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# *NLM Vantinge Group Holding ApS*

Blåkildevej 27, DK-5750 Ringe

## Annual Report for 2024

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CVR No. 43 82 23 73

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 17/2 2025

Nicolai Elstrøm  
Chairman of the  
general meeting



# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report	2
<b>Management's Review</b>	
Company information	5
Group Chart	6
Financial Highlights	7
Management's Review	8
<b>Financial Statements</b>	
Income Statement 1 January - 31 December	18
Balance sheet 31 December	19
Statement of changes in equity	22
Cash Flow Statement 1 January - 31 December	23
Notes to the Financial Statements	24

# Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of NLM Vantinge Group Holding ApS 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 and the Consolidated 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 and Group operations and of consolidated cash flows for 2024.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Ringe, 17 February 2025

## Executive Board

Per Leth Sørensen  
Manager

## Board of Directors

Anne Charlotte Roepstorff Lawaetz  
Arhning  
Chairman

Rasmus Philip Buhl Lokvig  
Vice chairman

Thomas Lægdsmand Ågren

Peter Ryttergaard

Erich Hermann Fischer

# Independent Auditor's report

To the shareholder of NLM Vantinge Group Holding ApS

## Opinion

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 of the consolidated cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of NLM Vantinge Group Holding ApS for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

## 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.

# Independent Auditor's report

## 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 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 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 group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. 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.

# Independent Auditor's report

Hellerup, 17 February 2025

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Kristian Højgaard Carlsen

State Authorised Public Accountant

mne44112

Brian Petersen

State Authorised Public Accountant

mne33722

# Company information

<b>The Company</b>	NLM Vantinge Group Holding ApS Blåkildevej 27 DK-5750 Ringe  CVR No: 43 82 23 73 Financial period: 1 January - 31 December Incorporated: 2 February 2023 Financial year: 2nd financial year Municipality of reg. office: Faaborg-Midtfyn
<b>Board of Directors</b>	Anne Charlotte Roepstorff Lawaetz Arhning, chairman Rasmus Philip Buhl Lokvig, vice chairman Thomas Lægdsmand Ågren Peter Ryttergaard Erich Hermann Fischer
<b>Executive Board</b>	Per Leth Sørensen
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

# Group Chart

<u>Company</u>	<u>Residence</u>	<u>Ownership</u>
<b>NLM Vantinge Group Holding ApS</b>	<b>Ringe</b>	
NLM Vantinge Group ApS	Ringe	100%
NLM Vantinge A/S	Ringe	100%
Lipitec A/S	Ringe	100%
NLM A/S	Ringe	100%
NLM France Sarl	Lyon, Frankrig	100%
OH Plus Beteiligungs GmbH	Strassfurt, Tyskland	100%
OH Plus GmbH	Strassfurt, Tyskland	100%

# Financial Highlights

Seen over a 2-year period, the development of the Group is described by the following financial highlights:

	<b>Group</b>	
	2024 TDKK	2023 TDKK 11 months
<b>Key figures</b>		
<b>Profit/loss</b>		
Revenue	467,587	214,626
Gross profit	69,921	35,385
Profit/loss of primary operations	9,385	6,167
Profit/loss of financial income and expenses	-15,682	-11,079
Net profit/loss for the year	-10,548	-6,213
<b>Balance sheet</b>		
Balance sheet total	755,932	504,727
Investment in property, plant and equipment	123,834	105,674
Equity	350,538	252,460
<b>Cash flows</b>		
Cash flows from:		
- operating activities	56,992	50,274
- investing activities	-225,006	-456,953
- financing activities	197,716	422,005
Change in cash and cash equivalents for the year	29,702	15,326
Number of employees	53	20
<b>Ratios</b>		
Gross margin	15.0%	16.5%
Profit margin	2.0%	2.9%
Return on assets	1.2%	1.2%
Solvency ratio	46.4%	50.0%
Return on equity	-3.5%	-4.9%

# Management's review

## Proforma Financial highlights

DKKm	2024***	2023**	2022*
Gross profit	191.6	95.4	102.6
<b>EBITDA before special items</b>	<b>82.6</b>	<b>69.1</b>	<b>75.2</b>

\* NLM Vantinge A/S' result prior to incorporation of the group holding structure

\*\* Reflects 12 months of operation (i.e. Jan 1 - Dec 31, 2023)

\*\*\* OHplus included with 12 months. In the audited statements OHplus is only included from September 5<sup>th</sup> (closing date)

## Primary activities

NLM Vantinge Group Holding ApS is the holding company for NLM Vantinge A/S ("NLM Vantinge" or the "Company"). NLM Vantinge operates through the two Danish operating companies: NLM A/S ("NLM") and Lipitec A/S ("Lipitec"). In 2024 the German company OHplus GmbH ("OHplus") was acquired and became part of NLM Vantinge from September 5<sup>th</sup>. OHplus has for many years been one of the key suppliers to NLM, thus we already have a close partnership, and expect an even closer corporation between the entities in the years to come.

OHplus purifies waste and residual products from especially the biodiesel industry through a distillation and decanting process. Hereby the input material is separated into components with the main output being glycerin, fatty acids and methanol. These cleaner materials are then ready to be re-used for production in various industries. OHplus is REDcert certified ensuring sustainable biomass products, traceability of origin and documentation for GHG savings. In NLM the primary activity is recycling and upgrading of fatty industrial by- and waste products to provide a clean, fatty biomass with high energy density. The end-products are primarily used in boilers and biogas plants as a key input factor for energy production. NLM is also REDcert certified and has been so since 2014.

