

Hounö A/S

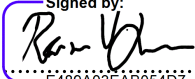
Alsvej 1, 8940 Randers SV

CVR no. 82 55 72 10

Annual report 2024

Approved at the Company's annual general meeting on 27 June 2025

Chair of the meeting:

Signed by:

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E489A03EAB054D7
Rasmus Vingaard Larsen

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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 Hounö A/S for the financial year 1 January - 31 December 2024.

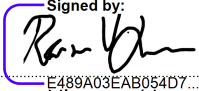
The annual report is prepared in accordance with the Danish Financial Statements Act.

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.

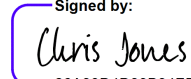
Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

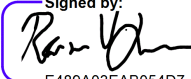
We recommend that the annual report be approved at the annual general meeting.

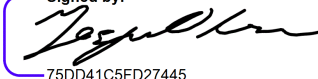
Randers, 27 June 2025
Executive Board:

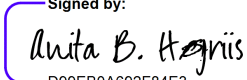
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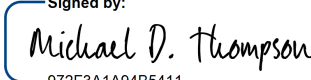
Board of Directors:

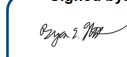
Signed by:

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Christian Jones
Chairman

Signed by:

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Rasmus Vingaard Larsen

Signed by:

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Jesper Vinther Olesen

Signed by:

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Anita Bertel Højriis

Signed by:

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Michael Dennis Thompson

Signed by:

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Bryan Eric Mittelman

Independent auditor's report

To the shareholders of Hounö A/S

Opinion

We have audited the financial statements of Hounö 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.

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.

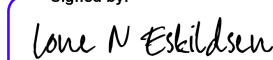
In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially 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, 27 June 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Signed by:



Lone N. Eskildsen
48557735
State Authorised Public Accountant
mne32085

Management's review

Company details

Name	Hounö A/S
Address, Postal code, City	Alsvej 1, 8940 Randers SV
CVR no.	82 55 72 10
Established	1 June 1977
Registered office	Randers
Financial year	1 January - 31 December
Website	www.houno.com
E-mail	houno@houno.com
Telephone	+45 87 11 47 11
Board of Directors	Christian Jones, Chairman Rasmus Vingaard Larsen Jesper Vinther Olesen Anita Bertel Højriis Michael Dennis Thompson Bryan Eric Mittelman
Executive Board	Rasmus Vingaard Larsen
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark
Bankers	Jyske Bank

Management's review

Financial highlights

DKK'000	2024	2023	2022	2021	2020
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Key figures

Gross profit	50,658	11,859	50,751	45,127	36,667
Operating profit/loss	-11,722	-50,655	-41,933	-27,303	-26,912
Net financials	-7,395	-5,100	-3,368	2,259	-199
Profit/loss for the year	-12,492	-43,187	-12,768	-15,414	-17,509

Total assets	117,113	128,688	151,232	107,647	99,673
Investments in property, plant and equipment	1,328	15,607	3,075	10,020	3,543
Equity	-75,422	-62,930	-19,743	-6,975	8,439

Financial ratios

Return on assets	-9.5%	-36.2%	-32.4%	-26.3%	-25.1%
Equity ratio	-64.4%	-48.9%	-13.1%	-6.5%	8.5%
Return on equity	-18.1%	-104.5%	-95.6%	2,105.7%	-101.8%

Average number of full-time employees	81	84	98	103	112
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For terms and definitions, please see the accounting policies.

Management's review

Management commentary

Principal activities

The company's principal activities relates to production and sales of combi and bake-off ovens with accessories for industrial kitchens, restaurants, fast food chains, supermarket chains, and retail stores.

Development in activities and financial matters

The income statement for 2024 shows a loss of DKK 12,492 thousand against a loss of DKK 43,187 thousand last year, and the balance sheet at 31 December 2024 shows a negative equity of DKK 75,422 thousand. The result reflects, among other factors, the impact of a general market slowdown, which began gradually in the third quarter and became more pronounced in the fourth quarter.

The result is considered unsatisfactory.

Profit/loss for the year compared to previously announced expectations

The expectation for 2024, as stated in the 2023 annual report, was an improvement in the company's financial situation. However, the realized results reflect a continued challenging market environment and higher-than-expected costs, leading to a larger deficit than anticipated.

