

Roth North Europe A/S

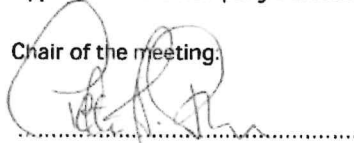
Centervej 5, 3600 Frederikssund

CVR no. 34 01 21 13

Annual report 2024

Approved at the Company's annual general meeting on 30 April 2025

Chair of the meeting:



Peter Halling Rasmussen

Contents

Statement by Management	2
Independent auditor's report	3
Management's review	6
Consolidated financial statements and parent company financial statements 1 January – 31 December	16
Income statement	16
Balance sheet	17
Statement of changes in equity	19
Cash flow statement	20
Notes	21

Statement by Management

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

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024 and of the results of the Group's and the Parent Company's operations and the consolidated cash flows for the financial year 1 January - 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters, the results for the year and the Group's and the Parent Company's financial position.

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

Frederikssund, 30 April 2025

Executive Board:

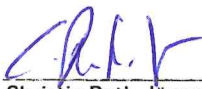


Morten Nyvang Voss



Per Storm Kronil

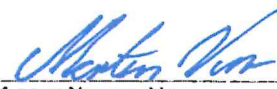
Board of Directors:



Christin Roth-Jäger
Chairman



Anne-Kathrin Roth



Morten Nyvang Voss



Per Storm Kronil

Independent auditor's report

To the shareholder of Roth North Europe A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Roth North Europe 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, for both the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows 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 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 consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "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 consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent 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 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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- ▶ Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. We remain solely responsible for our audit opinion.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

Independent auditor's report

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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 30 April 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

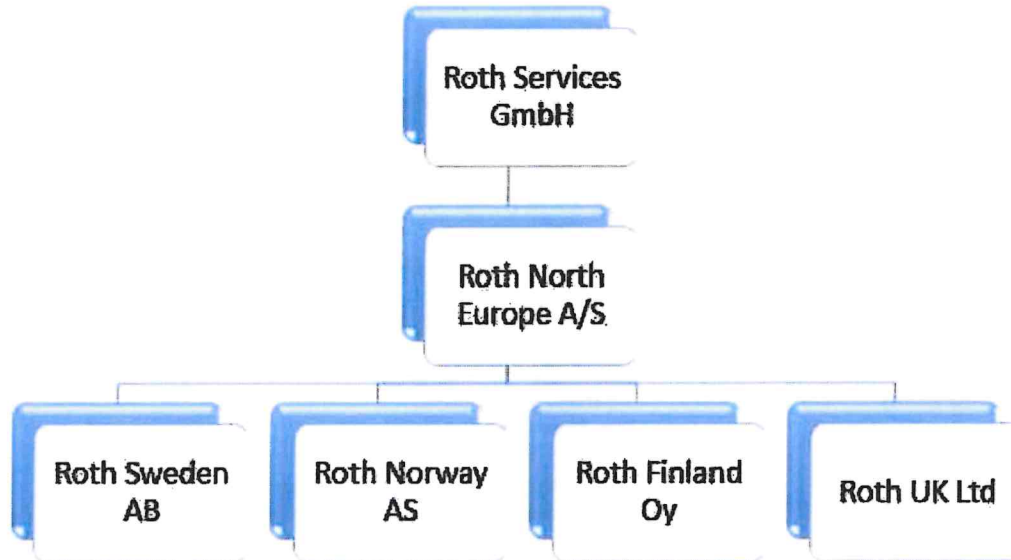


Thomas Bruun Kofoed
State Authorised
Public Accountant
mne28677

Management's review

Group chart

Roth North Europe A/S is 100% owned by the German family-run company Roth Services GmbH. Roth North Europe A/S has wholly-owned subsidiaries in Sweden, Norway, Finland and the UK. The legal structure of Roth North Europe A/S is shown below:



Financial highlights for the Group

DKK million	2024	2023	2022	2021	2020
Key figures					
Revenue	311.8	318.9	390.7	379.9	326.7
Gross profit	94.4	91.1	112.4	119.8	95.5
Profit from ordinary activities	22.8	19.7	36.2	46.4	26.1
Profit/loss from net financials	0.2	-1.3	-0.6	-1.2	-0.1
Profit for the year	17.8	13.0	28.6	35.1	20.3
Total assets					
Total assets	245.5	239.9	248.3	234.6	206.5
Amount relating to investments in property, plant and equipment	1.3	1.6	2.3	3.0	2.0
Equity	200.7	184.7	173.5	146.8	109.5
Cash flows					
Cash flows from operating activities	-11.0	18.9	14.5	22.8	26.9
Cash flow from investing activities	-1.3	-1.8	-2.3	-3.0	-2.0
Cash flows from financing activities	-2.6	-10.9	0	-16.9	-16.6
Total cash flows	-15.0	6.1	12.2	2.9	8.3
Financial ratios					
Solvency ratio	81.7%	77.0%	69.9%	62.6%	53.1%
Return on equity	9.2%	7.3%	17.8%	27.4%	20.3%
Average number of full-time employees					
Average number of full-time employees	98	100	103	100	106

Financial ratios are calculated in accordance with the description in accounting policies

Management's review

Company details

Name	Roth North Europe A/S
Address, postal code, city	Centervej 5, DK-3600 Frederikssund
CVR no.	34 01 21 13
Registered office	Frederikssund
Financial year	1 January - 31 December
Website	www.roth-northeurope.com
Telephone	+45 47 33 97 00
Board of Directors	Christin Roth-Jäger, Chairman Anne-Katrin Roth Morten Nyvang Voss Per Storm Kronil
Executive Board	Morten Nyvang Voss Per Storm Kronil
Auditor	EY Godkendt Revisionspartnerselskab Dirch Passer Allé 36, P O Box 250, DK-2000 Frederiksberg
Bankers	Nordea Danmark

Management's review

Principal Activities

Roth North Europe develops, manufactures and markets complete heating and sanitation systems especially adapted to the Nordic and UK market.

