Martin Hagsted Rasmussen

Auditors

RSM Danmark Statsautoriseret Revisionspartnerselskab
Kingosvej 3
2630 Taastrup

Subsidiary

BioCrete ApS, Denmark

Participating interest

NovaClay A/S, Denmark

Management's review

Description of key activities of the company

The company's activities include research and knowledge in processes regarding the concrete industry.

Significant changes in the company's activities and financial matters

There have been no significant changes in activities and financial matters.

The gross profit for the year totals DKK 10.763.826 against DKK -174.553 last year. Income or loss from ordinary activities after tax totals DKK 1.311.960 against DKK -1.060.429 last year.

Changes in accounting policies

Changes have been made to accounting policies regarding the measurement of investments in participating interests. The impact is described in the introduction to accounting policies.

Income statement 1 January - 31 December

All amounts in DKK.

Note	2024	2023
Gross profit	10.763.826	-174.553
1 Staff costs	-2.413.578	-996.123
Other operating expenses	-6.685.654	0
Operating profit	1.664.594	-1.170.676
Income from investments in group enterprises	-27.684	-175.489
Financial income	77.450	4.370
Financial costs	-23.672	-939
Pre-tax net profit or loss	1.690.688	-1.342.734
2 Tax on net profit or loss for the year	-378.728	282.305
Net profit or loss for the year	1.311.960	-1.060.429
Proposed distribution of net profit:		
Transferred to retained earnings	1.311.960	0
Allocated from retained earnings	0	-1.060.429
Total allocations and transfers	1.311.960	-1.060.429

Balance sheet at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2024</u>	<u>2023</u>
Non-current assets			
3	Acquired patents	682.240	669.889
4	Development projects in progress	2.176.383	2.176.382
	Total intangible assets	2.858.623	2.846.271
5	Plant and machinery	853.873	816.693
	Total property, plant, and equipment	853.873	816.693
6	Investments in group enterprises	77.887	105.571
7	Investments in participating interests	160.000	160.000
	Total investments	237.887	265.571
	Total non-current assets	3.950.383	3.928.535
Current assets			
	Trade receivables	141.892	0
	Receivables from participating interest	10.448.896	0
	Deferred tax assets	0	13.242
	Income tax receivables	26.000	2.000
	Other receivables	8.006.728	0
	Prepayments	0	8.501.777
	Total receivables	18.623.516	8.517.019
	Cash and cash equivalents	5.191.636	5.630.712
	Total current assets	23.815.152	14.147.731
	Total assets	27.765.535	18.076.266

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2024</u>	<u>2023</u>
Equity			
	Contributed capital	60.000	60.000
	Reserve for development costs	1.697.578	1.697.578
	Retained earnings	3.650.241	2.338.282
	Total equity	5.407.819	4.095.860
Provisions			
	Provisions for deferred tax	365.486	0
	Total provisions	365.486	0
Liabilities other than provisions			
8	Deferred income	21.709.731	0
	Total long term liabilities other than provisions	21.709.731	0
	Prepayments received from customers	0	12.905.819
	Payables to group enterprises	99.325	99.325
	Other payables	183.174	975.262
	Total short term liabilities other than provisions	282.499	13.980.406
	Total liabilities other than provisions	21.992.230	13.980.406
	Total equity and liabilities	27.765.535	18.076.266
9 Contingencies and other financial obligations			

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity 1 January 2024	60.000	1.697.578	2.477.481	4.235.059
Correction due to changes in accounting policies	0	0	-139.200	-139.200
Adjusted equity 1 January 2024	60.000	1.697.578	2.338.281	4.095.859
Retained earnings for the year	0	0	1.311.960	1.311.960
	60.000	1.697.578	3.650.241	5.407.819

Notes

All amounts in DKK.

	2024	2023
1. Staff costs		
Salaries and wages	2.287.819	954.709
Pension costs	113.246	35.347
Other costs for social security	12.513	6.067
	2.413.578	996.123
Average number of employees	3	1
2. Tax on net profit or loss for the year		
Adjustment of deferred tax for the year	378.728	-282.305
	378.728	-282.305
3. Acquired patents		
Cost opening balance	669.889	386.095
Additions during the year	12.351	283.794
Cost end of period	682.240	669.889
Carrying amount, end of period	682.240	669.889
4. Development projects in progress		
Cost opening balance	2.176.383	665.458
Additions during the year	0	1.510.924
Cost end of period	2.176.383	2.176.382
Carrying amount, end of period	2.176.383	2.176.382

Notes

All amounts in DKK.

