

Paper Bottle Company A/S

Fabriksvangen 5A, 3550 Slangerup

Company reg. no. 28 99 38 54

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 9 July 2025.

Samuel Greber
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Paper Bottle Company 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.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

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

We recommend that the annual report be approved at the Annual General Meeting.

Slangerup, 9 July 2025

Managing Director

Samuel Greber
CEO

Board of directors

Gerrit Stehle
Chairman

Christian Zmölnig

Gerald Wilhelm Müller

Independent auditor's report

To the Shareholders of Paper Bottle Company A/S

Opinion

We have audited the financial statements of Paper Bottle Company A/S for the financial year 1 January - 31 December 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for 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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We refer to the applied accounting policies, which state that the company has chosen not to prepare the annual financial statements based on the going concern principle. This has resulted in necessary impairments, etc. being made.

For the remeasurement we refer to the accounting policies of the annual report, which highlights that the annual report has been prepared under realisation accounting principals, and assets are measured at a expected realisable value. As the realisation agreements are not finalized at the time of signing the annual report, there is an uncertainty, as to whether Managements expected realizable value will be materialized. Our opinion is not modified as a result of this matter.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Independent auditor's report

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 9 July 2025

Grant Thornton

Certified Public Accountants
Company reg. no. 34 20 99 36

Morten Høgh-Petersen

State Authorised Public Accountant
mne34283

Company information

The company

Paper Bottle Company A/S
Fabriksvangen 5A
3550 Slangerup

Company reg. no. 28 99 38 54

Financial year: 1 January - 31 December

Board of directors

Gerrit Stehle, Chairman
Christian Zmölnig
Gerald Wilhelm Müller

Managing Director

Samuel Greber, CEO

Auditors

Grant Thornton, Godkendt Revisionspartnerselskab
Lautrupsgade 11
2100 København Ø

Management's review

Description of key activities of the company

The purpose of the Company is to conduct trading, fabrication and development as well as related business at the discretion of the Board of the Directors.

Significant changes in the company's activities and financial matters

In spring of 2025, the main shareholder Alpla Group have commenced a restructuring of the activities of Paper Bottle Company A/S. The restructuring of the activities has been decided due to a combination of factors, including the significant technical challenges of the development work, the continuous delays in development, and the fact that, the technical development needs to be in a closer proximity to the Alpla Groups headquarters, as their technical capabilities are necessary in order for the company to reach the needed technical breakthroughs in technology.

The restructuring and specific future activities of Paper Bottle Company are not finally decided at the time of signing the annual report.

However, decision has been made to write down assets to a expected realisable value, which is what the Alpla Group currently expects to reimburse the company for, should assets be moved within the group.

A significant writedown of intangible assets also reflects that some of the development work, which was previously being pursued and relevant, is not longer deemed to have a future value.

The Alpla group has provided a letter of support to the entity until June 2026, and will ensure the company has sufficient liquidity for its operations.

The gross loss for the year totals DKK -4.338 thousand against DKK 2.952 thousand last year. Income or loss from ordinary activities after tax totals DKK -77.674 thousand against DKK -15.210 thousand last year. Management considers the net profit or loss for the year satisfactory.

Events occurring after the end of the financial year

During the spring of 2025, the ultimate owner Alpla Group has decided to commence a restructuring of the activities in Denmark. The process is ongoing and the outcome will be clarified during the coming year. Apart from this, no other events have occurred after the balance sheet date, that can affect the financial statements.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2024</u>	<u>2023</u>
Gross profit	-4.338.457	2.951.577
2 Staff costs	-16.837.513	-14.424.200
3 Depreciation, amortisation, and impairment	-70.397.057	-1.437.457
Operating profit	-91.573.027	-12.910.080
Other financial income	204.187	99.510
Other financial expenses	-91.828	-34.363
Pre-tax net profit or loss	-91.460.668	-12.844.933
4 Tax on net profit or loss for the year	13.786.938	-2.364.737
Net profit or loss for the year	-77.673.730	-15.209.670
Proposed distribution of net profit:		
Transferred to other reserves	-57.631.547	18.664.488
Allocated from retained earnings	-20.042.183	-33.874.158
Total allocations and transfers	-77.673.730	-15.209.670