The Group offers complete systems within the fields of energy generation, energy storage and energy distribution in the form of solar systems, tank systems for energy and water storage, water-borne floor heating systems, piping systems for domestic water and heating as well as snow melting systems. Sales take place through heating and sanitation wholesalers.

A Shared Service Centre in Denmark supplies the group entities in the other Nordic countries and UK with logistics, finance, IT, procurement, marketing and administration services.

Development in activities and financial matters

The Group's income statement for 2024 shows a profit after tax of DKK 17,759 thousand, compared to DKK 13,034 thousand in 2023. As of 31 December 2024, the consolidated balance sheet for the Group and the Parent Company shows equity of DKK 200,660 thousand.

The consolidation process initiated in previous years continued in 2024, albeit to a lesser extent. Efforts have primarily focused on further optimization of the operating facilities following previous building expansion. At the same time, attention remains on expanding the Prefab business and progressing several internal projects aimed at further streamlining business processes. These positive consolidation and optimization measures have continued to strengthen the Group's foundation, ensuring readiness for future growth.

In 2024, the Group experienced a slowdown in revenue growth, accompanied by a slight reduction in headcount, which decreased by two employees, bringing the total number of employees to 98.

Nevertheless, the financial results for 2024 exceeded expectations. Expectations in the latest annual report were profit before tax on DKK 15-20 million, whereon the results this year ended with profit before tax on DKK 23 million and represent a year-on-year increase of approximately 25 % compared to 2023.

Overall, the 2024 results are considered satisfactory. It is particularly encouraging that, as in the previous three years, all companies within the Group once again delivered positive bottom-line results.

Roth North Europe A/S, Denmark

With a strong sales organization operating in a declining market, the Company has managed to achieve only a modest decrease in revenue compared to last year, almost meeting expectations for the year. Sales in Denmark continue to be conducted through wholesalers, where price competition remains intense.

The Company's income statement for 2024 reports a profit after tax of DKK 17,759 thousand, including contributions from subsidiaries. As of 31 December 2024, the Company's balance sheet shows equity of DKK 200,660 thousand, following the allocation of retained earnings.

Compared to 2023, the Company's profit after tax showed an increase in 2024, primarily due to optimized profitability. The overall results for the year are considered satisfactory.

Roth Sverige AB

Most of the Company's sales continue to be made through large wholesalers. Following the termination of cooperation with a major customer in mid-2022, combined with a general market downturn, revenue for 2024 has fallen significantly short of expectations. Revenue for 2024 decreased 30 % in a declining market.

Persistent high price pressure and a weakening, unstable Swedish krona (SEK) have further negatively impacted performance in 2024, resulting in reduced earnings. The general price pressure is expected to persist into 2025.

Management's review

Despite operating in a declining and volatile market, slightly improved earnings and profitability on par with 2024 are expected in 2025. Operating results for 2025 are likewise anticipated to be broadly in line with those of 2024.

The Company's income statement for 2024 shows a small positive result, lower than in the previous year. Overall, the results for the year are not considered satisfactory.

Roth Norge AS

Revenue showed a small decrease in 2024 compared with last year and below expectations of the year. Despite the lower revenue, and considering that NOK is at the expected level, the higher profitability has primarily implied that profit for the year is close to expectations.

Compared to 2023, the profit after tax are higher and overall considered satisfactory.

Despite general uncertainty, revenue for 2025 is expected to be in line with 2024, while the profit is expected to increase and exceed the level of 2024, but to a wide extent this will still depend on i.a. the development in the NOK rate.

Roth Finland Oy

Through continued representation at all three major Finnish wholesalers, revenue in 2024 once again was on an acceptable level for the year, although it was approximately 10% lower than the 2023 level.

As a result of the revenue decline, profit for the year was also lower than in 2023. However, compared to expectations for 2024, the results were only slightly below target, primarily due to an improved contribution ratio. Enhancing profitability remains a key strategic focus for the Finnish organization.

Despite fluctuations in recent years, the Finnish company has demonstrated strong positive development over time, a trend that is expected to continue in line with its steadily growing market share. Given the current market conditions, a slight decline in revenue is anticipated in 2025. Nevertheless, thanks to improved profitability and other operational efficiencies, profit is still expected to increase.

Roth UK Limited

Profit before tax in 2024 is broadly in line with the results of the past two years. Overall, the Company has demonstrated solid performance improvements over the last three years.

Since the acquisition in 2017, the Company initially faced several years of financial instability. However, the restructuring initiatives implemented, combined with the strategic direction now in place, continue to underpin a positive outlook. The negative results of the early years have, over the past three years, been turned into modest but positive outcomes—a trend expected to continue.

Revenue in 2024 did not meet expectations, it was lower than in 2023. For 2025, revenue is expected to increase, supported by a moderate improvement in earnings margins.

Considering the size of the UK market, which is substantially larger than the total Nordic market and characterized by a wide customer base of smaller players—and taking into account the Company's currently limited market share, the long-term growth potential in the UK remains significant.

Knowledge resources

The Company considers its knowledge resources to be a key driver of continued competitiveness and long-term value creation. These resources include not only the experience and competencies of our employees, but also the systems, processes and organizational culture that support continuous improvement and innovation.

Over the past year, the Company has invested in strengthening internal capabilities through targeted training, cross-functional collaboration and knowledge sharing across markets. In particular, expertise

Management's review

within sales, project management, digital tools and product knowledge has been further developed to support our strategic focus areas.

The Group also benefits from its integrated IT platforms and standardized processes, which enable efficient knowledge transfer, data-driven decision-making and operational alignment across business units.

Retention of key employees and talent development remain high priorities, supported by structured onboarding, regular performance dialogues and opportunities for professional development. These efforts are essential for ensuring that the Company maintains a resilient and agile organization, well-equipped to adapt to changing market demands.

Looking ahead, the Company will continue to invest in building and leveraging knowledge resources to support innovation, digitalization and customer-centric growth across all markets.