	31/12 2024	31/12 2023
5. Plant and machinery		
Cost opening balance	816.693	816.693
Additions during the year	37.180	0
Cost end of period	853.873	816.693
Carrying amount, end of period	853.873	816.693
6. Investments in group enterprises		
Cost opening balance	238.500	238.500
Cost end of period	238.500	238.500
Revaluations, opening balance	-95.849	67.280
Net profit or loss for the year before amortisation of goodwill	-15.324	-163.129
Revaluations, end of period	-111.173	-95.849
Amortisation of goodwill, opening balance	-37.080	-24.720
Amortisation of goodwill for the year	-12.360	-12.360
Depreciation on goodwill end of period	-49.440	-37.080
Carrying amount, end of period	77.887	105.571
The item includes goodwill with an amount of	12.360	24.720
Group enterprises:		
	Domicile	Equity interest
BioCrete ApS	Denmark	57 %

Notes

All amounts in DKK.

	31/12 2024	31/12 2023
7. Investments in participating interests		
Cost opening balance	160.000	160.000
Cost end of period	160.000	160.000
Carrying amount, end of period	160.000	160.000

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, CemGreen ApS
NovaClay A/S, Denmark	40 %	0	0	0
		0	0	0

8. Deferred income

Total deferred income	21.709.731	0
------------------------------	-------------------	----------

Deferred income is recognised in the income statement between 1-5 years.

Amount after 5 years is 0 DKK.

9. Contingencies and other financial obligations

Contingent liabilities

The parent company is jointly taxed with its danish group entities. The entities are jointly and severally liable for danish income taxes as well as withholding taxes on dividends, interest and royalties payable by the group of jointly taxed entities.

Accounting policies

The annual report for CemGreen ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Changes in the accounting policies

In 2024, the company changed its accounting policy regarding measurement of investments in participating interests from using the equity method to cost.

The change in practice has been made because management believes that it will provide to a more true and fair view of the company's financial statements.

Investments in participating interests are initially recognised at cost less costs incurred by the acquisition. Subsequently these investments are measured at cost less any impairment losses.

Due to the change in accounting policy, changes in comparative figures has been made.

The changes are in 2023 reflected in the income statement by total -139.200 DKK. and non current assets by total -139.200 DKK. Consequently, the change has been reflected on equity by total -139.200 DKK.

Apart from the above, the financial statements have been prepared using the same accounting policies as last year.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Accounting policies

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

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

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

Income statement

Gross profit

Gross profit comprises the revenue, direct costs, other operating income, and other external expenses.

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

Revenue

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

Direct costs

Direct costs comprise of cost directly attributable to revenue recognised including costs for purchasing raw materials and consumables as well as other direct costs less discounts.

Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities.

Government grants

Grants are recognised in the income statement when conditions for the grant has been achieved. Until the grant has been paid, which occurs regularly over the financial year, the receivable amount of the grant is recognised as other receivables. Grants received in advance are recognised as deferred income.

Accounting policies

Other external expenses

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses etc.

Results from investments in group enterprises and participating interest

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual entities are recognised in the income statement as a proportional share of the entities' post-tax profit or loss.

Dividend from participating interest is recognised in the financial year in which the dividend is declared.

If the dividend received exceeds the proportionate share of the year's result, this is considered an indication of impairment, which entails a requirement to prepare an impairment test.

Tax on net profit or loss for the year

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

Statement of financial position

Intangible assets

Development projects and patents

Patents are measured at cost less accumulated amortisation and impairment losses.

Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the licence term, however maximally 7 years.

Development costs and costs relating to rights developed by the company are recognised in the income statement as costs in the year of acquisition.

Accounting policies

Property, plant, and equipment

Items of plant and machinery are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Plant and machinery	10 years	0 %

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Investments in group enterprises

Investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earnings profile.

Investments in group enterprises with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

Accounting policies

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Participating interest

Participating interest are recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

Receivables

Receivables are measured at amortised cost, which substantially corresponds to nominal value.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

Income tax and deferred tax

As management company, CemGreen ApS is liable for payment of the subsidiaries' corporate income taxes to the tax authorities.

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

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Accounting policies

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

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

Liabilities other than provisions

Liabilities are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.