In NLM the primary activity is recycling and upgrading of fatty industrial by- and waste products to provide a clean, fatty biomass with high energy density. The end-products are primarily used in boilers and biogas plants as a key input factor for energy production. NLM is also REDcert certified and has been so since 2014.

The subsidiary to NLM, NLM France Sarl, provides assistance in connection with the sourcing of by- and waste products for NLM.

Lipitec sells and produces rumen-protected, fatty feedstuff additives targeted primarily at cattle and pigs. The feedstuff additives improve digestion and animal health, increase fat content in the milk production and reduce methane emissions. Hence both improving the farmers' output and lowering their emissions. Lipitec has been GMP+ certified since 2006 and VLOG geprüft certified since 2021 ensuring traceability and food safety.

# Management's review

## Ownership, governance, and legal structure

### *OWNERSHIP*

In May 2023 the private equity firm CataCap acquired an 80% ownership share in NLM Vantinge with the former owner-managers retaining 20% ownership.

Following the acquisition of OHplus in September 2024 the founders and former owner-managers of OHplus re-invested into NLM Vantinge Group Holding ApS. Thus, today CataCap controls 70% while the former owner-managers of NLM Vantinge and OHplus own the remaining c. 30%.

The aim of the partnership the previous owners of NLM Vantinge and OHplus and CataCap is to continue the positive development of both companies in recent years and fuel the growth even further while continuing to support the green agenda inherent in the enlarged Company.

### *GOVERNANCE*

Our principles for corporate governance are based on our rules of procedures and our management structure, consisting of the Board of Directors and our Management team. In NLM Vantinge the whole board is the audit committee.

Following CataCap's acquisition of the majority ownership, NLM Vantinge are committed to adhere to the industry association Active Owners' guidelines for responsible ownership and good corporate governance. More information about Active Owners is found on [www.aktiveejere.dk](http://www.aktiveejere.dk).

## Development in activities and finances

The market dynamics affecting NLM Vantinge in 2024 have been quite diverse. The biogas market has been challenged in 2024 due to temporary issues in the certificate market. At the same time the prices in the glycerin market have been quite attractive during the year and we have also experienced high demand in the feed additives market.

### *FINANCIAL PERFORMANCE*

NLM Vantinge delivered a gross profit of 192m and an EBITDA before special items of DKK 82m in 2024, which is deemed satisfactory.

NLM has had a challenging year, as our main market within biogas has been through turmoil during 2024. We have an unchanged belief in the long-term potential of biogas and thus believe the supply market to biogas will recover over the coming years. Our business within other sectors such as biodiesel have experienced growth during 2024.

OHplus performed above expectations in 2024 mainly driven by attractive prices in the market for glycerin and lower energy costs.

Lipitec performed slightly better than expected, and we are currently experiencing high demand from both old and new customers.

Reported EBITDA and thus net profit in 2024 is negatively affected by special items related to the OHplus transaction, thus not representative of the operational performance of the Company.

Financing costs have increased due to primarily the full-year effect of CataCap's investment in NLM Vantinge and partly the acquisition of OHplus.

# Management's review

## OPERATIONAL DEVELOPMENT

During 2024 we welcomed OHplus as a subsidiary of NLM Vantinge. The integration between NLM and OHplus is focused on increasing the collaboration while preserving the strengths of the individual businesses.

In Lipitec we have – as stated above – successfully completed a generational change in management. We have also strengthened the organization and are currently ramping up the production capacity to be able to meet the increasing demand we are experiencing.

The general strengthening of the organisation initiated in 2023 after CataCap's investment continued in 2024. We have thus added 7 new people (net) to the organization in Denmark while the acquisition of OHplus have added 20 new employees in Germany. Further new hirings are expected in 2025 to further develop the business and support the continued growth journey of NLM Vantinge.

Number of employees	<u>Primo 2024</u>	<u>Ultimo 2024</u>
Denmark	25	32
Germany & France	1	21
<b>Total</b>	<b>26</b>	<b>53</b>

## OUTLOOK

In 2025 we expect to see an EBITDA in the range of DKK 80-85m.

## Knowledge resources

NLM's and OHplus' deep chemical and technical expertise is the foundation that enables us to utilize the resources hidden in organic industrial waste products.

The Company's handling of waste and residual products also makes significant demands for knowledge about e.g. certifications, cross border movements and environmental & waste legislation.

In Lipitec our expertise in animal digestion and fat composition enables us to produce high quality products with optimal nutritional effects on animals. Food safety is of utmost importance, and again, the handling of raw materials and feedstuff production makes significant demands for knowledge about e.g. quality assurance, certifications and product traceability.

To meet these requirements NLM Vantinge employs highly skilled people with specialist knowledge within these areas. The Company's activities are also based on general knowledge of engineering, chemistry, and environmental conditions, which is continuously expanded upon and maintained within the Company.