In 2024, revenue was expected to be between DKK 110 and 135 million, whereas actual revenue amounted to DKK 119 million. The revenue is at the lower end of the range which can primarily be attributed to a difficult market situation with low sales activity. The expectation for the result of 2024 was a loss of DKK 8 to 16 million based on the 2023 annual report. The actual loss for 2024 totaled DKK 12.9 million due to slowed down in the market and less order intake and sales in Q4 2024. The loss for the year is within the expectation for the year based on the annual report 2023, yet it is in the higher end of the interval.

Impact on the external environment

In 2024, HOUNÖ continued its efforts to reduce environmental impact by improving the energy and water efficiency of its ovens, which led to the awarding of the Energy Star certification. The company also made ongoing improvements in reducing steel waste in production and enhanced waste management throughout the manufacturing process.

Research and development activities

The company has in recent years continued to invest in development, digitalization, and automation activities to strengthen its future growth and earnings potential. All development activities have been expensed since management has assessed that the criteria for recognition has not been met. In the coming financial year, development activities are expected to take place at a lower level than in previous years.

Capital Loss

The company's capital is lost and is therefore subject to section 119 of the Danish Companies Act. Continued operations are dependent on the injection of new capital. Equity is expected to be restored through future earnings. Management continuously assesses the capital base and the need to restore equity. The company's shareholders have issued a letter of support and guarantee to provide liquidity support for the company's operations until 30 June 2026. A description is also provided under the statement of changes in equity.

Report on the gender composition of Management

Hounö A/S believes that diversity among employees, including gender balance, contributes positively to the working environment and strengthens the company's performance and competitiveness.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Management's review

Outlook

In 2025, a negative result is still expected; however, management is working intensively to reverse this trend through the development and expansion of the existing product portfolio, as well as by entering new markets with updated strategies and different approaches compared to the previous year. There is a strong focus on strengthening the local market and increasing visibility through new sales initiatives. Part of the revenue growth will come from expected launch of gas oven range for the US market following by the European markets.

Total revenue for HOUNÖ A/S is expected to be between DKK 120 and 150 million, while the net result for the year is expected to be a loss between minus DKK 6 and 12 million. Despite the negative result, the company continues to receive full support from its owner, The Middleby Corporation.

Financial statements 1 January - 31 December**Income statement**

Note	DKK'000	2024	2023
	Gross profit	50,658	11,859
4	Staff costs	-51,887	-54,906
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-7,525	-7,358
	Profit/loss before net financials	-8,754	-50,405
5	Financial income	67	513
6	Financial expenses	-7,462	-5,613
	Profit/loss before tax	-16,149	-55,505
7	Tax for the year	3,657	12,318
	Profit/loss for the year	-12,492	-43,187

Financial statements 1 January - 31 December**Balance sheet**

Note	DKK'000	2024	2023
	ASSETS		
	Fixed assets		
9	Intangible assets		
	Acquired intangible assets	170	1,147
		170	1,147
10	Property, plant and equipment		
	Land and buildings	10,878	11,250
	Other fixtures and fittings, tools and equipment	20,840	25,096
	Leasing asset	1,608	2,144
		33,326	38,490
	Total fixed assets	33,496	39,637
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	40,176	49,858
	Work in progress	262	911
	Finished goods and goods for resale	6,184	4,622
	Prepayments for goods	0	602
		46,622	55,993
	Receivables		
	Trade receivables	8,346	8,890
	Receivables from group entities	9,925	1,884
	Receivables from associates	3,675	4,305
	Income taxes receivable	3,141	12,438
	Other receivables	1,203	1,031
11	Prepayments	782	1,110
		27,072	29,658
	Cash	9,923	3,400
	Total non-fixed assets	83,617	89,051
	TOTAL ASSETS	117,113	128,688

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	EQUITY AND LIABILITIES		
	Equity		
12	Share capital	1,000	1,000
	Retained earnings	-76,422	-63,930
	Total equity	-75,422	-62,930
	Provisions		
13	Deferred tax	2,911	3,307
	Other provisions	394	448
15	Total provisions	3,305	3,755
	Liabilities other than provisions		
14	Non-current liabilities other than provisions		
	Lease liabilities	411	1,269
	Payables to group entities	172,426	155,698
	Other payables	0	3,569
		172,837	160,536
	Current liabilities other than provisions		
14	Lease liabilities	1,220	912
	Trade payables	6,631	10,426
	Payables to group entities	43	5,407
	Other payables	8,499	10,582
		16,393	27,327
	Total liabilities other than provisions	189,230	187,863
	TOTAL EQUITY AND LIABILITIES	117,113	128,688

- 1 Accounting policies
- 2 Capital ratio
- 3 Events after the balance sheet date
- 8 Appropriation of profit/loss
- 16 Contractual obligations and contingencies, etc.
- 17 Security and collateral
- 18 Related parties

