

Dant herm Group A/ S

Marienlystvej 65, 7800 Skive

CVR no. 30 53 79 39

Annual report 2024

Approved at the Company's annual general meeting on 14 July 2025

Chair of the meeting:

.....
Thomas Gjør-Trønning

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Dantherm Group A/S for the financial year 1 January - 31 December 2024.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 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 fair review of the matters discussed in the Management's review.

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

Skive, 14 July 2025
Executive Board:

.....
Oliver Patrick Zimmermann

Board of Directors:

.....
Torben Duer
Chairman

.....
Oliver Patrick Zimmermann

Independent auditor's report

To the shareholder of Dantherm Group A/S

Opinion

We have audited the financial statements of Dantherm Group A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 as to 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 the 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 Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- ▶ 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 note 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 the 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 the Management's review

Management is responsible for the Management's review.

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

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

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

Based on the work we have performed, we conclude that the 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 the Management's review.

Aarhus, 14 July 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Steen Skorstengaard
State Authorised Public Accountant
mne19709

Lone Nørgaard Eskildsen
State Authorised Public Accountant
mne32085

Management's review

Company details

Name	Dantherm Group A/S
Address, Postal code, City	Marienlystvej 65, 7800 Skive
CVR no.	30 53 79 39
Established	1 March 1900
Registered office	Skive kommune
Financial year	1 January - 31 December
Website	www.danthermgroup.com
Telephone	+45 96 14 37 00
Board of Directors	Torben Duer, Chairman Oliver Patrick Zimmermann
Executive Board	Oliver Patrick Zimmermann
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Management commentary

Principal activities

Dantherm is a leading provider of climate control products and solutions. The group companies have more than 60 years of experience in designing and manufacturing high-quality and energy-efficient solutions for heating, cooling, dehumidification and ventilation, and offers a wide product range of both mobile and installed products with many different applications covering a large number of market sectors. The Dantherm Group is headquartered in Skive, Denmark and has subsidiaries in Norway, Sweden, the United Kingdom, Germany, France, Switzerland, Italy, Spain, Poland, Russia and China.

Development in activities and financial matters

Dantherm Group A/S is owned 100% by Dantherm Group Holding II A/S, which was established in 2021, when Dantherm was sold from the Swedish private equity fund Procuritas to the German private equity fund Deutsche Beteiligungs AG (DBAG).

Dantherm Group Holding II A/S is owned 100% by Dantherm Group Holding I ApS. A combined group result is presented at the level of Dantherm Group Holding I ApS.

There has been no new acquisitions done in 2023 and 2024 within Dantherm Group A/S level.

The net profit for the year was DKK 176,3 m in 2024 against a net profit of DKK 68,4 m in 2023. The profit has been negatively impacted by non recurring costs and integration costs of DKK 18,8 m and positively impacted by sale of subsidiary of DKK 141,4 m.

In 2023, the profit was negatively impacted by non-recurring costs and integration costs of DKK 31,9 m.

Management considers the result to be satisfactory, as the result for the year has been improved compared to 2023.

Financial structure

The debt structure is subject to general conditions as well as financial covenants that is tested quarterly. The Group failed to meet the financial covenant by end of 2024 and also failed the covenant test for Q1 2025.

Due to the breach the lender can withdraw the loan facilities. Management is in the process of renegotiating the overall financing structure and the related covenants for the group. Currently the group has received a proposal, and it is management expectations that a final agreement will be signed soon, but after the date for the approval of the financial statements for 2024.

Based on the current budgets and cash flow forecasts, Management expects to have sufficient liquidity to fund the operations under the proposed financing structure and also expects to comply with the proposed covenants for 2025.

As a consequence of this, the regular non-current liability has been presented as "short-term part of long-term liabilities other than provisions" as there was no updated agreement with the lenders as per end of December 31, 2024.

Events after the balance sheet date

There has not been any subsequent events, which has significant impact on the financial status as of December 31, 2024.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2024	2023
	Gross profit	17,101	4,179
5	Staff costs	-6,158	-1,542
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-7,226	-1,177
	Other operating expenses	-4,564	-3,902
	Profit/ loss before net financials	-847	-2,442
	Income from investments in group enterprises	193,702	89,717
6	Financial income	16,724	16,383
7	Financial expenses	-34,168	-37,696
	Profit before tax	175,411	65,962
8	Tax for the year	905	2,472
	Profit for the year	176,316	68,434
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	100,000	204,481
	Net revaluation reserve according to the equity method	2,860	89,566
	Other reserves	10,202	14,233
	Retained earnings/ accumulated loss	63,254	-239,846
		176,316	68,434

