BEIERHOLM
VI SKABER BALANCE

JP Air Tech ApS

Skifervej 2, 4990 Sakskøbing
CVR no. 25 05 43 42

Annual report
for the financial year 01.10.23 - 30.09.24

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 19.12.24

Jesper Bo Winther
Dirigent

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Company information etc.

The company

JP Air Tech ApS
Skifervej 2
4990 Sakskøbing
Tel.: 23 82 00 82
Registered office: Guldborgsund
CVR no.: 25 05 43 42
Financial year: 01.10 - 30.09

Executive Board

Executive Director Jørgen Bech Poulsen
Chief Executive Officer Mads Schølardt Bojda

Board of Directors

Executive Director Jørgen Bech Poulsen
Chief Executive Officer Mads Schølardt Bojda
Jesper Bo Winther

Auditors

Beierholm
Godkendt Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.10.23 - 30.09.24 for JP Air Tech ApS.

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

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 30.09.24 and of the results of the company's activities for the financial year 01.10.23 - 30.09.24.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Sakskøbing, December 19, 2024

Executive Board

Jørgen Bech Poulsen Executive Director	Mads Schølardt Bojda Chief Executive Officer

Board of Directors

Jørgen Bech Poulsen Chairman	Mads Schølardt Bojda Chief Executive Officer	Jesper Bo Winther

To the shareholder of JP Air Tech ApS

Opinion

We have audited the financial statements of JP Air Tech ApS for the financial year 01.10.23 - 30.09.24, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including material accounting policy information. 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 company's financial position at 30.09.24 and of the results of the company's operations for the financial year 01.10.23 - 30.09.24 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.

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, it is 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 by law and regulations.

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 Danish Financial Statements Act. We did not identify any material misstatement of the management's review.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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.

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

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

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

Nakskov, December 19, 2024

Beierholm

Godkendt Revisionspartnerselskab
CVR no. 32 89 54 68

Svend Skaarup Sand
State Authorised Public Accountant
MNE-no. mne21424

Primary activities

The company's principal activities
The main activities of the Company are manufacturing and sale of filter air filtration media for segments; industrial, gas turbine, automotive, industrial vacuum cleaners, HVAC, Life science and Venting.

Products are sold domestic, but majority is for export.

Income statement

Note		2023/24 DKK	2022/23 DKK
	Gross profit	**42,001,558**	**38,488,677**
1	Staff costs	-19,132,168	-19,153,954
	Profit before depreciation, amortisation, write-downs and impairment losses	**22,869,390**	**19,334,723**
	Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	-4,117,937	-3,736,302
	Operating profit	**18,751,453**	**15,598,421**
2	Financial income	440,286	136,059
	Financial expenses	-1,054,046	-1,102,684
	Profit before tax	**18,137,693**	**14,631,796**
	Tax on profit for the year	-3,557,150	-3,237,036
	Other taxes	-22	12
	Total tax	**-3,557,172**	**-3,237,024**
	Profit for the year	**14,580,521**	**11,394,772**

Proposed appropriation account

Proposed dividend for the financial year	12,000,000	12,200,000
Retained earnings	2,580,521	-805,228
Total	**14,580,521**	**11,394,772**

Balance sheet

ASSETS

Note		30.09.24 DKK	30.09.23 DKK
	Acquired rights	101,333	133,333
3	**Total intangible assets**	**101,333**	**133,333**
	Leasehold improvements	1,257,332	782,352
	Plant and machinery	14,199,742	14,685,685
	Property, plant and equipment under construction	7,225,807	1,873,294
4	**Total property, plant and equipment**	**22,682,881**	**17,341,331**
	Total non-current assets	**22,784,214**	**17,474,664**
	Raw materials and consumables	17,387,868	17,758,263
	Manufactured goods and goods for resale	482,370	0
	Total inventories	**17,870,238**	**17,758,263**
	Trade receivables	14,527,365	12,576,878
	Receivables from group enterprises	835,343	155,917
	Other receivables	377,454	290,784
	Prepayments	567,073	585,079
	Total receivables	**16,307,235**	**13,608,658**
	Cash	**2,274,785**	**6,265,051**
	Total current assets	**36,452,258**	**37,631,972**
	Total assets	**59,236,472**	**55,106,636**

Balance sheet

EQUITY AND LIABILITIES

Note		30.09.24 DKK	30.09.23 DKK
	Share capital	125,000	125,000
	Retained earnings	19,150,684	16,570,163
	Proposed dividend for the financial year	12,000,000	12,200,000
	Total equity	**31,275,684**	**28,895,163**
	Provisions for deferred tax	595,602	759,921
	Total provisions	**595,602**	**759,921**
5	Lease commitments	2,126,140	3,273,255
	Total long-term payables	**2,126,140**	**3,273,255**
5	Short-term part of long-term payables	1,147,115	1,518,788
	Payables to other credit institutions	33,204	244,923
	Prepayments received from customers	87,407	836,478
	Trade payables	18,741,851	11,442,600
	Payables to group enterprises	0	2,281,043
	Income taxes	3,721,468	3,024,601
	Other payables	1,505,637	2,829,864
	Deferred income	2,364	0
	Total short-term payables	**25,239,046**	**22,178,297**
	Total payables	**27,365,186**	**25,451,552**
	Total equity and liabilities	**59,236,472**	**55,106,636**

6 Contingent liabilities
7 Charges and security

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings	Proposed dividend for the financial year
Statement of changes in equity for 01.10.23 - 30.09.24			
Balance as at 01.10.23	125,000	16,570,163	12,200,000
Dividend paid	0	0	-12,200,000
Net profit/loss for the year	0	2,580,521	12,000,000
Balance as at 30.09.24	125,000	19,150,684	12,000,000