Special risks

The Group is exposed to a number of specific risks that may affect operations, financial results, or the ability to execute on strategic priorities. Key risk areas include:

Market Volatility and Demand Fluctuations

Demand in the Group's markets is subject to fluctuations driven by macroeconomic conditions, regulatory developments, and shifts in customer investment behavior. A sudden downturn in market activity—particularly in the construction sector—may negatively impact order intake and revenue generation.

Price Competition and Margin Pressure

Intense competition, especially from wholesalers and low-cost suppliers, continues to place pressure on pricing and profitability. The Group mitigates this risk through strategic differentiation, a focus on value-added services, and a well-defined market positioning.

Currency Risks

As the Group operates in multiple currencies—including SEK, NOK, and GBP—exchange rate fluctuations can materially affect both revenue and earnings. While certain natural hedges exist, unexpected or volatile currency movements remain a risk factor.

Supply Chain Dependencies

Disruptions in the global supply chain, delivery delays, or increases in raw material prices (e.g. plastics, steel, electronics) may challenge the Group's ability to deliver reliably and cost-effectively. Mitigating actions include strategic sourcing agreements, safety stocks, and long-term supplier partnerships.

Talent and Knowledge Retention

The loss of key employees or challenges in attracting and retaining specialized talent could impair execution, innovation, and commercial performance. The Group actively addresses this risk through succession planning, competency development, and ongoing employee engagement efforts.

Regulatory and Sustainability Risks

Changes in building regulations, energy efficiency requirements, or ESG-related legislation (such as CO₂ emissions reporting or waste management rules) may necessitate product adjustments or additional investments. The Group closely monitors regulatory developments and proactively engages in compliance and sustainability initiatives.

IT and Cybersecurity

As digitalization accelerates, so does the risk of cyberattacks, data breaches, and system failures. The Group continuously strengthens its IT security infrastructure, including systems resilience, data protection policies, and employee training in cybersecurity awareness.

Research and development

As part of an international Group, certain research and development activities are conducted at the Group's headquarters in Germany. In parallel, the Company also undertakes its own R&D initiatives, with a primary focus on developing innovative, high-quality products tailored to the specific needs of the Nordic and UK markets.

Management's review

These efforts support the Group's strategic ambition to deliver market-relevant solutions and maintain a strong competitive edge through continuous product innovation and adaptation.

CSR – Corporate Social Responsibility

Customer orientation is a core principle of our business. We are committed to fair competition and transparent cooperation with customers, suppliers, and market partners. Our relationships with authorities are built on mutual trust, and we strictly adhere to applicable consumer protection regulations. All business activities are conducted in accordance with generally accepted principles of fairness, integrity, and honesty.

Our conduct is guided by universally recognized ethical values, including integrity, honesty, and respect for human dignity. We comply with all applicable laws and standards in the countries where we operate.

As an internationally active company, we attach great importance to free and lawful trade. We observe all relevant international regulations related to export and foreign trade, and we perform the required compliance checks—supported by tailored software solutions developed for this purpose.

In line with our corporate principles, we strive to be a market leader in quality and innovation within our respective markets. The continued development of our business is closely linked to improving living conditions and creating sustainable living spaces. As such, social responsibility and ethical conduct are fundamental pillars of our operations.

With more than 25 years of experience in the HVAC industry, our business model is rooted in delivering high-quality, water-based underfloor heating systems and drinking water pipes. Our primary customers are HVAC wholesalers, as well as plumbing and heating professionals. Our products are developed with a strong focus on environmental responsibility—utilizing sustainable materials designed for long product lifespans.

In 2024, we further integrated our commitment to environmental sustainability into our business strategy. We have chosen to align our efforts with four of the United Nations' Sustainable Development Goals:

- Clean Water and Sanitation
- Affordable and Clean Energy
- Decent Work and Economic Growth
- Responsible Consumption and Production

These goals will continue to guide our initiatives as we work towards a greener and more responsible future.

Anti-corruption

To safeguard the integrity of our business partnerships, we are committed to avoiding personal dependencies and obligations towards business partners. Roth maintains a strict zero-tolerance policy towards all forms of corruption and bribery.

We have identified that the primary risks of corruption arise in interactions with suppliers and external partners—particularly in relation to gifts or benefits that could influence business decisions or create unfair advantages.

Roth is firmly committed to fair and lawful competition. We fully comply with all applicable competition laws, including antitrust regulations and rules designed to safeguard fair market dynamics. Any unlawful agreements—such as price-fixing, market-sharing, or abuse of market position—are fundamentally at odds with our corporate principles and will not be tolerated.

As an internationally operating company, Roth also places great importance on compliance with export and foreign trade regulations. All international business activities are conducted in accordance with relevant legal frameworks, and necessary compliance checks are performed using dedicated, in-house developed software tools.

Management's review

In 2024, all new employees received training on our anti-corruption policy as part of the onboarding process. We are pleased to report that, as in previous years, no breaches of our anti-bribery and anti-corruption policies were recorded in 2024. Based on our internal controls and culture of compliance, no breaches are expected going forward.

Human rights

As a family-owned company with global operations, Roth acknowledges its responsibility to uphold internationally recognized human rights, in accordance with the United Nations' Universal Declaration of Human Rights. All entities within the Roth Group are committed to respecting and protecting these standards as an integral part of our corporate values.

We operate with a zero-tolerance policy towards child labour, forced labour, and any form of exploitation of children or young people. Compliance with all applicable national and international legislation is a minimum requirement—both within our own organization and across our value chain. We expect all suppliers and business partners to align with these principles.

While the risk of human rights violations in our direct operations is considered low, we recognize that the greatest potential risks lie within the supply chain, particularly in regions with less robust regulatory oversight. To address this, we maintain an ongoing dialogue with suppliers and conduct regular assessments and site visits to ensure that our standards are upheld in practice—not just in principle.

We are pleased to report that no breaches of our human rights policy were recorded in 2024.

