



AALBERTS SCANDINAVIA A/S

Skovvej 30, 5610 Assens

ANNUAL REPORT 2024

Commercial reg. No. 21 55 26 31

Approved by the company at the general meeting May 27, 2025

Chairman of the General Meeting

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COMPANY INFORMATION

Company

Aalberts Scandinavia A/S

Skovvej 30

5610 Assens

Company registration no.: 21 55 26 31

Registered in: Assens

Supervisory Board

Stéphane Simonetta, Chairman

Frans den Houter

Lene Schwartz

Executive Board

Lene Schwartz

Company Auditor

Deloitte

Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

DK-8000 Aarhus

STATEMENT BY THE EXECUTIVE AND SUPERVISORY BOARDS ON THE ANNUAL REPORT

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Aalberts Scandinavia 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 at 31 December 2024 of the Company and the Group and of the results of the Company operations and cash flows for 2024.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Assens, May 27, 2025

Executive Board

Lene Schwartz

Supervisory Board

Stéphane Simonetta
Chairman

Frans den Houter

Lene Schwartz

INDEPENDENT AUDITORS' REPORT

To the Shareholder of Aalberts Scandinavia A/S

Opinion

We have audited the financial statements of Aalberts Scandinavia A/S for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity, and notes, including a summary of significant 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 Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, May 27, 2025

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR-no. 33 96 35 56

Henrik Vedel
State Authorised Public Accountant
Identification No (MNE) mne10052

Abdul Wahab Ashraf
State Authorised Public Accountant
Identification No (MNE) mne46664

MANAGEMENT'S REVIEW

Aalberts Scandinavia A/S is part of the international group Aalberts N.V. listed on the Euro-next Amsterdam and on the AMX index.

Principal activities

The company is established with the object of being a holding company for the companies in Scandinavia. The company can furthermore conduct business within manufacturing and trade.

The result of year 2024

The result for the year is computed to tDKK (57,160) compared to last year of tDKK 95,650. This result has a significant decrease compared to last year, main reason is that BROEN and Aalberts Scandinavia has made the decision to leave Russia at the end of December 2024. Efforts to sell our Russian business are continuing and Management expects to reach an agreement in 2025. Following a remeasurement to the fair value less costs to sell, an impairment loss of mDKK 105 is recognized in the income statement. Rest of the subsidiaries has also contributed to this negative development. The currency rates developed negatively for NOK, SEK and RUB during the year. The balance sheet shows aggregate assets of tDKK 674,797 and equity of tDKK 798,529. The result is regarded as not satisfactory, due to the circumstances within Russia and the global economy.

Subsequent events

No events have occurred subsequent to the balance sheet date and up to this date that change the assessment of the annual accounts.

Corporate Responsibility

The company has not prepared a local CSR policy, but observes and complies with the CSR stipulations and guidelines stated in the annual report of the ultimate parent company Aalberts N.V. - see Annual Report 2024 for Aalberts N.V. on the website www.aalberts.com/investor#webcasts.

ACCOUNTING POLICIES

Basis of preparation

The Annual Report of Aalberts Scandinavia A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with compliance of some provisions of reporting in class C.

The accounting policies are the same compared to last year.

Consolidated Financial Statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The Annual Report of Aalberts Scandinavia A/S and its subsidiaries is included in the Consolidated Financial Statements of Aalberts N.V., The Netherlands.

Investments in affiliated undertakings

Investments in affiliated undertakings are measured under the equity method.

The items “Result after tax in affiliated undertakings” in the income statement include the proportionate share of the profit after tax less goodwill amortisation.

The items “Capital participation in affiliated undertakings” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of any remaining value of goodwill or negative goodwill.

Affiliated undertakings with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

The total net revaluation of investments in affiliated undertakings is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity.

At the acquisition of affiliated undertakings their assets and liabilities are measured at the realisable value at the time of acquisition and with due due consideration to the inclusion of possible restructuring provisions made for the company acquired. Goodwill paid for at the acquisition is included in “Capital participation in affiliated undertakings” and is amortized on a straight-line basis over the estimated useful life. The maximum amortization period is 20 years.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at transaction dates. Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Gains and losses from foreign currencies are recognised in financial income and expenses in the income statement.

Foreign subsidiaries and associates of the Company are separate legal entities and the income statements are translated at average exchange rates, whereas balance sheet items are translated at the exchange rates at the balance sheet date.