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	ASSETS		
	Fixed assets		
9	Intangible assets		
	Completed development projects	29,816	8,651
	Goodwill	1,229	1,229
	Development projects in progress and prepayments for intangible assets	11,111	19,197
		42,156	29,077
10	Investments		
	Investments in group enterprises	664,091	737,458
	Receivables from group enterprises	140,985	213,289
		805,076	950,747
	Total fixed assets	847,232	979,824
	Non-fixed assets		
	Receivables		
	Receivables from group enterprises	32,797	10,934
11	Deferred tax assets	9,801	8,896
	Joint taxation contribution receivable	0	9,018
	Other receivables	2,531	2,635
		45,129	31,483
	Cash	401	1,558
	Total non-fixed assets	45,530	33,041
	TOTAL ASSETS	892,762	1,012,865

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	EQUITY AND LIABILITIES		
	Equity		
12	Share capital	1,000	1,000
	Net revaluation reserve according to the equity method	150,729	162,955
	Reserve for development costs	31,923	21,721
	Retained earnings	81,468	15,345
	Dividend proposed	100,000	204,481
	Total equity	365,120	405,502
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Short-term part of long-term liabilities other than provisions	0	3,813
	Other credit institutions	1	0
	Trade payables	4,257	8,133
	Payables to group enterprises	519,157	594,142
	Other payables	4,227	1,275
		527,642	607,363
	Total liabilities other than provisions	527,642	607,363
	TOTAL EQUITY AND LIABILITIES	892,762	1,012,865

- 1 Accounting policies
- 2 Capital ratio
- 3 Events after the balance sheet date
- 4 Special items
- 13 Contractual obligations and contingencies, etc.
- 14 Security and collateral
- 15 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Net revaluation reserve according to the equity method	Reserve for development costs	Retained earnings	Dividend proposed	Total
Equity at 1 January 2023	1,000	207,796	7,488	107,959	26,468	350,711
Transfer through appropriation of profit	0	89,566	14,233	-239,846	204,481	68,434
Adjustment of investments through foreign exchange adjustments	0	5,179	0	0	0	5,179
Other value adjustments of equity	0	7,646	0	0	0	7,646
Distributed dividend from group enterprises	0	-147,232	0	147,232	0	0
Dividend distributed	0	0	0	0	-26,468	-26,468
Equity at 1 January 2024	1,000	162,955	21,721	15,345	204,481	405,502
Transfer through appropriation of profit	0	2,860	10,202	63,254	100,000	176,316
Adjustment of investments through foreign exchange adjustments	0	-3,631	0	2,869	0	-762
Other value adjustments of equity	0	-11,455	0	0	0	-11,455
Dividend distributed	0	0	0	0	-204,481	-204,481
Equity at 31 December 2024	1,000	150,729	31,923	81,468	100,000	365,120

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Dantherm Group A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The financial statements of Dantherm Group A/S are included in the consolidated financial statements of Dantherm Group Holding I ApS, Skive, Denmark, (reg. no. 42608335).

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

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

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Gains or losses from disposal of group entities which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

Intra-group business combinations

The book value method is applied to business combinations such as acquisition and disposal of investments, mergers, demergers, contributions of assets and share conversions, etc. in which entities controlled by the parent company are involved, provided that the combination is considered completed at the time of acquisition without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly in equity.

Foreign currency translation

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

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

Foreign group entities

Foreign group entities and associates are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign group entities to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

Income statement

Gross profit

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

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including rental income from the temporary lease out of production facilities, compensation, government grants, refund of wages and salaries, gains on the disposal of intangible assets and property, plant and equipment, etc. Compensation and grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Amortisation

The item comprises amortisation of intangible assets.

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

Completed development projects	3-5 years
Goodwill	20 years

Other operating expenses

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

Profit/ loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

Financial income and expenses

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

Tax

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

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

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

Balance sheet

Intangible assets

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight line basis over the remaining term of the patent, and licences are amortised over the term of the licence.

Leases

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

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

Investments in group entities

Equity investments in group entities are measured according to the equity method.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Gains and losses on disposal of group entities and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

Impairment of fixed assets

The carrying amount of intangible assets and investments in group entities is assessed for impairment on an annual basis.

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

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

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables

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

Receivables are measured at amortised cost.

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

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

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

Prepayments

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

Cash

Cash includes deposits in bank accounts as well as operating cash.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in group entities and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

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

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

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

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Special items

Special items include significant income and expenses that are of a special nature in relation to the company's and the group's revenue-generating operating activities. Special items may include costs for large-scale process restructuring and fundamental structural adjustments, as well as any associated divestment gains and losses, which are significant over time. Special items also include other significant amounts of a one-off nature which, in the management's assessment, are not part of the company's and the group's primary operations and which are not assumed to be recurring.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Capital ratio

The debt structure is subject to general conditions as well as financial covenants that is tested quarterly. The Group failed to meet the financial covenant by end of 2024 and also failed the covenant test for Q1 2025.