In 2025, we will continue to implement and strengthen the Group's Supplier Code of Conduct, with a particular focus on further integrating human rights due diligence across procurement and supplier management processes. Through this continued commitment, we aim to ensure that all cooperation partners respect and actively promote global human rights standards.

Social and staff matters

All employees within the Roth Group must be treated with dignity and respect. No individual shall be subjected to forced employment—whether directly or indirectly—through coercion, intimidation, or violence. Where disciplinary measures are necessary, they must be applied in accordance with applicable national and international standards and always in full respect of internationally recognized human rights.

Ensuring safe and healthy working conditions is fundamental to our long-term success. Our health and safety management system is designed to proactively identify risks, implement preventive actions, and ensure compliance with all relevant national and international workplace safety regulations. All employees are expected to contribute actively to the prevention of occupational accidents and work-related illnesses.

Employees are offered fair and transparent remuneration, in line with national labor laws, industry norms, and internationally accepted frameworks. In particular, we follow the International Labor Organization's (ILO) core conventions—globally recognized standards that set minimum requirements in areas such as wages, working hours, occupational health and safety, freedom of association, and protection from discrimination, forced labor, and child labor. Wages are paid in a timely and practical manner, with clear pay slips provided. Working hours comply with applicable national legislation or, where relevant, ILO guidelines.

The most significant risks related to social and staff matters are considered to be job dissatisfaction and insufficient focus on working conditions—both of which can lead to absenteeism, workplace incidents, or the loss of skilled personnel. We are pleased to report that no work-related accidents occurred in 2024.

To foster a resilient and high-performing workplace culture, the Company continues to prioritize employee well-being and a positive working environment. In 2025, we will build further on these efforts to ensure a safe, healthy, and engaging work environment that supports both employee satisfaction and the Company's long-term success.

Climate and environment

Management's review

Active environmental protection are a core element of our corporate principles. We place high priority on conserving resources throughout the development, production, and use of our products—acting in accordance with the principles of the United Nations' Rio Declaration. Recognizing the growing importance of sustainability, we strengthened our internal focus by appointing a dedicated sustainability specialist in 2022.

In a market where climate-friendly solutions are increasingly viewed as a decisive competitive parameter, we are committed to expanding our sustainable product offerings in 2025—particularly within our core segments of underfloor heating and domestic water systems.

We continue to see rising demand from customers for transparency in product impact. In 2024, we worked systematically to collect relevant production data in order to support the preparation of Life Cycle Assessments (LCA) and Environmental Product Declarations (EPD). These efforts enable us to openly communicate the carbon footprint of our products and strengthen our dialogue with stakeholders.

Our commitment to environmental responsibility goes beyond regulatory compliance. At our Roth production sites, we are continually improving environmental performance through structured environmental management, including implementation of the EMAS (Eco-Management and Audit Scheme) of the European Union.

The most significant environmental and climate-related risks are assessed to relate to energy consumption and general manufacturing processes. To mitigate these risks, we make extensive use of renewable energy sources, waste heat recovery, and green electricity purchases at major locations. These initiatives have enabled us to halve CO₂ emissions since 2014, and many of our sites already operate in a climate-neutral manner.

Our product concepts are developed with the environment in mind. We use eco-friendly and durable materials, and we design system technologies that support long product lifetimes and low energy requirements during manufacturing. The use of recyclable high-tech plastics makes a measurable contribution to reducing the environmental footprint of our product range.

Our environmental efforts have received multiple industry recognitions, including acknowledgement from the European Environment Agency for the sustainability of our building technology solutions. Innovations such as pressure storage systems, heat pumps, solar energy systems, and radiant heating and cooling technologies contribute to significant energy savings and reduced environmental impact for our customers.

In 2025, our focus on responsible resource utilization will continue through the ongoing optimization of processes and production facilities, as well as the development of new, greener product solutions with a lower carbon footprint.

Gender composition of Management

At Roth, we are committed to hiring the most qualified individuals for each position—regardless of gender, age, or background. It is a fundamental principle for Management to provide equal opportunities for all qualified candidates to pursue a career and grow into leadership roles within the Company.

However, as we operate within a traditionally male-dominated industry, this reality is also reflected in the candidate pool, where male applicants remain significantly overrepresented during recruitment processes.

Gender Distribution in the Board of Directors

We aim to achieve a balanced gender composition on the Board of Directors, targeting a 60/40 distribution. In 2024, the Board consisted of four members, with two men and two women, meaning the underrepresented gender accounted for 50%. According to the Danish Business Authority's definition, this constitutes equal gender representation, and our target for the Board in 2024 is therefore considered fulfilled.

Gender Distribution at Other Management Levels

Management's review

For other management levels—including individuals with personnel responsibility and those reporting directly to the Board of Directors—we have set a target of achieving a 75/25 gender distribution by 2026. In 2024, this group consisted of 10 people, with a 90/10 gender distribution, where women remained the underrepresented gender.

To support progress towards a more balanced gender composition, Management has taken several steps:

- The recruitment process is continuously reviewed to ensure inclusive language in job postings and balanced selection criteria.
- A particular effort is made to ensure that qualified female candidates are invited to interviews when possible.
- Performance and development reviews are used to identify and encourage leadership potential among both female and male employees, with special focus on younger talents.

Despite these targeted initiatives, the number of applications from women for management positions in 2024 was limited, and few candidates met the required qualifications for the available roles. This highlights the structural challenge in the industry and reinforces the need for a continued and long-term focus on gender diversity in leadership.

Management remains committed to promoting equal opportunities and will maintain its efforts to reach the 2026 target through proactive talent development and inclusive recruitment practices.

5-year overview						
		2023	2024	2025	2026	2027
Board of Directors	Total number of members	5	4			
	Underrepresented gender in pct.	40 %	50 %			
	Target figure in pct.	40 %	40 %			
	Year of fulfilment of target in pct.	2023	2023			
Other management level (1 and 2)	Total numbers of members	9	10			
	Underrepresented gender in pct.	11 %	11 %			
	Target figure in pct.	25 %	25 %			
	Year of fulfilment of target figure	2026	2026			

Data ethics

At Roth, we are committed to handling data in a responsible, secure, and ethical manner. All employees are familiar with our internal IT policy, and new employees are introduced to this policy as part of their onboarding process. In 2024, all employees were required to complete a mandatory e-learning course on GDPR, reinforcing our commitment to data protection and privacy compliance.