Exchange adjustments arising on the translation of the opening equity of foreign enterprises and ex-

change adjustments arising from the translation at average exchange rates of the income statements of foreign enterprises are recognised directly in equity.

Exchange adjustments of loans in foreign currencies contracted for the hedging of investments in foreign subsidiaries and associates or loans considered to be derived from the investment are recognised directly in equity. If the hedge is not effective, the ineffective portion is reported immediately in net profit or loss.

Corporation tax and deferred tax

The company is jointly taxed with the Danish companies that form part of the overall parent company. The tax effect of the joint taxation of the enterprises is allocated to both profitable and unprofitable Danish enterprises in relation to their taxable income (full allocation with refund of fiscal losses). The jointly taxed enterprises have adopted the on-account taxation scheme.

Tax for the year consists of current tax for the year and deferred tax for the year.

Current tax are recognised in other receivables in the balance sheet in the event of overpayment of tax on account, and in other creditors in the event of underpayment of tax on account.

Deferred tax provisions are made for the deviations between the accounting value and the tax value of assets and liabilities. Deferred tax assets are included at the expected realisable value.

Adjustment is made for deferred tax concerning unrealized intercompany gains and losses.

Income Statement

Other external costs

Other external costs comprise costs related to administration fee, audit and lawyer fees and external charges etc.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments, as well as extra payments and repayment under the on account taxation scheme.

Balance Sheet

Receivables

Receivables are recognised in the balance sheet at nominal value less provisions for bad debts.

Provisions for bad debts are determined on the basis of an individual assessment of each receivable and a general provision is also made based on the Company's experience.

Cash and cash equivalents

Cash comprises cash in hand and bank deposits.

PROFIT AND LOSS ACCOUNT FOR 2024

	<u>Note</u>	<u>2024 DKK'000</u>	<u>2023 DKK'000</u>
Gross profit		(122)	(116)
Employment expenses	1	<u>0</u>	<u>0</u>
Operating profit		(122)	(116)
Result after tax in group enterprises	2	(57,652)	94,904
Financial income	3	766	1,183
Financial expenses	4	<u>(32)</u>	<u>(113)</u>
Profit before tax		(57,040)	95,858
Tax on profit of the year	5	<u>(120)</u>	<u>(208)</u>
NET PROFIT OF THE YEAR		<u>(57,160)</u>	<u>95,650</u>

DISTRIBUTION OF PROFIT**Proposed distribution of profit**

Proposed dividend for the year	45,000	45,000
Reserve for net revaluation according to the equity value method	(57,652)	94,904
Retained profit	<u>(44,508)</u>	<u>(44,254)</u>
	<u>(57,160)</u>	<u>95,650</u>

BALANCE SHEET AS AT 31.12.2024**ASSETS**

	<u>Note</u>	<u>2024 DKK'000</u>	<u>2023 DKK'000</u>
Investments in group enterprises		646,388	772,657
Financial fixed assets	6	<u>646,388</u>	<u>772,657</u>
FIXED ASSETS		<u>646,388</u>	<u>772,657</u>
Receivables from group enterprises		27,718	24,335
Tax receivables		684	1,621
Other receivables		<u>7</u>	<u>6</u>
Receivables		<u>28,409</u>	<u>25,962</u>
CURRENT ASSETS		<u>28,409</u>	<u>25,962</u>
ASSETS		<u>674,797</u>	<u>798,619</u>

BALANCE SHEET AS AT 31.12.2024**LIABILITIES**

	<u>Note</u>	<u>2024 DKK'000</u>	<u>2023 DKK'000</u>
Share capital	7	10,000	10,000
Reserve for net revaluation according to the equity value method		353,515	479,784
Retained profit		221,148	263,745
Proposed dividend for the year		45,000	45,000
EQUITY		<u>674,663</u>	<u>798,529</u>
Debt to group enterprises		38	0
Other creditors		96	90
Short term debt		<u>134</u>	<u>90</u>
TOTAL DEBT		<u>134</u>	<u>90</u>
LIABILITIES AND EQUITY		<u>674,797</u>	<u>798,619</u>

Pledged assets and contingent liabilities, etc. note 8.