Financial statements 1 January - 31 December**Statement of changes in equity**

Note	DKK'000	Share capital	Retained earnings	Total
	Equity at 1 January 2023	1,000	-20,743	-19,743
8	Transfer, see "Appropriation of profit/loss"	0	-43,187	-43,187
	Equity at 1 January 2024	1,000	-63,930	-62,930
8	Transfer, see "Appropriation of profit/loss"	0	-12,492	-12,492
	Equity at 31 December 2024	1,000	-76,422	-75,422

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Hounö A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

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

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company The Middleby Corporation. Requesting the parent company's consolidated cash flow can be found at <https://middlebycorporation.gcs-web.com/financial-information/annual-reports>.

Reporting currency

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

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.

Income statement

Revenue

The company has chosen to apply IFRS 15 for the interpretation of the provisions of the Annual Accounts Act regarding the recognition of revenue.

Revenue from the sale of goods and finished products, which includes ovens and spare parts, is recognized in net revenue when control of the item transfers to the customer, which, according to the sales terms, occurs at the time of delivery.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue, cost of sales, 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 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.

Cost of sales

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cost of sales includes the cost of goods used in generating the year's revenue.

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.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

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:

Acquired intangible assets	3-5 years
Land and buildings	50 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasing asset	1-4 years

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 entity is jointly taxed with other group entities. 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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Leases

The Company has chosen IFRS 16 as interpretation for classification and recognition of leases.

A lease asset and a lease liability are recognized on the balance sheet when the company, in accordance with an entered lease agreement regarding a specifically identifiable asset, has the lease asset available for use during the lease term, and when the company obtains the right to substantially all the economic benefits from the use of the identified asset and the right to direct the use of the identified asset.

Lease liabilities are initially measured at the present value of future lease payments, discounted using an alternative borrowing rate. The following lease payments are recognized as part of the lease liability:

- ▶ Fixed payments.
- ▶ Variable payments that change in accordance with changes in an index or a rate, based on the applicable index or rate.
- ▶ Payments due under a residual value guarantee.

The lease liability is measured at amortized cost using the effective interest method. The lease liability is remeasured when there are changes in the underlying contractual cash flows due to changes in an index or a rate, if there are changes in the company's estimate of a residual value guarantee, or if the company changes its assessment of whether a purchase, extension, or termination option is expected to be exercised with reasonable certainty.

The lease asset is initially measured at cost, which corresponds to the value of the lease liability adjusted for any prepaid lease payments, plus directly attributable costs and estimated costs for dismantling, restoration, or similar activities, and less any received discounts or other forms of incentive payments from the lessor.

Subsequently, the asset is measured at cost less accumulated depreciation and impairment losses. The lease asset is depreciated over the shorter of the lease term or the useful life of the lease asset. Depreciation is recognized on a straight-line basis in the income statement.

The lease asset is adjusted for changes in the lease liability as a result of changes in the terms of the lease agreement or changes in the agreement's cash flows in accordance with changes in an index or a rate.

Lease assets are depreciated on a straight-line basis over the expected lease term, which constitutes:

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

- ▶ Other fixed assets, operating equipment, and inventory: 1-4 years.
- ▶ Buildings: 1-2 years.

The company has chosen to present lease assets and lease liabilities as separate line items in the balance sheet. The company has generally opted to apply the practical exemptions in IFRS 16, so lease assets with low value and short-term lease agreements are not recognized on the balance sheet. Instead, lease payments related to these lease agreements are recognized on a straight-line basis in the income statement under other external expenses.

The company has also chosen not to include service elements in the capitalized value of lease liabilities and lease assets. Service elements are therefore expensed as incurred under other external expenses in the income statement

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates 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.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the cost.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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 comprise cash and is subject to only minor risks of changes in value.

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

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.

Other payables

Other payables are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Financial statements 1 January - 31 December**Notes to the financial statements****1 Accounting policies (continued)****Financial ratios**

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before net financials +/- Other operating income and other operating expenses
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

2 Capital ratio

The company's capital has been lost and is thus covered by Section 119 of the Companies Act. Future operations are contingent upon the injection of new capital. The equity is expected to be reestablished through future earnings. Management continuously assesses the capital base and the need for the reestablishment of equity. The company's shareholders have provided a support declaration and guarantee to support the company's operations financially until June 30, 2026.