Management's review

We handle the data of our business partners, customers, and employees with the utmost care and confidentiality, and we fully comply with all applicable data protection laws and regulations. Business secrets and sensitive information belonging to our partners are treated as strictly confidential by all employees. Disclosure of such information to third parties or public domains is strictly prohibited—this obligation also applies after the end of an individual's employment with the company.

In their daily use of IT systems, employees are expected to take active responsibility for protecting our digital infrastructure. This includes exercising caution when handling user data, passwords, files, email attachments, and internet links, to prevent security breaches and guard against both internal and external threats to the company's IT network.

Events after the balance sheet date

No significant events have occurred after the balance sheet date.

Outlook

The Group enters 2025 with a solid platform, despite a challenging external environment marked by geopolitical uncertainty, macroeconomic headwinds, and intensified competition in several core markets. Continued price pressure—especially in the construction and installation sectors—combined with currency volatility and rising input costs, is expected to impact market dynamics in the coming year.

Revenue for 2025 is expected to remain broadly in line with 2024, while profitability is expected to improve modestly due to ongoing efficiency measures, cost control, and product mix optimization. However, the outlook remains sensitive to external factors such as exchange rates, regulatory changes, and supply chain conditions.

The Group continues to prioritize sustainability and innovation as core drivers of competitiveness. In 2024, significant efforts were made to collect data for Life Cycle Assessments (LCA) and Environmental Product Declarations (EPD), supporting transparency around product carbon footprint. These efforts will continue in 2025, along with the development of new, more sustainable product solutions.

Internally, the focus will remain on employee well-being, leadership development, and a diverse and inclusive work culture. The Group maintains a long-term ambition to strengthen gender diversity at all management levels and ensure alignment with our values and strategic goals.

While some regions may experience moderate volume decline, the Group expects to deliver a satisfactory financial performance in 2025, driven by operational discipline, customer focus, and strategic agility.

Profit before tax is expected to reach a level between DKK 20-25 million.

Consolidated financial statements and parent company financial statements
1 January - 31 December

Income statement

Note	DKK'000	Group		Parent	
		2024	2023	2024	2023
2	Revenue	311,799	318,866	232,010	237,284
	Cost of goods sold	-184,574	-195,248	-178,460	-189,403
4	Other external costs	-32,747	-32,530	-14,983	-12,090
	Gross profit	94,478	91,088	38,567	35,791
3	Staff costs	-68,911	-68,350	-24,112	-24,226
8	Amortisation and depreciation	-2,733	-3,049	-2,501	-2,740
	Operating profit	22,834	19,689	11,954	8,825
	Share of net profit in subsidiaries	0	0	8,931	6,782
5	Financial income	802	263	473	103
6	Financial expenses	-598	-1,603	-1,034	-686
	Profit before tax	23,038	18,349	20,324	15,024
7	Tax for the year	-5,279	-5,315	-2,565	-1,990
	Profit for the year	17,759	13,034	17,759	13,034

Consolidated financial statements and parent company financial statements for
the period 1 January - 31 December

Balance sheet

Note	DKK'000	Group		Parent	
		2024	2023	2024	2023
	ASSETS				
	Fixed assets				
8	Property, plant and equipment				
	Land and buildings	47,913	49,248	47,913	49,248
	Fixtures and fittings, tools and equipment	4,122	3,485	3,738	2,967
	Property, plant and equipment under construction	1,095	1,805	1,095	1,805
		<u>53,130</u>	<u>54,538</u>	<u>52,747</u>	<u>54,020</u>
	Investments				
9	Equity investments in subsidiaries	0	0	100,949	94,089
		<u>0</u>	<u>0</u>	<u>100,949</u>	<u>94,089</u>
	Total fixed assets	<u>53,130</u>	<u>54,538</u>	<u>153,696</u>	<u>148,109</u>
	Non-fixed assets				
	Inventories				
	Finished goods and goods for resale	56,898	54,930	56,898	54,930
		<u>56,898</u>	<u>54,930</u>	<u>56,898</u>	<u>54,930</u>
	Receivables				
	Trade receivables	110,457	88,260	48,593	42,801
	Receivables from group entities	63	2,989	63	2,989
	Other receivables	5,739	2,884	3,021	2,604
	Corporation tax	6	0	399	359
10	Prepayments	1,239	1,256	667	699
		<u>117,504</u>	<u>95,389</u>	<u>52,743</u>	<u>49,452</u>
	Cash	18,021	35,043	7,725	21,731
	Total non-fixed assets	<u>192,417</u>	<u>185,362</u>	<u>116,967</u>	<u>126,113</u>
	TOTAL ASSETS	<u><u>245,553</u></u>	<u><u>239,900</u></u>	<u><u>271,062</u></u>	<u><u>274,222</u></u>

Consolidated financial statements and parent company financial statements for
the period 1 January - 31 December

Balance sheet

Note	DKK'000	Group		Parent	
		2024	2023	2024	2023
		EQUITY AND LIABILITIES			
		Equity			
11	Share capital	720	720	720	720
	Net revaluation reserve according to the equity method	0	0	60,828	51,928
	Retained earnings	199,940	183,996	139,112	132,068
	Total equity	200,660	184,716	200,660	184,716
	Provisions				
12	Deferred tax	3,827	3,577	4,025	3,813
	Total provisions	3,827	3,577	4,025	3,813
	Liabilities other than provisions				
	Current liabilities other than provisions				
	Credit institutions	0	2,848	0	2,848
	Trade payables	19,720	25,440	14,848	18,262
	Payables to group entities	4,830	6,758	47,537	60,575
	Corporation tax	0	194	0	0
13	Other payables	16,516	16,367	3,992	4,008
		41,066	51,607	66,377	85,693
	Total liabilities other than provisions	41,066	51,607	66,377	85,693
	TOTAL EQUITY AND LIABILITIES	245,553	239,900	271,062	274,222