## Risks

### OPERATIONS

It is of utmost importance to NLM Vantinge to follow all applicable legal and environmental requirements (e.g. waste legislation). This is best exemplified by our certifications – which are frequently audited and recertified - from REDcert, GMP+, and VLOG geprüft. The main risk therefore lies within the continued correct handling of raw materials, product quality and traceability.

## Management's review

### *COST OF GOODS SOLD*

The raw material prices for Lipitec's products follow world market prices, which can fluctuate widely over the year. On larger sales contracts, the price risk is hedged by simultaneously entering fixed purchase contracts with the same term as the sales contract.

### *CURRENCY RISK*

The majority of the Company's raw material is purchased in EUR and DKK, and likewise is the vast majority of revenue in EUR and DKK. With the DKK pegged to the EUR we have a strong natural hedge which to a large degree mitigates our currency exposure.

### *INTEREST RATE RISK*

Following CataCap's acquisition of the majority ownership stake, the Company now has long-term bank financing of DKK 125m with floating interest rate, hence the company is exposed to an interest rate risk.

### *POLITICAL RISK*

Political risks relate to decisions that directly or indirectly may change the preconditions for NLM Vantinge's business activities. Both energy, the environment and agriculture are areas of high political interest, hence the Company's areas of business are subject to high awareness from politicians both on a national level and at EU level. NLM Vantinge is by nature supporting both the sustainability agenda through usage of waste material as well as the transition away from fossil fuels, hence in general we are supported by positive political focus. In order to respond as quickly as possible to political initiatives and changes that may affect our business, we closely monitor the political landscape and are members of the industry associations GROFOR and Biogas Danmark.

## **Statutory declaration of Corporate Social Responsibility in accordance with section 99a of the Danish Financial Statements Act**

NLM Vantinge is a member of UN Global Compact.

### *Business model*

To avoid repetitions, please refer to the business model description under "Primary activities".

### *Risks and policies related to Corporate Social Responsibility*

Environment: Environmental sustainability is embedded in the core activities at NLM Vantinge through usage of waste material in NLM and OHplus and ultimately supporting clean energy production, while Lipitec's products help lowering the emissions from farming of especially dairy cows. It is critical for NLM Vantinge to remain certified according to REDcert and to eradicate material environmental impacts like generation of hazardous waste and wastewater, and we want to minimize our CO<sub>2</sub>e emissions in line with our values and customer expectations. Our production sites are committed to running an environmental sound operation with good collaboration with relevant authorities which we will continue in 2025.

## Management's review

Employee conditions: NLM Vantinge is committed to fostering a positive, safe, and motivating work environment. It's a prerequisite for our continued growth that we can retain and attract skilled employees. Our employees are thus our biggest asset, and employee satisfaction and a safe work environment are top priorities. We will continue our strong focus hereon in 2025, hereunder our ambition of zero accidents.

Human rights: NLM Vantinge and our direct supply chain are only situated within EU. While we respect all human rights and endorse our suppliers to do the same, we have not identified risks related to human rights neither for NLM Vantinge nor in our direct supply chain. Our adherence to the declaration on human rights is stated in our Code of Conduct and we will continue our adherence hereto in 2025.

Anti-corruption: As stated in our anti-bribery, anti-corruption, and anti-money laundering policy and procedure (available on our website), NLM Vantinge has zero tolerance in this respect. Internally we have an ongoing focus on identifying risks and detect situations where caution is to be taken.

Our Code of Conduct (available on our website) further outlines our expectations of our employees, suppliers and stakeholders in relation to the above.

### *Activities and results in the reporting period*

Environment: For 2024 NLM Vantinge will update our GHG baseline to include OHplus as the acquisition significantly changes our emissions on a group level. We will continue to actively track and assess opportunities for reductions of NLM Vantinge's GHG emissions intensity starting with our own operations. We have maintained our REDcert certification and have in 2024 continued not to produce or dispose of any hazardous waste. Going forward NLM Vantinge will quantify and report upon our climate footprint and set ambitious targets. 2024 did not result in any injunctions from relevant authorities inspecting NLM Vantinge production sites.

Employee conditions: While NLM Vantinge has not been able to avoid employee accidents, we have not in 2024 experienced any severe accidents, and incidents continue to be at a very low level. Our continued ambition is zero annual accidents. In terms of accidents resulting in days lost in 2024, we had zero days lost in Denmark and two incidents in Germany which in total resulted in 8 days lost due to the accidents.

Workplace assessments have been completed in 2024, and safety teams have had meetings with the presence of the Head of Production in both Germany and in Denmark. Meetings have been held with all employees having conversations about their development and job satisfaction. Going forward we expect to have a similar level of engagement as in 2024.

Anti-corruption: Internally we have an ongoing focus on identifying risks and detect situations where caution is to be taken, and we continued to inform and train key employees herein. NLM Vantinge has not detected any breaches of our ABCML Policy and Procedure in 2024 and expect to maintain the same standard in 2025.

## **Statutory statement regarding data ethics in accordance with the section 99d of the Danish Financial Statements Act**

Privacy and respect for our customers' and employees' data is a fundamental value for NLM Vantinge. Though we do not have a formal business policy on data ethics, we are very aware of our responsibility and are committed to managing and protecting data to the highest legislative and ethical standards.

## Management's review

### Events after the balance sheet date

No events have occurred after the balance sheet date that would influence the evaluation of this annual report.