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Non-current assets		
5 Acquired concessions, patents, licenses, trademarks, and similar rights	0	1.136.868
6 Development projects in progress and prepayments for intangible assets	60.000.000	122.121.018
Total intangible assets	<u>60.000.000</u>	<u>123.257.886</u>
7 Plant and machinery	53.440.071	34.874.353
8 Other fixtures, fittings, tools and equipment	1.197.091	0
9 Leasehold improvements	21.201	68.399
Total property, plant, and equipment	<u>54.658.363</u>	<u>34.942.752</u>
10 Deposits	5.066.100	0
Total investments	<u>5.066.100</u>	<u>0</u>
Total non-current assets	<u>119.724.463</u>	<u>158.200.638</u>
Current assets		
Raw materials and consumables	702.064	747.100
Work in progress	0	602.018
Total inventories	<u>702.064</u>	<u>1.349.118</u>
Trade receivables	22.189	61.033
Receivables from group enterprises	51.358.125	3.238.348
Income tax receivables	2.937.122	2.675.915
Other receivables	1.900.726	361.940
Prepayments	0	68.544
Total receivables	<u>56.218.162</u>	<u>6.405.780</u>
Cash and cash equivalents	20.760.214	18.614.535
Total current assets	<u>77.680.440</u>	<u>26.369.433</u>
Total assets	<u>197.404.903</u>	<u>184.570.071</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Equity		
Contributed capital	2.926.645	2.926.645
Reserve for development costs	46.800.000	104.431.547
Retained earnings	141.770.286	49.239.432
Total equity	<u>191.496.931</u>	<u>156.597.624</u>
Provisions		
Provisions for deferred tax	0	10.849.816
Provisions for investments in group enterprises	1.199.800	1.199.800
Total provisions	<u>1.199.800</u>	<u>12.049.616</u>
Liabilities other than provisions		
11 Deferred income	447.000	9.853.255
Total long term liabilities other than provisions	<u>447.000</u>	<u>9.853.255</u>
Trade payables	3.914.215	639.419
Payables to group enterprises	0	4.322.195
Other payables	346.957	1.107.962
Total short term liabilities other than provisions	<u>4.261.172</u>	<u>6.069.576</u>
Total liabilities other than provisions	<u>4.708.172</u>	<u>15.922.831</u>
Total equity and liabilities	<u>197.404.903</u>	<u>184.570.071</u>

1 Capital resources**12 Contingencies****13 Related parties**

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity 1 January 2024	2.926.645	104.431.547	49.239.432	156.597.624
Retained earnings for the year	0	0	-20.042.183	-20.042.183
Transferred from retained earnings	0	-57.631.547	0	-57.631.547
Group Contribution	0	0	112.573.037	112.573.037
	2.926.645	46.800.000	141.770.286	191.496.931

Accounting policies

The annual report for Paper Bottle Company A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, besides the significant change of changing from a going concern principal to realisation principals. The annual report is presented in DKK.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

Revenue

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

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

Own work capitalised

Own work capitalised includes staff cost and other internal costs incurred during the financial year and recognised in the cost of proprietary intangible and tangible fixed assets.

Other operating income

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Accounting policies

Other external expenses

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

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

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs comprise salaries, wages, and amortisation directly attributable to development activities.

Development costs recognised in the statement of financial position are measured at cost less accrued amortisations and write-downs for impairment at expected realisable value.

Accounting policies

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment at expected realisation basis. Land is not subject to depreciation.

The depreciable amount is cost less any expected residual value at realisation value.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Leasehold improvements

Leasehold improvements are measured at cost less accrued depreciations at realisation basis.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Accounting policies

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Inventories

Inventories are measured at realisable value.

Receivables

Receivables are measured at realisable value.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

Income tax and deferred tax

As administration company, Paper Bottle Company A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

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

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

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

Accounting policies

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

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

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

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

Liabilities other than provisions

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

Notes

All amounts in DKK.