- 1 Accounting policies
- 14 Mortgages and collateral
- 15 Contractual obligations and contingencies
- 16 Related parties

Consolidated financial statements and parent company financial statements 1 January – 31 December

Statement of changes in equity

Note	DKK'000	Group		
		Share capital	Retained earnings	Total
		720	183,996	184,716
19	Equity at 1 January 2024	0	17,759	17,759
	Transfer, see "Distribution of profit/loss"	0	-2,071	-2,071
	Foreign exchange adjustment, foreign subsidiary	0	255	255
	Other			
	Equity at 31 December 2024	720	199,940	200,660

Note	DKK'000	Parent		
		Share capital	Net revaluation reserve acc. to the equity method	Retained earnings
		720	53,968	130,029
19	Equity at 1 January 2024	0	8,931	8,829
	Transfer, see "Distribution of profit/loss"	0	-2,071	0
	Foreign exchange adjustments, foreign subsidiary	0	0	255
	Other			
	Equity at 31 December 2024	720	60,828	139,112

Consolidated financial statements and parent company financial statements
1 January – 31 December

Cash flow statement

Note	DKK'000	Group	
		2024	2023
	Profit/loss for the year	17,759	13,034
17	Adjustments	7,808	9,704
	Cash generated from operations before changes in working capital	25,567	22,738
18	Changes in working capital	-31,582	7,174
	Cash generated from operations	-6,014	29,912
	Interest received	802	263
	Interest paid	-599	-1,603
	Corporation tax paid	-5,223	-9,715
	Cash flows from operating activities	-11,034	18,857
	Acquisition of property, plant and equipment	-1,325	-1,804
	Cash flows from investing activities	-1,325	-1,804
	Loan financing:		
	Mortgage debt	0	-9,178
	Debt to credit institutions	-2,592	-1,752
	Cash flows from financing activities	-2,592	-10,930
	Net cash flows	-14,951	6,123
	Cash and cash equivalents, beginning of year	35,043	30,768
	Foreign exchange adjustments	-2,071	-1,848
	Cash and cash equivalents, year end	18,021	35,043

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies

The consolidated financial statements have been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities. The financial statements of the parent company have 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.

Presentation currency

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

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company Roth North Europe A/S and subsidiaries controlled by Roth North Europe A/S.

Control means the power to exercise decisive influence over a subsidiary's financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

In assessing whether the Parent Company controls an entity, de facto control is also taken into consideration.

The existence of potential voting rights that may currently be exercised or converted into additional voting rights is considered when assessing whether an entity may become empowered to exercise decisive influence over another entity's financial and operating decisions.

Significant influence

Entities over whose financial and operating decisions the Group exercises significant influence are classified as associates. Significant influence is assumed to exist if the Parent Company directly or indirectly holds or controls 20% or more of the voting power of the investee, but does not control the investee.

The existence of potential voting rights that may currently be exercised or converted into voting rights is considered when assessing whether significant influence exists.

Preparation of consolidated financial statements

The consolidated financial statements have been prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains unless they do not reflect impairment.

In the consolidated financial statements, the items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries that are not wholly-owned are included in the Group's profit/loss and equity, but are disclosed separately.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Foreign currency translation

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

Receivables, payables and other monetary items denominated in foreign currencies are translated at closing rates. 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

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

Foreign exchange adjustments of balances with separate foreign subsidiaries that are considered part of the total investment in the subsidiary are recognised directly in equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

On recognition of foreign subsidiaries that are integral entities, monetary items are translated at closing rates. Non-monetary items are translated at the exchange rates at the acquisition date or at the date of any subsequent revaluation or impairment of the asset. Income statement items are translated at the exchange rates at the transaction date, although items derived from non-monetary items are translated at the historical exchange rates applying to the non-monetary items.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively. The fair value is measured using generally accepted methods. Derivative financial instruments are categorized in Level 2 of the fair value hierarchy, and there are no significant unobservable inputs included in the valuation.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with fair value adjustments of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets or liabilities are recognised in other receivables or other payables and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity must be transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously recognised in equity must be transferred to the income statement in the period in which the hedged item affects the income statement.

Fair value adjustments of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement on a current basis.

Fair value adjustments of derivative financial instruments held to hedge net investments in separate foreign subsidiaries or associates are recognised directly in equity.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

The Company's revenue is generated from the production and sale of complete heating and sanitation systems as well as related services.

Income from the sale of goods held for sale and finished goods is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably. VAT, indirect taxes and discounts are excluded from revenue.

Cost of goods sold

Cost of goods sold comprise costs incurred in generating revenue for the year. Such costs include raw materials, consumables as well as finished goods for resale.

Other operating income and operating expenses

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

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 contributions, etc., for the Company's employees. The item is net of refunds made by public authorities.

Depreciation on property, plant and equipment

The item comprises depreciation on property, plant and equipment.

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

Land and buildings	10-50 years
Fixtures and fittings, tools and equipment	3-15 years
Property, plant and equipment under construction	0 years

The basis of depreciation is calculated by reference to the residual life of the asset once it is no longer in use and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the date of acquisition and are re-assessed annually. If the residual value exceeds the carrying amount of the asset, the asset is no longer depreciated.

Income from equity investments in group entities

These include the Parent Company's proportionate share of the profit/loss for the year, net of tax and adjustment of intra-group gains/losses.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the reporting period. Financial income and expenses include interest income and expenses, realised and unrealised capital and exchange gains and losses on foreign currency transactions, amortisation of mortgage loans and surcharges and refunds under the on-account 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 tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to transactions taken to equity is recognised in equity.

Deferred taxes related to items recognised directly in equity are taken directly to equity.

Property, plant and equipment

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.

Property, plant and equipment are tested for impairment whenever there is indication that an asset might be impaired. The impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the value in use and the net selling price (recoverable amount).

