



Röchling Industrial Allingaablo A/S

Tøjstrupvej 31
8961 Allingaablo
CVR no. 19 27 03 35

Annual report 2024

Approved at the Company's annual general meeting on June 19th, 2025

Chair of the meeting:

Martin Busk Jensen



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Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Röchling Industrial Allingaibro A/S for the financial year 1 January – 31 December 2024.

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

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

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

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

Executive Board:

Martin Busk Jensen

Board of Directors:

Thomas Kurt Johannes Schlag
Chair

Daniel Benjamin Fritz

Florian Johannes Martin Helmich

Martin Busk Jensen



Independent auditor's report

To the shareholders of Röchling Industrial Allingaibro A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Röchling Industrial Allingaibro A/S for the financial year 1 January – 31 December 2024 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2024 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent company 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.

Management's responsibilities for the consolidated financial statements and the parent company 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 that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.



Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

In preparing the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these consolidated financial statements and parent company 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 consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company 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 and the Parent Company 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.



Independent auditor's report

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Aarhus, June 19th, 2025

KPMG P/S

CVR no. 25 57 81 98

Michael E. K. Rasmussen
State Authorised Public Accountant
MNE no. Mne41364



Management's review

Company details

Name	Röchling Industrial Allingaibro A/S
Address, postal code, city	Tøjstrupvej 31, DK-8961 Allingåbro
CVR no.	19 27 03 35
Established	9 May 1996
Registered office	Norddjurs
Financial year	1 January – 31 December
Website	www.roechling.com/dk/industrial/allingaibro
Telephone	+45 86 48 17 11
Board of Directors	Thomas Kurt Johannes Schlag, chair Daniel Benjamin Fritz Florian Johannes Martin Helmich Martin Busk Jensen
Executive Board	Martin Busk Jensen
Auditors	KPMG P/S Frederiks Plads 42, 7., 8000 Aarhus C, Denmark



Management's review

Financial highlights for the Group

DKK'000	2024	2023	2022	2021	2020
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Key figures

Gross profit	39.069	37.467	38.474	33.926	27.751
Operating profit	6.639	6.771	9.818	7.666	3.856
Net financials	1.249	1.100	151	-73	-48
Profit for the year	6.686	6.825	8.518	6.603	3.290

Balance sheet total	102.303	95.106	89.694	83.264	73.847
Investments in property, plant and equipment	3.964	4.053	3.452	4.567	3.595
Equity	91.834	85.137	78.282	69.765	63.000
Average Invested capital	45.440	42.093	0	0	0

Financial ratios

Equity ratio	89,8	89,5	87,3	83,8	85,3
Return on equity	7,6	8,4	11,5	9,9	5,4
Return on invested capital	14,6	15,4	23,7	22,5	13,5

Financial ratios are calculated in accordance with the recommendations of the Danish Finance Society. The financial ratios stated under "Financial highlights" have been calculated as follows:

$$\text{Equity ratio} = \frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$$

$$\text{Return on equity} = \frac{\text{Profit/loss for the year after tax ex. non-controlling interests} \times 100}{\text{Average equity ex non-controlling interests}}$$

$$\text{Return on invested capital} = \frac{\text{Operating profit/loss} \times 100}{\text{Average invested capital}}$$

$$\text{Invested capital} = \text{Operating intangible assets and property, plant and equipment plus net working capital}$$



Management's review

Operating review

The Group's principal activities

The Company's and the Group's principal activities comprise the production and sale of plastic and metal components.

Development in activities and financial positions

As a consequence of the very unstable global situation and its impact on global business and a downturn on the markets Röchling Industrial Allingaebro A/S sell its products to, the group has decreased its activity but maintained profit at the same level as last year. The main driver is lower raw material cost which has contributed to keep the gross margin. During the year, the factory expansion was finished, and the new facility was at full operation by the end of 3rd quarter of 2024. The Group's financial position is considered satisfactory given the circumstances.

The Group reported a profit of DKK 6.686 thousand for 2024, (2023: DKK 6.825 thousand), and at 31 December 2024 Group equity amounted to DKK 91.834 thousand (2023: DKK 85.137 thousand).