Due to the breach the lender can withdraw the loan facilities. Management is in the pro-cess of renegotiating the overall financing structure and the related covenants for the group. Currently the group has received a proposal, and it is management expectations that a final agreement with be signed soon, but after the date for the approval of the financial statements for 2024.

Based on the current budgets and cash flow forecasts, Management expects to have sufficient liquidity to fund the operations under the proposed financing structure and also expects to comply with the proposed covenants for 2025.

As a consequence of this, the regular non-current liability has been presented as "short-term part of long-term liabilities other than provisions" as there was no updated agreement with the lenders as per end of December 31, 2024.

3 Events after the balance sheet date

There has not been any subsequent events, which has significant impact on the financial status as of December 31, 2024.

4 Special items

DKK'000	2024	2023
Income		
Realised gain on sale of shares in group enterprises	141,419	0
	141,419	0
Expenses		
Integration and restructuring costs	-19,644	-32,676
Acquisition costs	-220	-901
	-19,864	-33,577

Special items are recognised in the below items of the financial statements

Other operating expenses	-4,564	-3,902
Income from investments in group enterprises	126,119	-29,675
Net profit/loss on special items	121,555	-33,577

5 Staff costs

Wages/salaries	5,559	1,326
Pensions	377	152
Other social security costs	211	33
Other staff costs	11	31
	6,158	1,542
Average number of full-time employees	5	2

6 Financial income

Interest receivable, group entities	15,738	14,700
Other interest income	986	1,683
	16,724	16,383

Financial statements 1 January - 31 December

Notes to the financial statements

7 Financial expenses

Interest expenses, group entities	34,074	35,659
Other interest expenses	0	19
Other financial expenses	94	2,018
	<u>34,168</u>	<u>37,696</u>

8 Tax for the year

Estimated tax charge for the year	0	-6,316
Deferred tax adjustments in the year	-1,637	3,844
Tax adjustments, prior years	732	0
	<u>-905</u>	<u>-2,472</u>

Financial statements 1 January - 31 December

Notes to the financial statements

9 Intangible assets

DKK'000	Completed development projects	Goodwill	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 January 2024	10,760	1,229	19,197	31,186
Additions	0	0	20,305	20,305
Transferred	28,391	0	-28,391	0
Cost at 31 December 2024	39,151	1,229	11,111	51,491
Impairment losses and amortisation at 1 January 2024	2,109	0	0	2,109
Amortisation for the year	7,226	0	0	7,226
Impairment losses and amortisation at 31 December 2024	9,335	0	0	9,335
Carrying amount at 31 December 2024	29,816	1,229	11,111	42,156
Amortised over	5 years			

Completed development projects

Completed development projects include software and webshop projects that contribute to the earnings and profit in the group enterprises.

The completed development projects are depreciated over 5 years.

Management has not identified any indication of impairment in relation to the carrying amount of the system.

Development projects in progress

Development projects in progress include software and webshop projects. The costs consist internal costs in the form of internal hours and other external services, which are registered through the company's internal project module.

As at 31 December 2024, the accounting value totals DKK 9,882. The majority of ongoing development projects are expected to be completed in 2025.

The new projects are expected to result in significant competitive advantages and thus contribute to the future earnings and profit for the company also in 2025. In 2024, management has not identified indication of impairment on the carrying value of the ongoing development projects.

Financial statements 1 January - 31 December

Notes to the financial statements

10 Investments

DKK'000	Investments in group enterprises	Receivables from group enterprises	Total
Cost at 1 January 2024	574,503	213,289	787,792
Additions on merger/corporate acquisition	1,925	0	1,925
Disposals on demerger and sale of other enterprise	-63,066	0	-63,066
Disposals	0	-72,304	-72,304
Cost at 31 December 2024	513,362	140,985	654,347
Value adjustments at 1 January 2024	162,955	0	162,955
Foreign exchange adjustments	-3,631	0	-3,631
Dividend received	-49,426	0	-49,426
Profit/loss for the year	52,286	0	52,286
Changes in equity	-11,455	0	-11,455
Value adjustments at 31 December 2024	150,729	0	150,729
Carrying amount at 31 December 2024	664,091	140,985	805,076

Group entities

Name	Legal form	Domicile	Interest
Dantherm Denmark A/S	A/S	Skive, Danmark	100%
Dantherm Group AS	AS	Norway	100%
Dantherm Group Limited	Ltd	UK	100%
Dantherm Group AB	AB	Sweden	100%
Dantherm Group S.p.A	S.p.A	Italy	100%
Dantherm Group SAS	SAS	France	100%
Dantherm Group AG	AG	Switzerland	100%
Dantherm Group Desiccant AB	AB	Sweden	100%
Dantherm Group Sp.z.o.o	Sp.z.o.o.	Poland	100%
Dantherm Group Sp SAU	Sp SAU	Spain	100%
Dantherm LLC	Llc	Russia	100%
Dantherm Group Co. Ltd	Ltd	China	100%
Dantherm Group Holding Inc.	Inc	USA	100%
Dantherm Group LLC	Llc	USA	100%

11 Deferred tax assets

As of 31 December 2024, the Company has recognised deferred tax assets totalling DKK 11 million. The deferred tax asset is composed of recoverable losses and unused tax deductions in the form of temporal differences.