### Additional management duties of the Board

Anne Arhning

*Chair, appointed by CataCap*

COMPANY	FUNCTION
LINKOGAS AMBA	Chair
FOOD ORGANISATION OF DENMARK	Chair
DANMARKS STATISTIK	Board member
CIP FONDEN	Board member
BIOGAS DANMARK	Board member
3KNT BIOENERGI	Board member
DET CLASSENSKE FIDEICOMMIS	Board member
RØNHAVE APS	Board member

# Management's review

## Rasmus Lokvig

*Deputy Chair, appointed by CataCap*

COMPANY	FUNCTION
CC GLOBE HOLDING I APS	Deputy Chair
CC GLOBE HOLDING II A/S	Deputy Chair
GROUP ONLINE A/S	Deputy Chair
NLM VANTINGE A/S	Deputy Chair
NLM VANTINGE GROUP APS	Deputy Chair
NLM VANTINGE GROUP HOLDING APS	Deputy Chair
NLM A/S	Deputy Chair
LIPITECH A/S	Deputy Chair
CATACAP III GENERAL PARTNER APS	Board member / CEO
CATACAP GENERAL PARTNER I APS	Board member / CEO
CATACAP GENERAL PARTNER II APS	Board member / CEO
CATACAP MANAGEMENT A/S	Board member / CEO
CC FLY INVEST APS	Board member / CEO
CC GLOBE INVEST APS	Board member / CEO
CC II MANAGEMENT INVEST 2017 GP APS	Board member / CEO
CC TOASTER INVEST APS	Board member / CEO
GLOBE MANCO APS	Board member / CEO
LUXPLUS MIIP APS	Board member / CEO
MNGT4 RL APS	Board member / CEO
REKOM MANCO APS	Board member / CEO
CC HOLDCO APS	Board member / CEO
CC TOPCO INVEST APS	Board member / CEO
DAFA MIIP APS	Board member / CEO
CC NORTH INVEST APS	Board member / CEO
CC NLM INVEST APS	Board member / CEO
CC TAP INVEST APS	Board member / CEO
WEB-KONCEPT A/S	Board member / CEO
CC AVAIATION GENERAL PARTNER I APS	Board member / CEO
CC HOLDCO IV APS	Board member / CEO
CC TOPCO IV INVEST APS	Board member / CEO
CC DAFA INVEST APS	Board member / CEO
NLM VANTINGE IP APS	Board member / CEO
CC TOPCO V INVEST APS	Board member / CEO
TAP MIIP APS	Board member / CEO
CC BIDCO APS	Board member / CEO
CC BIDCO V APS	Board member / CEO
CC BIDCO IV APS	Board member / CEO

## Management's review

### Thomas Ågren

*Board member, appointed by Per Leth Sørensen, Carsten Broager Jensen and Thomas Ågren through their respective holding companies*

COMPANY	FUNCTION
BREGNEDAL EJENDOMME APS	CEO
HØJSLETTEN APS	CEO

### Erich Fischer

*Board member, appointed by Knut Brockhaus and Erich Fischer*

COMPANY	FUNCTION
N/A	

# Management's review

**Peter Ryttergaard**

*Appointed by CataCap*

<b>COMPANY</b>	<b>FUNCTION</b>
AERFIN HOLDINGS LIMITED	Deputy Chairman
AERFIN LIMITED	Deputy Chairman
ATLANTIC HOLDCO LIMITED	Deputy Chairman
ATLANTIC OFFERCO LIMITED	Deputy Chairman
TP AEROSPACE HOLDING A/S	Deputy Chairman
TPA HOLDING I A/S	Deputy Chairman
TPA HOLDING II A/S	Deputy Chairman
NLM VANTINGE GROUP HOLDING APS	Board Member
NLM VANTINGE GROUP APS	Board Member
NLM VANTINGE A/S	Board Member
NLM A/S	Board Member
LIPITEC A/S	Board Member
KJÆRULF PEDERSEN A/S	Board Member
CC GREEN WALL INVEST APS	Board Member and Exec. Mgmt
RYTTERGAARD INVEST A/S	Board Member, Exec. Mgmt & Owner
CATACAP GENERAL PARTNER I APS	Executive Management
CATACAP OP APS	Executive Management
CATACAP GENERAL PARTNER II APS	Executive Management
CATACAP GENERAL PARTNER III APS	Executive Management
CC II MANAGEMENT INVEST 2017 GP APS	Executive Management
CC FLY INVEST APS	Executive Management
TPA GREEN MANCO APS	Executive Management
REKOM MANCO APS	Executive Management
CC GLOBE INVEST APS	Executive Management
GLOBE MANCO APS	Executive Management
CC TOASTER INVEST APS	Executive Management
LUXPLUS MIIP APS	Executive Management
TAP MIIP APS	Executive Management
CC NORTH INVEST APS	Executive Management
CC DAFA INVEST APS	Executive Management
DAFA MIIP APS	Executive Management
CC TAP INVEST APS	Executive Management
CC NLM INVEST APS	Executive Management
NLM VANTINGE IP APS	Executive Management
CC TOPCO INVEST APS	Executive Management
CC HOLDCO APS	Executive Management
CC BIDCO APS	Executive Management