STATEMENT OF CHANGES IN EQUITY

	Share capital DKK'000	Reserve under the equity method DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity at 01.01.2023	10,000	424,232	290,621	30,000	754,853
Paid-up dividend				(30,000)	(30,000)
Exchange rate adjustment group enterprises		(22,003)			(22,003)
Direct equity movement		29			29
Received dividend from group enterprises		(17,378)	17,378		0
Net profit for the year		94,904	746	0	95,650
Proposed dividend for the year			(45,000)	45,000	0
Equity at 31.12.2023	10,000	479,784	263,745	45,000	798,529

	Share capital DKK'000	Reserve under the equity method DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity at 01.01.2024	10,000	479,784	263,745	45,000	798,529
Paid-up dividend				(45,000)	(45,000)
Exchange rate adjustment group enterprises		(21,706)			(21,706)
Direct equity movement		0			0
Received dividend from group enterprises		(46,911)	46,911		0
Net profit for the year		(57,652)	492	0	(57,160)
Proposed dividend for the year			(45,000)	45,000	0
Equity at 31.12.2024	10,000	353,515	266,148	45,000	674,663

NOTES TO THE ANNUAL REPORT

	2024 <u>DKK'000</u>	2023 <u>DKK'000</u>
1. Employment expenses		
Number of employees	0	0
In pursuance of section 98B (3) of the Danish Financial Statements Act, remuneration to the Board Of Directors and Executive Board is not divided		
2. Result after tax in group enterprises		
Shares of profit after tax	(57,545)	95,987
Change in unrealised internal profit on stocks	6	36
Depreciation on Goodwill	<u>(113)</u>	<u>(1,119)</u>
	<u>(57,652)</u>	<u>94,904</u>
3. Financial income		
Interest owed from group enterprises	695	1,167
Other interest income	<u>71</u>	<u>16</u>
	<u>766</u>	<u>1,183</u>
4. Financial expenses		
Interest owed from group enterprises	8	0
Other interest	<u>24</u>	<u>113</u>
	<u>32</u>	<u>113</u>
5. Tax		
Current tax	<u>120</u>	<u>208</u>
	<u>120</u>	<u>208</u>

NOTES TO THE ANNUAL REPORT

	Investments in group enterprises DKK'000
6. Financial fixed assets	
Cost at 01.01.2024	292,873
Additions	0
Disposals	0
Cost at 31.12.2024	<u>292,873</u>
Revaluations at 01.01.2024	479,784
Exchange rate adjustment	(21,706)
Profit for the year of capital participation	(57,539)
Depreciation on goodwill	(113)
Dividend for parent company	(46,911)
Revaluations at 31.12.2024	<u>353,515</u>
Book value at 31.12.2024	<u>646,388</u>
Book value at 31.12.2023	<u>772,657</u>
Hereof measured as goodwill	<u>170</u>

	---- Domicile	Share capital DKK'000	Ownership DKK'000
BROEN A/S	Assens, Denmark	10,400	100%
- BROEN Poland Sp.z.o.o	Dzierzoniow, Poland	13,890	100%
- Aalberts Surface Technologies Heat Sp.z o.o.	Dzierzoniow, Poland	4,535	100%
- BROEN LTD	Moscow, Russia	769	100%
- BROEN SEI srl,	Bucharest, Rumania	2	75%
- BROEN Valves Beijing Co. Ltd	Beijing, China	1,606	100%
- BROEN AB,	Gothenburg, Sweden	72	100%
Isiflo AB	Gnosjö, Sweden	78	100%
Isiflo AS	Raufoss, Norway	7,604	100%
Aalberts Surface Technologies AB	Värnamo, Sweden	94	100%

NOTES TO THE ANNUAL REPORT

	2024	2023
	<u>DKK'000</u>	<u>DKK'000</u>
7. Share capital		
The share capital consists of shares of DKK 1,000 or multiples hereof		
Balance at 01.01.2024	10,000	10,000
Changes during the year	<u>0</u>	<u>0</u>
Balance at 31.12.2024	<u>10,000</u>	<u>10,000</u>

The shares are not divided into classes.

8. Pledged assets and contingent liabilities, etc.**Suretyship:**

The Company has no suretyship per 31/12 2024.

Aalberts Scandinavia A/S serves as the administration company in a Danish Joint taxation arrangement. According to the joint taxation provision of the Danish Corporation Tax Act, the entity is therefore liable for income taxes etc. for the jointly taxed entities, Aalberts Scandinavia A/S and for the obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

Consolidated financial statement

The company is included in the consolidated financial statement prepared by Aalberts N.V., the Netherlands. The consolidated annual accounts for Aalberts N.V. can be requested on application to Broen A/S, Skovvej 30, 5610 Assens.