3 Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

DKK'000	2024	2023
4 Staff costs		
Wages/salaries	47,366	48,942
Pensions	3,810	3,614
Other social security costs	711	898
Other staff costs	0	1,452
	<u>51,887</u>	<u>54,906</u>
Average number of full-time employees	<u>81</u>	<u>84</u>

Management remuneration for 2024 is stated collectively according to the Danish Financial Statements Act Section 98b(3)(1), whereas the exemption provision is not applicable in 2023. Management Remuneration for 2024 total DKK'000: 1.782 (2023 DKK'000: Executive Board 5.473, Board of Directors: 20).

Financial statements 1 January - 31 December**Notes to the financial statements****5 Financial income**

Interest receivable, group entities	0	168
Exchange gain	0	261
Other financial income	67	84
	<u>67</u>	<u>513</u>

6 Financial expenses

Interest expenses, group entities	7,227	5,548
Exchange losses	170	0
Other financial expenses	65	65
	<u>7,462</u>	<u>5,613</u>

7 Tax for the year

Estimated tax charge for the year	-3,264	-11,997
Deferred tax adjustments in the year	-393	-321
	<u>-3,657</u>	<u>-12,318</u>

8 Appropriation of profit/loss**Recommended appropriation of profit/loss**

Retained earnings/accumulated loss	-12,492	-43,187
	<u>-12,492</u>	<u>-43,187</u>

9 Intangible assets

DKK'000	Acquired intangible assets
Cost at 1 January 2024	5,546
Additions in the year	58
Cost at 31 December 2024	<u>5,604</u>
Impairment losses and amortisation at 1 January 2024	4,399
Amortisation/depreciation in the year	1,035
Impairment losses and amortisation at 31 December 2024	<u>5,434</u>
Carrying amount at 31 December 2024	<u>170</u>
Amortised over	<u>3-5 years</u>

Financial statements 1 January - 31 December**Notes to the financial statements****10 Property, plant and equipment**

DKK'000	Land and buildings	Other fixtures and fittings, tools and equipment	Leasing asset	Total
Cost at 1 January 2024	21,378	42,368	4,794	68,540
Additions in the year	71	665	592	1,328
Disposals in the year	0	-579	-172	-751
Cost at 31 December 2024	21,449	42,454	5,214	69,117
Impairment losses and depreciation at 1 January 2024	10,128	17,272	2,650	30,050
Amortisation/depreciation in the year	443	4,919	1,128	6,490
Reversal of amortisation/depreciation and impairment of disposals	0	-577	-172	-749
Impairment losses and depreciation at 31 December 2024	10,571	21,614	3,606	35,791
Carrying amount at 31 December 2024	10,878	20,840	1,608	33,326
Depreciated over	50 years	3-10 years	1-4 years	

11 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including insurance. Prepayments are expected to be expensed within 1 year from the balance sheet date.

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

The Company's share capital has remained DKK 1,000 thousand over the past 5 years.

13 Deferred tax

Deferred tax at 1 January	3,307	3,225
Adjustment relating to previous years	5	-73
Other deferred tax	-401	155
Deferred tax at 31 December	2,911	3,307

Financial statements 1 January - 31 December**Notes to the financial statements****14 Non-current liabilities other than provisions**

DKK'000	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Lease liabilities	1,631	1,220	411	0
Payables to group entities	172,426	0	172,426	0
	174,057	1,220	172,837	0

15 Provisions

The provision for deferred tax primarily relates to timing differences in respect of intangible assets and property, plant and equipment.

Other provisions comprise provisions for warranty commitments, totalling DKK 393.682. Warranty provisions relate to expected warranty expenses in accordance with usual guarantee commitments applicable to the sale of goods. The obligation is expected to be settled over the warranty period, which is one years. DKK 245 t.kr. is expected to be utilised in the coming financial year.

16 Contractual obligations and contingencies, etc.

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes.

17 Security and collateral

The Company has not provided any security or other collateral in assets at 31 December 2024.

18 Related parties

Hounö A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Hounö Holding LCC	Delaware, USA	Participating interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
The Middleby Corporation	USA	https://middlebycorporation.gcs-web.com/financial-information/annual-reports

Financial statements 1 January - 31 December

Notes to the financial statements

18 Related parties (continued)

Related party transactions

Hounö A/S was engaged in the below related party transactions:

DKK'000	2024	2023
Sale of finished goods	48,888	23,012
Purchase of semi-finished products	2,522	7,535
Administration fee to subsidiary	250	250
Administration fee from parent company	662	1,282
Receivables from group companies	10,165	2,714
Receivables from associates	3,675	4,305
Debt to group companies	-326	-6,242
Loans from group companies	-172,435	-155,698