Equity investments in group entities

Equity investments in group entities are measured using the equity method at the Parent Company's proportionate share of such entities' equity plus goodwill on consolidation and less intra-group profits and negative goodwill. The proportionate share corresponding to the negative value is set off against receivables, if any. For group entities, amounts in excess thereof are recognised as provisions.

Impairment of fixed assets

Intangible assets, property, plant and equipment and equity investments in subsidiaries and associates are tested annually for indication of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is evidence of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for group of assets, impairment losses are first recognised in respect of goodwill and thereafter proportionately in respect of the other assets.

Inventories

Inventories are measured at the lower of cost, measured by reference to the FIFO method, and net realisable value.

Receivables

Receivables are measured at amortised cost.

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

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

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 country of domiciles and credit ratings of the debtors in accordance with the credit risk management policy of the Parent Company and the Group. The objective evidence applied to portfolios is determined based on historical loss experience.

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

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities that are subject to insignificant risks of changes in value.

Equity

Net revaluation reserve according to the equity method

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

Dividend

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Corporation tax

Current tax payables and receivables are recognised in the balance sheet as the estimated tax charge in respect of the taxable income for the year, adjusted for tax on prior years' taxable income and tax paid on account.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes

1 Accounting policies (continued)

Deferred tax is measured according to the taxation rules and at the tax rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through set-off against deferred tax liabilities within the same jurisdiction.

Liabilities

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

Lease liabilities

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

Cash flow statement

The cash flow statement shows the entity's net cash flows, broken down by operating, investing and financing activities, the year's changes in cash and cash equivalents and the entity's cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are presented using the indirect method and are stated as the profit or loss for the year, adjusted for non-cash operating items, changes in working capital, paid net financials and paid income taxes.

Cash flows from investing activities comprise payments in connection with purchase and sale of fixed assets, securities that are part of investment activities and payments in connection with purchase and sale of businesses and activities.

Segment reporting

Information is disclosed by geographical markets. Segment information is based on the Company's accounting policies, risks and management control.

Assets in the segment comprise the assets that are used directly in the revenue-generating activity of the segment.

Segment liabilities comprise liabilities derived from the operating activities of the segment, including trade and other payables.

Financial ratios

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Solvency ratio	$\frac{\text{Equity at year-end} \times 100}{\text{Total equity and liabilities at year-end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax} \times 100}{\text{Average equity}}$

Consolidated financial statements and parent company financial statements
1 January - 31 December

Notes

2 Segment information

Geographical - secondary segment

DKK'000	Denmark	Sweden	Norway	Finland	Other	Total
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2024

Revenue	117,595	9,820	98,161	77,911	8,312	311,799
Profit before net financials	11,953	477	6,289	3,722	392	22,834

Assets	169,720	3,587	39,481	29,025	3,740	245,553
Liabilities	23,277	647	10,289	6,001	851	41,066

2023

Revenue	104,644	13,377	107,179	84,083	9,584	318,866
Profit before net financials	8,825	570	3,685	6,138	473	19,689

Assets	179,774	6,648	38,242	12,577	2,658	239,900
Liabilities	31,752	696	10,520	7,931	707	51,607

Consolidated financial statements and parent company financial statements
1 January - 31 December

Notes

DKK'000	Group		Parent	
	2024	2023	2024	2023
3 Staff costs				
Wages and salaries	56,314	56,062	17,769	19,403
Pensions	3,864	4,018	2,728	2,887
Other social security costs	5,933	6,022	465	501
Other staff costs	2,800	2,248	3,149	1,435
	<u>68,911</u>	<u>68,350</u>	<u>24,112</u>	<u>24,226</u>
Average number of employees during the year	<u>98</u>	<u>100</u>	<u>48</u>	<u>50</u>
Remuneration of the Executive Board	<u>4,451</u>	<u>5,402</u>	<u>4,451</u>	<u>5,402</u>
Board of directors does not receive remuneration.				
4 Fees paid to auditor appointed at the annual general meeting				
Total fees to EY	<u>504</u>	<u>541</u>	<u>254</u>	<u>330</u>
Fee for statutory audit	384	310	200	165
Tax consultancy	70	71	34	35
Non-audit services	50	160	20	130
	<u>504</u>	<u>541</u>	<u>254</u>	<u>330</u>
5 Financial income				
Interest income from group entities	0	0	11	0
Other financial income	802	263	462	103
	<u>802</u>	<u>263</u>	<u>473</u>	<u>103</u>
6 Financial expenses				
Interest expenses, group entities	0	0	793	364
Other financial expenses	598	1,603	241	322
	<u>598</u>	<u>1,603</u>	<u>1,034</u>	<u>686</u>
7 Tax for the year				
Current tax charge for the year	5,029	5,288	2,353	1,875
Adjustment of the deferred tax charge for the year	250	27	212	115
	<u>5,279</u>	<u>5,315</u>	<u>2,565</u>	<u>1,990</u>

Consolidated financial statements and parent company financial statements
1 January – 31 December

Notes

8 Property, plant and equipment

	Group			Total
	Land and buildings	Fixtures and fittings, tools and equipment	Property, plant and equipment under construction	
DKK'000				
Cost at 1 January 2024	61,247	16,087	1,805	79,139
Exchange rate adjustment	0	-3	0	-3
Additions	0	436	887	1,323
Disposals	0	-141	0	-141
Transfer	0	1,597	-1,597	0
Cost at 31 December 2024	61,247	17,976	1,095	80,317
Depreciation and impairment losses at 1 January 2024	11,999	12,601	0	24,600
Exchange rate adjustment	0	-6	0	-6
Depreciation	1,334	1,399	0	2,733
Disposals	0	-141	0	-141
Depreciation and impairment losses at 31 December 2024	13,334	13,853	0	27,187
Carrying amount at 31 December 2024	47,913	4,123	1,095	53,130
Property, plant and equipment include assets held under finance leases with a carrying amount totalling	0	0	0	0
Depreciated over	10-50 years	3-15 years	0 years	