Based on the budgets 2025-2029, management has assessed it likely that future taxable income will be available in which unused tax losses and unused tax deductions can be utilized.

DKK'000	2024	2023
12 Share capital		
Analysis of the share capital:		
1,000 A shares of DKK 1,000.00 nominal value each	1,000	1,000
	1,000	1,000

Financial statements 1 January - 31 December

Notes to the financial statements

13 Contractual obligations and contingencies, etc.

The Company is jointly taxed with its parent, Dantherm Group Holding I ApS, which acts as management company, and other Danish group entities. The Company is jointly and severally with other jointly taxed group entities for payment of income taxes and withholding taxes falling due for payment in the group of jointly taxed entities.

Other financial obligations

Other rent and lease liabilities:

DKK'000	2024	2023
Rent and lease liabilities	211	300

14 Security and collateral

The company participate in as obligor in the Group's financing facility.

The Group has a total credit facility amounting to EUR 310 millions (DKK 2,312 million) as per December 31, 2024, whereas EUR 40 millions (DKK 298 million) are the credit facilities to finance the operations.

The credit facilities are subject to the following collaterals and pledges:

- ▶ Irrevocable and unconditional jointly and severally guarantee for any payments, however limited with the limitation under the Danish Company Act, section 206 to 212 regarding unlawful financial assistance.
- ▶ Granted security by all shares held in Dantherm Denmark A/S, Dantherm Group AG, Dantherm GmbH, Dantherm Group SAS, Dantherm Group S.P.A., Dantherm sp.z o.o., intercompany loans and bank accounts.
- ▶ Floating charge issued by Dantherm Denmark A/S amounting to 75 mio DKK. The total carrying amount of these assets is DKK 275 mio and can be specified as debtors with a carrying value at 31 December 2024 of DKK 29 million, inventories with a carrying value at 31 December 2024 of DKK 143 million, intangible assets with a carrying value at 31 December 2024 of DKK 36 million and tangible assets with a carrying value at 31 December 2024 of DKK 67 million.

The debt structure is subject to general conditions as well as financial covenants that is tested quarterly. The Group failed to meet the financial covenant by end of 2024 and also failed the covenant test for Q1 2025.

Due to the breach the lender can withdraw the loan facilities. Management is in the process of renegotiating the overall financing structure and the related covenants for the group. Currently the group has received a proposal, and it is management expectations that a final agreement will be signed soon, but after the date for the approval of the financial statements for 2024.

Based on the current budgets and cash flow forecasts, Management expects to have sufficient liquidity to fund the operations under the proposed financing structure and also expects to comply with the proposed covenants for 2025.

As a consequence of this, the regular non-current liability has been presented as "short-term part of long-term liabilities other than provisions" as there was no updated agreement with the lenders as per end of December 31, 2024.

The company has issued an unconditional jointly and severally guarantee for Dantherm Group Ltd.

Guarantee commitments consist of a guarantee provided in respect of third party commitments. The guarantee commitment is maximally DKK 15.397.

Financial statements 1 January - 31 December

Notes to the financial statements

15 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Dantherm Group Holding I ApS	Skive, Denmark	CVR no 42 60 83 35

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

Name	Domicile
Dantherm Group Holding II A/S	Denmark

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"By my signature I confirm all dates and content in this document."

Torben Duer

Board of Directors

On behalf of: Dantherm Group A/S

Serial number: torben.duer@danthermgroup.com

IP: 85.218.xxx.xxx

2025-07-14 09:38:28 UTC



Oliver Patrick Zimmermann

Executive Board and Board of Directors

On behalf of: Dantherm Group A/S

Serial number: oliver.zimmermann@danthermgroup.com

IP: 146.241.xxx.xxx

2025-07-14 09:44:02 UTC



Thomas Korfix Gjøl-Trønning

Chair of the meeting

On behalf of: Bech Bruun

Serial number: aa497ec6-bc65-499f-9ff1-4c14bebbcf9

IP: 93.165.xxx.xxx

2025-07-14 16:14:36 UTC



Lone Nørgaard Eskildsen

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: c716d8d8-6538-4f61-be2f-1f10c5cbb305

IP: 147.161.xxx.xxx

2025-07-14 16:28:54 UTC



Steen Skorstengaard

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

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