Development in activities and financial matters

The Company has changed its accounting policies for the measurement of equity investments in group entities from equity method to cost referring to the Group's overall focus on contribution through dividends from group entities rather than revaluation to equity value of subsidiaries over time.

The change in accounting policy has affected the items income from equity investments in group entities, equity investments in group entities, equity and other provisions. A reference is made to the accounting policies section of the financial statements for further insights.

Outlook

Overall, the group expects activities at the same level as in 2024 and increased profit. But general uncertainty globally due to various factors may influence our local market negatively and could impact the result negatively.

For 2025, the result before tax is expected to be in the interval DKK 7.000 thousand to DKK 9.000 thousand.

Research and development activities

The Company's and the Group's products undergo continuous development. The products are continuously developed and customized in line with the customers' and the markets, requirements and development. All costs are expensed as incurred.

Branches

The group supplies machined products for a variety of different branches. The major are wind, oil & gas and fishprocessing industries.

Financial risks and use of financial instruments

The majority of the sales and purchase is in DKK/EUR. The group has therefore no major financial risks and do not use financial instruments.

Environment

It is company policy to observe environmental legislation and generally accepted legal frameworks.

The Company and the Group do not carry out any production with a major impact on the environment.



Financial statements 1 January – 31 December

Income statement

DKK	Note	Group		Parent company	
		2024	2023	2024	2023
Gross profit		39.069.362	37.467.297	27.525.505	25.874.079
Staff costs	3	-28.890.194	-27.084.074	-21.174.895	-20.019.835
Depreciation, amortisation and impairment losses		-3.539.672	-3.595.526	-2.135.201	-2.163.338
Other operating expenses		0	-17.000	0	-17.000
Operating Profit		6.639.496	6.770.697	4.215.409	3.673.906
Other financial income	4	1.258.245	1.102.178	1.258.245	1.129.101
Other financial expenses		-8.759	-2.544	-8.759	-2.544
Profit before tax		7.888.982	7.870.331	5.464.895	4.800.463
Tax for the year	5	-1.202.972	-1.045.383	-1.200.898	-1.044.288
Profit for the year	6	6.686.010	6.824.948	4.263.997	3.756.175



Financial statements 1 January – 31 December

Balance sheet

DKK	Note	Group		Parent company	
		2024	2023	2024	2023
ASSETS					
Non-current assets					
Intangible assets					
Acquired intangible assets	7	131.645	183.904	0	0
		<u>131.645</u>	<u>183.904</u>	<u>0</u>	<u>0</u>
Property, plant and equipment					
Plant and machinery	8	16.970.355	17.668.769	8.374.352	9.515.592
Fixtures and fittings, tools and equipment		792.236	602.149	852.001	522.817
Leasehold improvements		1.448.843	457.857	1.448.843	457.857
		<u>19.211.434</u>	<u>18.728.774</u>	<u>10.675.196</u>	<u>10.496.266</u>
Financial assets					
Equity investments in group entities	9	0	0	21.660	21.660
Deposits		1.800.000	522.000	1.800.000	522.000
		<u>1.800.000</u>	<u>522.000</u>	<u>1.821.660</u>	<u>543.660</u>
Total non-current assets		<u>21.143.079</u>	<u>19.434.678</u>	<u>12.496.856</u>	<u>11.039.926</u>
Current assets					
Inventories					
Raw materials and consumables		9.788.902	9.287.682	5.684.534	6.365.637
Work in progress		881.299	882.331	881.299	882.331
Finished goods and goods for resale		7.584.181	6.610.051	5.337.523	4.932.318
		<u>18.254.382</u>	<u>16.780.064</u>	<u>11.903.356</u>	<u>12.180.286</u>
Receivables					
Trade receivables		19.886.726	13.442.975	18.558.086	11.543.420
Receivables from group entities		24.504.089	24.252.400	24.440.543	24.299.354
Corporation tax receivable		146.644	69.212	146.644	69.212
Other receivables		18.750	18.750	18.750	18.750
Prepayments	10	226.637	93.708	117.492	0
		<u>44.782.846</u>	<u>37.877.045</u>	<u>43.281.515</u>	<u>35.930.736</u>
Cash		<u>18.122.246</u>	<u>21.014.384</u>	<u>15.949.869</u>	<u>19.508.690</u>
Total current assets		<u>81.159.474</u>	<u>75.671.493</u>	<u>71.134.740</u>	<u>67.619.712</u>
TOTAL ASSETS		<u>102.302.553</u>	<u>95.106.171</u>	<u>83.631.596</u>	<u>78.659.638</u>