	<u>2024</u>	<u>2023</u>
1. Capital resources		
The Alpha group has provided a letter of support to the entity until June 2026, and will ensure the company has sufficient liquidity for its operations.		
2. Staff costs		
Salaries and wages	15.172.218	12.974.311
Pension costs	1.572.433	1.384.188
Other costs for social security	92.862	65.701
	<u>16.837.513</u>	<u>14.424.200</u>
Average number of employees	<u>27</u>	<u>19</u>
3. Depreciation, amortisation, and impairment		
Amortisation and impairment of development projects	63.502.775	0
Amortisation and impairment of concessions, patents, and licences	1.179.559	0
Depreciation of leasehold improvements	47.198	49.848
Depreciation and impairment of plant and machinery	5.512.757	1.350.437
Depreciation of other fixtures and fittings, tools and equipment	154.768	37.172
	<u>70.397.057</u>	<u>1.437.457</u>
Due to the planned restructuring in 2025, the Company has impaired its long-term assets to the net realisable value.		
4. Tax on net profit or loss for the year		
Tax on net profit or loss for the year	-2.937.122	-2.675.915
Adjustment of deferred tax for the year	-10.849.816	5.040.652
	<u>-13.786.938</u>	<u>2.364.737</u>

Notes

All amounts in DKK.

5. Acquired concessions, patents, licenses, trademarks, and similar rights		
Cost 1 January 2024	1.136.868	1.017.620
Additions during the year	42.691	119.248
Cost 31 December 2024	1.179.559	1.136.868
Impairment loss for the year	-1.179.559	0
Amortisation and write-down 31 December 2024	-1.179.559	0
Carrying amount, 31 December 2024	0	1.136.868
6. Development projects in progress and prepayments for intangible assets		
Cost 1 January 2024	122.121.018	109.957.768
Additions during the year	13.350.555	12.163.250
Disposals during the year	-11.968.798	0
Cost 31 December 2024	123.502.775	122.121.018
Impairment loss for the year	-63.502.775	0
Amortisation and write-down 31 December 2024	-63.502.775	0
Carrying amount, 31 December 2024	60.000.000	122.121.018

Notes

All amounts in DKK.

	<u>31/12 2024</u>	<u>31/12 2023</u>
7. Plant and machinery		
Cost 1 January 2024	38.292.075	18.157.321
Additions during the year	24.182.995	20.412.008
Disposals during the year	0	-277.254
Transfers	-189.888	0
Cost 31 December 2024	<u>62.285.182</u>	<u>38.292.075</u>
Depreciation and write-down 1 January 2024	-3.417.722	-2.064.618
Amortisation and depreciation for the year	-1.865.146	-1.387.609
Impairment loss for the year	-3.647.611	0
Reversal of depreciation, amortisation and impairment loss, assets disposed of	0	34.505
Transfers	85.368	0
Depreciation and write-down 31 December 2024	<u>-8.845.111</u>	<u>-3.417.722</u>
Carrying amount, 31 December 2024	<u>53.440.071</u>	<u>34.874.353</u>
8. Other fixtures, fittings, tools and equipment		
Additions during the year	1.247.339	0
Transfers	189.888	0
Cost 31 December 2024	<u>1.437.227</u>	<u>0</u>
Amortisation and depreciation for the year	-154.768	0
Transfers	-85.368	0
Amortisation and write-down 31 December 2024	<u>-240.136</u>	<u>0</u>
Carrying amount, 31 December 2024	<u>1.197.091</u>	<u>0</u>

Notes

All amounts in DKK.

	<u>31/12 2024</u>	<u>31/12 2023</u>
9. Leasehold improvements		
Cost 1 January 2024	404.759	404.759
Cost 31 December 2024	404.759	404.759
Depreciation and write-down 1 January 2024	-336.360	-286.512
Amortisation and depreciation for the year	-47.198	-49.848
Depreciation and write-down 31 December 2024	-383.558	-336.360
Carrying amount, 31 December 2024	21.201	68.399
10. Deposits		
Additions during the year	5.066.100	0
Cost 31 December 2024	5.066.100	0
Carrying amount, 31 December 2024	5.066.100	0
11. Deferred income		
Total deferred income	447.000	9.853.255
12. Contingencies		
Joint taxation		
<p>The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.</p>		
<p>TheThe company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.</p>		
13. Related parties		
Controlling interest		
Alpla Holding GmbH, Allmendstrasse 81, 69721 Hard, Austria		Majority shareholder

Notes

All amounts in DKK.

Consolidated financial statements

None of the company's parent companies present consolidated financial statements.