Consolidated financial statements and parent company financial statements
1 January – 31 December

Notes

8 Property, plant and equipment (continued)

DKK'000	Parent			Total
	Land and buildings	Fixtures and fittings, tools and equipment	Property, plant and equipment under construction	
Cost at 1 January 2024	61,247	14,000	1,805	77,052
Additions	0	341	887	1,228
Disposals	0	-76	0	-76
Transfer	0	1,597	-1,597	0
Cost at 31 December 2024	61,247	15,862	1,095	78,204
Depreciation and impairment losses at 1 January 2024	11,999	11,032	0	23,031
Depreciation	1,334	1,167	0	2,501
Disposals	0	-76	0	-76
Depreciation and impairment losses at 31 December 2024	13,334	12,123	0	25,457
Carrying amount at 31 December 2024	47,913	3,739	1,095	52,747
Items of property, plant and equipment include assets held under finance leases with a carrying amount totalling	0	0	0	0
Depreciated over	10-50 years	3-15 years	0 years	

DKK'000	Parent	
	2024	2023
9 Equity investments in subsidiaries		
Cost at 1 January	42,161	42,161
Additions	0	0
Cost at 31 December	42,161	42,161
Value adjustments at 1 January	51,928	46,990
Foreign exchange adjustment	-2,071	-1,844
Profit for the year	8,931	6,782
Value adjustments at 31 December	58,788	51,928
Carrying amount at 31 December	100,949	94,089

Name and registered office	Voting rights and ownership	Profit/loss DKK'000	Equity DKK'000
Roth Sverige AB, Sweden, Malmö	100%	466	14,125
Roth Norge AS, Norway, Billingstad	100%	5,056	38,211
Roth Finland Oy, Finland, Tammisaari	100%	3,058	43,957
Roth UK, England, Worcestershire	100%	350	4,656

All subsidiaries are considered separate entities,

Consolidated financial statements and parent company financial statements
1 January - 31 December

Notes

DKK'000	Group		Parent	
	2024	2023	2024	2023
10 Prepayments				
Insurance premiums	611	568	414	387
Purchase of goods	9	16	0	0
Lease costs	175	181	0	0
Property taxes	26	154	25	139
Rent	238	67	182	0
IT-licenses	83	73	0	0
Marketing costs	3	145	0	143
Pension costs	0	6	0	0
Other prepayments	94	46	46	30
	<u>1,239</u>	<u>1,256</u>	<u>667</u>	<u>699</u>

11 Share capital

The share capital comprises 720 class A shares of DKK 1,000 each.

DKK'000	Group		Parent	
	2024	2023	2024	2023
12 Deferred tax				
Deferred tax at 1 January	3,577	3,550	3,813	3,698
Adjustment of the deferred tax charge for the year	250	27	212	115
Deferred tax at 31 December	<u>3,827</u>	<u>3,577</u>	<u>4,025</u>	<u>3,813</u>

Consolidated financial statements and parent company financial statements
1 January - 31 December

Notes

13 Derivative financial instruments

As part of the Company's liquidity management, they have entered into forward exchange contracts with the bank as counterpart.

DKK'000	Period	Fair value	Gains and losses recognised in equity
		2024	2024
Forward exchange contracts	0-6 months	-569	-569

14 Mortgages and collateral

Group

An amount representing DKK 10,000 thousand of the Company's operating equipment, inventories and trade receivables has been provided as security for engagements with Nordea Bank (2023: DKK 10,000 thousand),

Parent

An amount representing DKK 10,000 thousand of the Company's operating equipment, inventories and trade receivables has been provided as security for engagements with Nordea Bank (2023: DKK 10,000 thousand),

15 Contractual obligations and contingencies, etc,

Operating lease liabilities

DKK'000	Group		Parent	
	2024	2023	2024	2023
Rent obligations and lease liabilities	8,640	11,848	995	1,898

Litigation

The Company is regularly involved in warranty cases, etc, as part of ordinary business, The matters are not estimated to affect the Company's financial position,

Consolidated financial statements and parent company financial statements
1 January – 31 December

Notes

16 Related parties

Roth North Europe A/S' related parties comprise the following:

Party exercising control

Roth Services GmbH, 35232 Dautphetal, Germany holds 100 % of the share capital in the entity.

Related party transactions

DKK'000	2024	2023
Parent		
Sale of goods to group entities	115,617	133,217
Purchase of goods from group entities	72,734	76,067
Sale of services to group entities	17,492	20,189
Purchase of services from group entities	11,771	9,247
Receivables from group entities	63	73
Payables to group entities	47,537	57,659
Group		
Sale of goods to group entities	1,201	577
Purchase of goods from group entities	77,734	76,066
Purchase of services from group entities	2,717	2,296
Receivables from group entities	63	2,989
Payables to group entities	4,830	6,758

The Company is included in the consolidated financial statements of Roth Industries GmbH & Co,KG, The consolidated financial statements may be obtained at the following address 35232 Dautphetal, Germany,

DKK'000	Group	
	2024	2023
17 Adjustments		
Amortisation, depreciation and impairment losses	2,733	3,049
Financial income	-802	-263
Financial expenses	599	1,603
Tax for the year	5,279	5,315
	<u>7,808</u>	<u>9,704</u>
18 Changes in working capital		
Change in inventories	-1,969	9,039
Change in receivables	-22,115	5,642
Change in trade and other payables	-7,499	-7,507
	<u>-31,582</u>	<u>7,174</u>

Consolidated financial statements and parent company financial statements
1 January – 31 December

Notes

19 Distribution of profit/loss

DKK'000	Parent	
	2024	2023
Proposed distribution of profit/loss		
Transferred results	8,829	6,252
Reserve for net revaluation according to the equity method	8,931	6,782
	<u>17,759</u>	<u>13,034</u>

DKK'000	Group	
	2024	2023
Proposed distribution of profit/loss		
Transferred results	17,759	13,034
	<u>17,759</u>	<u>13,034</u>