	2023/24 DKK	2022/23 DKK

1. Staff costs

	2023/24 DKK	2022/23 DKK
Wages and salaries	17,038,884	17,055,985
Pensions	1,352,085	1,418,327
Other social security costs	225,860	227,201
Other staff costs	515,339	452,441
Total	19,132,168	19,153,954
Average number of employees during the year	35	31

2. Financial income

	2023/24 DKK	2022/23 DKK
Interest, group enterprises	9,522	5,917
Other interest income	58,563	903
Foreign currency translation adjustments	372,201	129,239
Other financial income	430,764	130,142
Total	440,286	136,059

3. Intangible assets

Figures in DKK	Acquired rights
Cost as at 01.10.23	641,883
Cost as at 30.09.24	641,883
Amortisation and impairment losses as at 01.10.23	-508,550
Amortisation during the year	-32,000
Amortisation and impairment losses as at 30.09.24	-540,550
Carrying amount as at 30.09.24	101,333

4. Property, plant and equipment

Figures in DKK	Leasehold improvements	Plant and machinery	Property, plant and equipment under construction
Cost as at 01.10.23	1,091,674	29,623,731	1,873,294
Additions during the year	586,782	3,244,204	5,596,499
Transfers during the year to/from other items	0	243,986	-243,986
Cost as at 30.09.24	1,678,456	33,111,921	7,225,807
Depreciation and impairment losses as at 01.10.23	-309,321	-14,938,045	0
Depreciation during the year	-111,803	-3,974,134	0
Depreciation and impairment losses as at 30.09.24	-421,124	-18,912,179	0
Carrying amount as at 30.09.24	1,257,332	14,199,742	7,225,807
Carrying amount of assets held under finance leases as at 30.09.24	0	4,775,160	0

5. Long-term payables

Figures in DKK	Repayment first year	Total payables at 30.09.24	Total payables at 30.09.23
Lease commitments	1,147,115	3,273,255	4,792,043
Total	1,147,115	3,273,255	4,792,043

6. Contingent liabilities

Lease commitments

The company has concluded lease agreements with terms to maturity of 1-3 months and total lease payments of DKK 49k.

The company has entered into a lease on production premises, where the lease obligation amounts to DKK 4,900k.

Other contingent liabilities

The company is taxed jointly with the other companies in the group and is liable for income taxes on a pro rata basis for the jointly taxed companies. The maximum liability totals an amount corresponding to the share of the capital in the company which is owned directly or indirectly by the ultimate parent. The maximum liability totals DKK 3.721k at the balance sheet date, of which DKK 3,721k is recognised in the balance sheet. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

7. Charges and security

As security for debt to credit institutions of DKK 33k, a company charge limetid DKK 15.000k has been provided comprising intellectual property rights, vehicles, other plant, fixtures and fittings, tools and equipment, inventories, trade receivables. The total carrying amount of the comprised assets is DKK 55.182k.

The company charge also covers a letter of credit for USD 1,180k, which expires on April 20, 2025

The company charge issued as security for group enterprises' debt to credit institutions. Payables to credit institutions constituted DKK 17.560k at the balance sheet date.

8. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

Change in accounting policies

Transition to application of the rules applying to a lower reporting class

The company has switched from reporting class C medium-sized/C large to reporting class B. Consequently, the annual report is presented in accordance with the provisions for reporting class B instead of, as previously, reporting class C medium-sized/C large. The transition to a lower reporting class has resulted in the following changes in informationlevel, in recognition and measurement:
Management's reviews
Incomme statement
Notes

Except for the areas mentioned above, the accounting policies have been applied consistently with the previous year.

Basis of recognition and measurement

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

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

8. Accounting policies - continued -

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

LEASES

Leases relating to assets where the company has substantially all the risks and benefits incidental to the ownership of the asset (finance leases) are recognised in the balance sheet. On initial recognition, assets held under finance leases and related lease commitments are measured at the lower of the fair value of the leased asset and the present value of future lease payments. Subsequently, assets held under finance leases are treated like other similar assets.

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as payables. Subsequent to initial recognition, lease commitments are measured at amortised cost according to which the interest element of the lease payment is recognised in the income statement over the lease term.

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

INCOME STATEMENT

Gross profit

Gross profit comprises revenue, other operating income and raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken

8. Accounting policies - continued -

place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

8. Accounting policies - continued -

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including reimbursement of sickness benefits.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Depreciation, amortisation and impairment losses

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value DKK
Acquired rights	5	0
Leasehold improvements	10	0
Plant and machinery	5	0

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

8. Accounting policies - continued -

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other net financials

Interest income and interest expenses, the interest element of finance lease payments, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

Other taxes

Other taxes comprises tax amounts that are calculated on a basis other than the income for the year.

BALANCE SHEET

Intangible assets

Acquired rights

Aquired rights are measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Acquired rights are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains or losses on the disposal of intangible assets are determined as the difference between

8. Accounting policies - continued -

the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant and equipment

Property, plant and equipment comprise leasehold improvements og plant and machinery.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Property, plant and equipment under construction

Property, plant and equipment under construction are measured at cost. Costs incurred on property, plant and equipment under construction are transferred to the relevant asset category when the asset is ready for use.

Gains and losses on the disposal of property, plant and equipment

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying

8. Accounting policies - continued -

amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Inventories

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The cost of manufactured finished goods and work in progress is determined as the value of direct material and labour costs. Interest on loans arranged to finance production is not included in the cost.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

8. Accounting policies - continued -

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

Equity

The proposed dividend for the financial year is recognised as a separate item in equity.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

8. Accounting policies - continued -

Deferred income

Deferred income under liabilities comprises payments received in respect of income in subsequent financial years.