## Management's review

CC TOPCO IV INVEST APS	Executive Management
CC HOLDCO IV APS	Executive Management
CC BIDCO IV APS	Executive Management
CC TOPCO V INVEST APS	Executive Management
CC HOLDCO V APS	Executive Management
CC BIDCO V APS	Executive Management
CC AVIATION GENERAL PARTNER I APS	Executive Management
BULDUS EJENDOMME APS	Executive Management & Owner
INVESTERINGSSELSKABET AF 27/12 1985 APS	Executive Management & Owner
CATACAP MANAGEMENT A/S	Executive Management & Owner
CATACAP DM APS	Executive Management & Owner
CATACAP DM II APS	Executive Management & Owner

## Income statement 1 January - 31 December

	Note	Group		Parent company	
		2024	2023	2024	2023
		DKK 12 months	DKK 11 months	DKK 12 months	DKK 11 months
Revenue	1	467,587,499	214,626,337	0	0
Other operating income		160,500	82,000	0	0
Expenses for raw materials and consumables		-366,715,643	-154,668,288	0	0
Other external expenses		-31,111,363	-24,655,008	-142,462	-80,718
<b>Gross profit</b>		<b>69,920,993</b>	<b>35,385,041</b>	<b>-142,462</b>	<b>-80,718</b>
Staff expenses	2	-22,727,072	-10,361,298	0	0
<b>Earnings Before Interest Taxes Depreciation and Amortization</b>		<b>47,193,921</b>	<b>25,023,743</b>	<b>-142,462</b>	<b>-80,718</b>
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-37,808,456	-18,856,714	0	0
<b>Profit/loss before financial income and expenses</b>		<b>9,385,465</b>	<b>6,167,029</b>	<b>-142,462</b>	<b>-80,718</b>
Financial income	3	692,012	502,719	10,419	1,475
Financial expenses	4	-16,374,118	-11,581,912	-1,794,585	-177
<b>Profit/loss before tax</b>		<b>-6,296,641</b>	<b>-4,912,164</b>	<b>-1,926,628</b>	<b>-79,420</b>
Tax on profit/loss for the year	5	-4,251,221	-1,301,255	423,858	16,363
<b>Net profit/loss for the year</b>	6	<b>-10,547,862</b>	<b>-6,213,419</b>	<b>-1,502,770</b>	<b>-63,057</b>

## Balance sheet 31 December

### Assets

	Note	Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
Acquired patents		114,198	0	0	0
Customer relations		274,558,859	227,508,333	0	0
Goodwill		159,036,458	129,328,125	0	0
<b>Intangible assets</b>	7	<b>433,709,515</b>	<b>356,836,458</b>	<b>0</b>	<b>0</b>
Land and buildings		46,370,969	45,303,893	0	0
Plant and machinery		136,523,915	35,381,663	0	0
Other fixtures and fittings, tools and equipment		6,934,305	523,761	0	0
Property, plant and equipment in progress		1,704,740	0	0	0
<b>Property, plant and equipment</b>	8	<b>191,533,929</b>	<b>81,209,317</b>	<b>0</b>	<b>0</b>
Investments in subsidiaries	9	0	0	426,059,024	258,573,104
<b>Fixed asset investments</b>		<b>0</b>	<b>0</b>	<b>426,059,024</b>	<b>258,573,104</b>
<b>Fixed assets</b>		<b>625,243,444</b>	<b>438,045,775</b>	<b>426,059,024</b>	<b>258,573,104</b>
Raw materials and consumables		17,711,564	7,637,730	0	0
Finished goods and goods for resale		18,659,471	13,812,885	0	0
<b>Inventories</b>		<b>36,371,035</b>	<b>21,450,615</b>	<b>0</b>	<b>0</b>
Trade receivables		44,832,232	22,585,379	0	0
Receivables from group enterprises		2,299,113	0	4,642,706	0
Other receivables		1,153,987	2,612,934	0	0
Corporation tax		0	4,639,150	423,858	16,363
Prepayments		1,005,210	67,962	0	0
<b>Receivables</b>		<b>49,290,542</b>	<b>29,905,425</b>	<b>5,066,564</b>	<b>16,363</b>

## Balance sheet 31 December

### Assets

	Note	Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
Cash at bank and in hand		<u>45,027,456</u>	<u>15,325,458</u>	<u>1,167,461</u>	<u>53,077</u>
Current assets		<u>130,689,033</u>	<u>66,681,498</u>	<u>6,234,025</u>	<u>69,440</u>
Assets		<u>755,932,477</u>	<u>504,727,273</u>	<u>432,293,049</u>	<u>258,642,544</u>

