

Combineering Materials ApS

Bregnerødvej 94A, 1., 3460 Birkerød

Company reg. no. 37 85 73 27

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 4 July 2025.

Patrick Wiedemann
Chairman of the meeting

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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 Combineering Materials 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.

Birkerød, 4 July 2025

Executive board

Guy Richard Wakeley

Patrick Wiedemann

Independent auditor's report

To the Shareholders of Combineering Materials ApS

Opinion

We have audited the financial statements of Combineering Materials 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 conclusion

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.

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.

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

Independent auditor's report

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.

Copenhagen, 4 July 2025

KPMG

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 57 81 98

Henrik Y. Jensen

State Authorised Public Accountant
mne35442

Company information

The company

Combineering Materials ApS

Bregnerødvej 94A, 1.

3460 Birkerød

Company reg. no. 37 85 73 27

Established: 1 July 2016

Domicile: Birkerød

Financial year: 1 January - 31 December

Executive board

Guy Richard Wakeley

Patrick Wiedemann

Auditors

KPMG Statsautoriseret Revisionspartnerselskab

Dampfærgevej 28

2100 København

Parent company

Combineering Holding A/S

Management's review

Description of key activities of the company

The company's activities is handling, recycling and utilization including safe destruction of industrial residues and waste product including development of environment solutions on behalf of customers.

Significant changes in the company's activities and financial matters

There have been no significant changes in activities and financial matters, besides the significant write down of the receivables.

Capital resources

The company's short term liabilities exceeds current assets as pf 31 December 2024 OS Pheonix Bidco Ltd has issued a letter of support stating that financial support will be provided to Combineering Materials ApS at least until the date of the general meeting where the financial statements for the year ending 31 December 2025 is approved.

Based on this, it is Management's assessment that the Company can continue as a going concern.

The Company has lost more than 50% of its contributed capital and is thus subject to the provisions on loss of capital under the Danish Companies Act. It is Management's expectation that the capital can be restored over operations going forward.

Management considers the result for the year as unsatisfactory.

Income statement 1 January - 31 December

All amounts in DKK.

Note	2024	2023
Gross profit	-3.103.615	151.890
3 Impairment of current assets exceeding usual impairment	-5.177.555	0
Operating profit	-8.281.170	151.890
Other financial income	20.636	151.922
Other financial expenses	-12.277	-3.683
Pre-tax net profit or loss	-8.272.811	300.129
4 Tax on net profit or loss for the year	0	-66.028
Net profit or loss for the year	-8.272.811	234.101
Proposed distribution of net profit:		
Transferred to retained earnings	0	234.101
Allocated from retained earnings	-8.272.811	0
Total allocations and transfers	-8.272.811	234.101

Balance sheet at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2024</u>	<u>2023</u>
Current assets			
Trade receivables		60.331	8.368.467
Receivables from group enterprises		612.011	502.311
Other receivables		837.040	1.465.922
Total receivables		<u>1.509.382</u>	<u>10.336.700</u>
Cash and cash equivalents		<u>44.289</u>	<u>3.256.853</u>
Total current assets		<u>1.553.671</u>	<u>13.593.553</u>
Total assets		<u>1.553.671</u>	<u>13.593.553</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Equity		
Contributed capital	50.000	50.000
Retained earnings	-6.987.784	1.285.027
Total equity	-6.937.784	1.335.027
Liabilities other than provisions		
Prepayments received from customers	0	4.112.396
Trade payables	2.278.823	2.712.218
Payables to group enterprises	6.212.632	5.367.884
Income tax payable	0	66.028
Total short term liabilities other than provisions	8.491.455	12.258.526
Total liabilities other than provisions	8.491.455	12.258.526
Total equity and liabilities	1.553.671	13.593.553

- 1 Capital Resources
- 2 Special items
- 5 Charges and security
- 6 Contingencies
- 7 Related parties

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	50.000	1.050.926	1.100.926
Retained earnings for the year	0	234.101	234.101
Equity 1 January 2024	50.000	1.285.027	1.335.027
Retained earnings for the year	0	-8.272.811	-8.272.811
	50.000	-6.987.784	-6.937.784

Notes

All amounts in DKK.

1. Capital Resources

The company's short term liabilities exceeds current assets as pf 31 December 2024 OS Pheonix Bidco Ltd has issued a letter of support stating that financial support will be provided to Combineering Materials ApS at least until the date of the general meeting where the financial statements for the year ending 31 December 2025 is approved.

Based on this, it is Management's assessment that the Company can continue as a going concern.

2. Special items

The net result for the year is affected by a write down on receivables that differ from what is considered by management to be part of operating activities, the loss of 5,17 mio. DKK has been accounted for in the line Impairment of current assets exceeding usual impairment.

3. Impairment of current assets exceeding usual impairment

Impairment loss relating to current assets, except for financial current assets

	2024	2023
	5.177.555	0
	5.177.555	0

4. Tax on net profit or loss for the year

Tax on net profit or loss for the year

	0	66.028
	0	66.028

5. Charges and security

The company has provided a floating charge for the bank loans within the Combineering Group. The group debt to banks amounts to 125 tDKK at 31 December 2024. The value of the assetsare:

	DKK in thousands
Trade receivables	60

Notes

All amounts in DKK.

6. Contingencies

Joint taxation

With Reconomy Danmark ApS as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

7. Related parties

Consolidated financial statements

The company is included in the consolidated financial statements of Reconomy Danmark ApS, Bregnerødvej 94A, 1., 3460 Birkerød.

Accounting policies

The annual report for Combineering Materials 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.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

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.

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. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

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.

Accounting policies

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 loss

Gross loss comprises the revenue, cost of goods sold and external costs.

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.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts.

Other external expenses comprise expenses incurred for administration and loss on receivables.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses and transactions in foreign currency.

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.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Receivables

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

Accounting policies

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Combineering Materials ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Accounting policies

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Guy Richard Wakeley

Direktør

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Patrick Wiedemann

Direktør

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2025-07-04 14:53:19 UTC



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Henrik Yooouphasook Jensen

Revisor

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