## Balance sheet 31 December

### Liabilities and equity

	Note	Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
Share capital	10	73,631	51,250	73,631	51,250
Retained earnings		350,464,621	252,408,432	365,660,075	258,558,794
<b>Equity</b>		<b>350,538,252</b>	<b>252,459,682</b>	<b>365,733,706</b>	<b>258,610,044</b>
Provision for deferred tax	11	99,873,857	62,859,687	0	0
<b>Provisions</b>		<b>99,873,857</b>	<b>62,859,687</b>	<b>0</b>	<b>0</b>
Credit institutions		98,400,000	121,800,000	0	0
Convertible and profit-yielding instruments of debt		61,560,000	0	61,560,000	0
Lease obligations		1,696,080	2,862,060	0	0
Other payables		66,200,000	0	0	0
<b>Long-term debt</b>	12	<b>227,856,080</b>	<b>124,662,060</b>	<b>61,560,000</b>	<b>0</b>
Credit institutions	12	24,600,000	37,503,987	0	0
Lease obligations	12	1,165,980	1,165,980	0	0
Trade payables		28,266,192	19,202,758	0	0
Payables to group enterprises		0	0	4,934,343	0
Corporation tax		14,679,966	0	0	0
Other payables	12	8,952,150	6,873,119	65,000	32,500
<b>Short-term debt</b>		<b>77,664,288</b>	<b>64,745,844</b>	<b>4,999,343</b>	<b>32,500</b>
<b>Debt</b>		<b>305,520,368</b>	<b>189,407,904</b>	<b>66,559,343</b>	<b>32,500</b>
<b>Liabilities and equity</b>		<b>755,932,477</b>	<b>504,727,273</b>	<b>432,293,049</b>	<b>258,642,544</b>
Contingent assets, liabilities and other financial obligations	15				
Related parties	16				
Fee to auditors appointed at the general meeting	17				
Subsequent events	18				
Accounting Policies	19				

## Statement of changes in equity

### Group

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	51,250	252,408,432	252,459,682
Cash capital increase	22,381	108,604,051	108,626,432
Net profit/loss for the year	0	-10,547,862	-10,547,862
<b>Equity at 31 December</b>	<b>73,631</b>	<b>350,464,621</b>	<b>350,538,252</b>

### Parent company

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	51,250	258,558,794	258,610,044
Cash capital increase	22,381	108,604,051	108,626,432
Net profit/loss for the year	0	-1,502,770	-1,502,770
<b>Equity at 31 December</b>	<b>73,631</b>	<b>365,660,075</b>	<b>365,733,706</b>

## Cash flow statement 1 January - 31 December

	Note	Group	
		2024	2023
		DKK 12 months	DKK 11 months
Result of the year		-10,547,862	-6,213,419
Adjustments	13	99,741,783	98,381,162
Change in working capital	14	-3,986,070	-20,641,013
<b>Cash flow from operations before financial items</b>		<b>85,207,851</b>	<b>71,526,730</b>
Financial income		692,012	502,719
Financial expenses		-15,174,118	-11,581,912
<b>Cash flows from ordinary activities</b>		<b>70,725,745</b>	<b>60,447,537</b>
Corporation tax paid		-13,734,087	-10,173,742
<b>Cash flows from operating activities</b>		<b>56,991,658</b>	<b>50,273,795</b>
Purchase of intangible assets		-101,171,827	-370,900,000
Purchase of property, plant and equipment		-123,834,298	-86,053,465
<b>Cash flows from investing activities</b>		<b>-225,006,125</b>	<b>-456,953,465</b>
Repayment of mortgage loans		-1,200,000	0
Repayment of loans from credit institutions		-36,303,987	-40,696,013
Reduction of lease obligations		-1,165,980	0
Raising of loans from credit institutions		0	200,000,000
Lease obligations incurred		0	4,028,040
Raising of other long-term debt		127,760,000	0
Cash capital increase		108,626,432	258,673,101
<b>Cash flows from financing activities</b>		<b>197,716,465</b>	<b>422,005,128</b>
<b>Change in cash and cash equivalents</b>		<b>29,701,998</b>	<b>15,325,458</b>
Cash and cash equivalents at 1 January		15,325,458	0
<b>Cash and cash equivalents at 31 December</b>		<b>45,027,456</b>	<b>15,325,458</b>
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		45,027,456	15,325,458
<b>Cash and cash equivalents at 31 December</b>		<b>45,027,456</b>	<b>15,325,458</b>

# Notes to the Financial Statements

	<b>Group</b>		<b>Parent company</b>	
	2024	2023	2024	2023
	DKK 12 months	DKK 11 months	DKK 12 months	DKK 11 months
<b>1. Revenue</b>				
<b>Geographical segments</b>				
Denmark	190,849,487	127,519,449	0	0
EU	276,351,192	79,535,250	0	0
Other	386,820	7,571,638	0	0
	<b>467,587,499</b>	<b>214,626,337</b>	<b>0</b>	<b>0</b>
<b>Business segments</b>				
Feedstuff	164,428,532	142,951,482	0	0
Recycling	303,158,967	71,674,855	0	0
	<b>467,587,499</b>	<b>214,626,337</b>	<b>0</b>	<b>0</b>
	<b>Group</b>		<b>Parent company</b>	
	2024	2023	2024	2023
	DKK 12 months	DKK 11 months	DKK 12 months	DKK 11 months
<b>2. Staff expenses</b>				
Wages and salaries	21,028,053	9,725,928	0	0
Pensions	985,960	447,916	0	0
Other social security expenses	547,713	88,636	0	0
Other staff expenses	165,346	98,818	0	0
	<b>22,727,072</b>	<b>10,361,298</b>	<b>0</b>	<b>0</b>
<b>Including remuneration to the Executive Board and Board of Directors</b>	<b>3,158,933</b>	<b>2,635,922</b>	<b>0</b>	<b>0</b>
<b>Average number of employees</b>	<b>53</b>	<b>20</b>	<b>0</b>	<b>0</b>

## Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	DKK 12 months	DKK 11 months	DKK 12 months	DKK 11 months
<b>3. Financial income</b>				
Interest received from group enterprises	0	0	3,575	0
Other financial income	692,012	502,719	6,844	1,475
	<b>692,012</b>	<b>502,719</b>	<b>10,419</b>	<b>1,475</b>

	Group		Parent company	
	2024	2023	2024	2023
	DKK 12 months	DKK 11 months	DKK 12 months	DKK 11 months
<b>4. Financial expenses</b>				
Interest paid to group enterprises	0	0	233,450	0
Other financial expenses	15,973,837	11,440,847	1,561,135	177
Exchange adjustments, expenses	400,281	141,065	0	0
	<b>16,374,118</b>	<b>11,581,912</b>	<b>1,794,585</b>	<b>177</b>

	Group		Parent company	
	2024	2023	2024	2023
	DKK 12 months	DKK 11 months	DKK 12 months	DKK 11 months
<b>5. Income tax expense</b>				
Current tax for the year	9,831,051	5,704,681	-423,858	-16,363
Deferred tax for the year	-5,579,830	-4,403,426	0	0
	<b>4,251,221</b>	<b>1,301,255</b>	<b>-423,858</b>	<b>-16,363</b>

	Parent company	
	2024	2023
	DKK	DKK
<b>6. Profit allocation</b>		
Retained earnings	-1,502,770	-63,057
	<b>-1,502,770</b>	<b>-63,057</b>

## Notes to the Financial Statements

### 7. Intangible fixed assets

#### Group

	Acquired patents	Customer relations	Goodwill
	DKK	DKK	DKK
Cost at 1 January	0	237,400,000	133,500,000
Additions for the year	171,827	64,000,000	37,000,000
Cost at 31 December	171,827	301,400,000	170,500,000
Impairment losses and amortisation at 1 January	0	9,891,667	4,171,875
Amortisation for the year	57,629	16,949,474	7,291,667
Impairment losses and amortisation at 31 December	57,629	26,841,141	11,463,542
<b>Carrying amount at 31 December</b>	<b>114,198</b>	<b>274,558,859</b>	<b>159,036,458</b>
Amortised over	10 years	15 years	20 years

Goodwill relates to the acquisition of the NLM Vantinge and OH Plus GmbH. Goodwill related to the acquisitions is amortised over a 20 year period. Goodwill is tested at the level of NLM A/S Group, Lipitec A/S and OH Plus GmbH.

Management has not identified any indications of impairment in 2024.

### 8. Property, plant and equipment

#### Group

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
	DKK	DKK	DKK	DKK
Cost at 1 January	51,597,139	52,950,487	1,125,887	0
Additions for the year	3,101,991	112,167,809	6,859,759	1,704,740
Cost at 31 December	54,699,130	165,118,296	7,985,646	1,704,740
Impairment losses and depreciation at 1 January	6,293,246	17,568,824	602,127	0
Depreciation for the year	2,034,915	11,025,557	449,214	0
Impairment losses and depreciation at 31 December	8,328,161	28,594,381	1,051,341	0
<b>Carrying amount at 31 December</b>	<b>46,370,969</b>	<b>136,523,915</b>	<b>6,934,305</b>	<b>1,704,740</b>
Amortised over	5-20 years	3-15 years	3-5 years	5-15 years

## Notes to the Financial Statements

	<b>Parent company</b>	
	2024	2023
	DKK	DKK
<b>9. Investments in subsidiaries</b>		
Cost at 1 January	258,573,104	0
Additions for the year	167,485,920	258,573,104
Cost at 31 December	426,059,024	258,573,104
<b>Carrying amount at 31 December</b>	<b>426,059,024</b>	<b>258,573,104</b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership	Equity	Net profit/loss for the year
NLM Vantinge Group ApS	Ringe	TDKK 51	100%	286,137,565	50,517,836
				<b>286,137,565</b>	<b>50,517,836</b>

## 10. Share capital

The share capital consists of 73,630 shares of a nominal value of DKK 1. No shares carry any special rights.

	<b>Group</b>		<b>Parent company</b>	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
<b>11. Provision for deferred tax</b>				
Deferred tax liabilities at 1 January	62,859,687	0	0	0
Amount recognised from purchase of companies	42,594,000	67,263,113	0	0
Amounts recognised in the income statement for the year	-5,579,830	-4,403,426	0	0
<b>Deferred tax liabilities at 31 December</b>	<b>99,873,857</b>	<b>62,859,687</b>	<b>0</b>	<b>0</b>

## Notes to the Financial Statements

Group		Parent company	
2024	2023	2024	2023
DKK	DKK	DKK	DKK

### 12. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

#### Credit institutions

After 5 years	0	0	0	0
Between 1 and 5 years	98,400,000	121,800,000	0	0
Long-term part	98,400,000	121,800,000	0	0
Within 1 year	24,600,000	37,500,000	0	0
Other short-term debt to credit institutions	0	3,987	0	0
	<b>123,000,000</b>	<b>159,303,987</b>	<b>0</b>	<b>0</b>

#### Convertible and profit-yielding instruments of debt

After 5 years	0	0	0	0
Between 1 and 5 years	61,560,000	0	61,560,000	0
Long-term part	61,560,000	0	61,560,000	0
Within 1 year	0	0	0	0
	<b>61,560,000</b>	<b>0</b>	<b>61,560,000</b>	<b>0</b>

#### Lease obligations

After 5 years	0	0	0	0
Between 1 and 5 years	1,696,080	2,862,060	0	0
Long-term part	1,696,080	2,862,060	0	0
Within 1 year	1,165,980	1,165,980	0	0
	<b>2,862,060</b>	<b>4,028,040</b>	<b>0</b>	<b>0</b>

## Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
<b>12. Long-term debt</b>				
Other payables				
After 5 years	0	0	0	0
Between 1 and 5 years	66,200,000	0	0	0
Long-term part	66,200,000	0	0	0
Other short-term payables	8,952,150	6,873,119	65,000	32,500
	<b>75,152,150</b>	<b>6,873,119</b>	<b>65,000</b>	<b>32,500</b>

	Group	
	2024	2023
	DKK 12 months	DKK 11 months
<b>13. Cash flow statement - Adjustments</b>		
Financial income	-692,012	-502,719
Financial expenses	16,374,118	11,581,912
Depreciation, amortisation and impairment losses, including losses and gains on sales	37,808,456	18,856,714
Tax on profit/loss for the year	4,251,221	1,301,255
Other adjustments	42,000,000	67,144,000
	<b>99,741,783</b>	<b>98,381,162</b>

	Group	
	2024	2023
	DKK 12 months	DKK 11 months
<b>14. Cash flow statement - Change in working capital</b>		
Change in inventories	-6,992,528	-21,450,615
Change in receivables	3,118,479	-25,266,275
Change in trade payables, etc	-112,021	26,075,877
	<b>-3,986,070</b>	<b>-20,641,013</b>

## Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
<b>15. Contingent assets, liabilities and other financial obligations</b>				
<b>Charges and security</b>				
The following assets have been placed as security with bankers:				
As security for the Group's balances with banks and finance companies, a floating charge of a mDKK 29 has been registered, which gives security in land and buildings	46,370,969	45,303,893	0	0
The company has provided unlimited security for group companies' balances with banks and finance companies. The company's capital shares in the subsidiary are pledged as security.	0	0	426,059,024	258,573,104
The following assets have been placed as security for lease obligations:				
<b>Rental and lease obligations</b>				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	0	328,994	0	0
Between 1 and 5 years	0	20,182	0	0
	<b>0</b>	<b>349,176</b>	<b>0</b>	<b>0</b>

## 16. Related parties

	Basis
<b>Controlling interest</b>	
CC NLM Invest ApS	parent company

### Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(6) of the Danish Financial Statements Act.

There have been no transactions with the Supervisory Board, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions and normal management remuneration.

## Notes to the Financial Statements

	<b>Group</b>		<b>Parent company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>DKK 12 months</b>	<b>DKK 11 months</b>	<b>DKK 12 months</b>	<b>DKK 11 months</b>
<b>17. Fee to auditors appointed at the general meeting</b>				
<b>PriceWaterHouseCoopers</b>				
Audit fee	328,000	335,000	65,000	62,500
Other assurance engagements	1,017,029	649,428	0	0
	<b>1,345,029</b>	<b>984,428</b>	<b>65,000</b>	<b>62,500</b>
<b>Grafschaft Beratung</b>				
Audit fee	150,000	0	0	0
	<b>150,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 18. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

# Notes to the Financial Statements

## 19. Accounting policies

The Annual Report of NLM Vantinge Group Holding ApS for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2024 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, NLM Vantinge Group Holding ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

### Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

### Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

# Notes to the Financial Statements

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

Income statements of foreign subsidiaries and associates that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

## Segment information on revenue

Information on business segments and geographical segments is based on the Group's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

## Income statement

### Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined; and
- payment has been received or may with reasonable certainty be expected to be received.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve the consolidated revenue for the year.

### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales as well as office expenses, etc.

# Notes to the Financial Statements

## Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

## Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

## Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

## Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

## Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

## Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

## Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with the parent company. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

# Notes to the Financial Statements

## Balance sheet

### Intangible fixed assets

#### *Goodwill*

Goodwill is amortised on a straight-line basis over the estimated useful life of 20 years, determined on the basis of Management's experience with the individual business areas.

#### *Other intangible fixed assets*

Patents and customer relations are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Patents are amortised over the remaining patent period or a shorter useful life. The amortisation period is 10 years. Customer relations are amortised over the period of the agreements, which is 15 years.

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Production buildings	5-20 years
Plant and machinery	3-15 years
Other fixtures and fittings, tools and equipment	3-5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

# Notes to the Financial Statements

## Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

## Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

## Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

## Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

## Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

## Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

# Notes to the Financial Statements

Other debts are measured at amortised cost, substantially corresponding to nominal value.

## Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, the Parent Company has not prepared a cash flow statement for the Company itself but has only prepared a cash flow statement for the Group.

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

### *Cash flows from operating activities*

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

### *Cash flows from investing activities*

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

### *Cash flows from financing activities*

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

### *Cash and cash equivalents*

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

## Financial Highlights

### Explanation of financial ratios

Gross margin	$\text{Gross profit} \times 100 / \text{Revenue}$
Profit margin	$\text{Profit/loss of primary operations} \times 100 / \text{Revenue}$
Return on assets	$\text{Profit/loss of primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$