Financial statements 1 January – 31 December

Balance sheet

DKK	Note	Group		Parent company	
		2024	2023	2024	2023
EQUITY AND LIABILITIES					
Equity					
Share capital	11	3.800.000	3.800.000	3.800.000	3.800.000
Retained earnings		88.033.927	81.337.461	69.249.864	64.985.867
Total equity		<u>91.833.927</u>	<u>85.137.461</u>	<u>73.049.864</u>	<u>68.785.867</u>
Provisions					
Deferred tax	12	1.000.000	1.140.000	1.000.000	1.140.000
Total provisions		<u>1.000.000</u>	<u>1.140.000</u>	<u>1.000.000</u>	<u>1.140.000</u>
Liabilities other than provisions					
Non-current liabilities					
Employee obligations	13	738.774	703.833	738.774	703.833
		<u>738.774</u>	<u>703.833</u>	<u>738.774</u>	<u>703.833</u>
Current liabilities					
Trade payables		1.263.859	1.727.153	1.187.167	1.581.228
Payables to group entities		5.237.472	3.606.040	6.163.160	4.434.042
Other payables		2.228.521	2.791.684	1.492.631	2.014.668
		<u>8.729.852</u>	<u>8.124.877</u>	<u>8.842.958</u>	<u>8.029.938</u>
Total liabilities		<u>9.468.626</u>	<u>8.828.710</u>	<u>9.581.732</u>	<u>8.733.771</u>
TOTAL EQUITY AND LIABILITIES		<u>102.302.553</u>	<u>95.106.171</u>	<u>83.631.596</u>	<u>78.659.638</u>



Financial statements 1 January – 31 December

Statement of changes in equity

	Group		
	Share capital	Retained earnings	Total
Equity at 1 January 2024	3.800.000	81.337.461	85.137.461
Foreign exchange adjustments	0	10.456	10.456
Proposed distribution of profit	0	6.686.010	6.686.010
	<u>3.800.000</u>	<u>88.033.927</u>	<u>91.833.927</u>

	Parent Company		
Note	Share capital	Retained earnings	Total
Equity at 1 January 2024	3.800.000	64.985.867	68.785.867
Proposed distribution of profit	6 0	4.263.997	4.263.997
	<u>3.800.000</u>	<u>69.249.864</u>	<u>73.049.864</u>



Financial statements 1 January – 31 December

Cash flow statement

DKK	Note	Group	
		2024	2023
Profit for the year		6.686.010	6.824.948
Adjustments	16	4.782.328	4.680.813
Changes in working capital	17	-7.697.712	5.807.510
Corporation tax paid		-1.420.404	-1.184.573
Cash flows from operating activities		2.350.222	16.128.698
Acquisition of property, plant and equipment		-3.964.360	-4.052.768
Disposal of property, plant and equipment		0	0
Payment of financial assets		-1.278.000	0
Cash flows from investing activities		-5.242.360	-4.052.768
Change of operating credits in banks		0	0
Distributed dividend		0	0
Cash flows from financing activities		0	0
Cash flows for the year		-2.892.138	12.075.930
Cash and cash equivalents, beginning of year		21.014.384	8.938.454
Cash and cash equivalents, year end		18.122.246	21.014.384



Financial statements 1 January – 31 December

Notes

1 Accounting policies

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

Change in accounting policies

The Company has changed its accounting policies for the measurement of equity investments in group entities from equity method to cost referring to the Group's overall focus on contribution through dividends from group entities rather than revaluation to equity value of subsidiaries over time.

The change in accounting policy has affected the items income from equity investments in group entities, equity investments in group entities, equity and other provisions.

Comparative figures related to parent company have been affected as follows:

- Income from equity investments in group entities, decrease of DKK 3.068 thousand.
- Profit for the year, decrease of DKK 3.068 thousand.
- Equity investments in group entities, decrease of DKK 16.373 thousand.
- Total assets, decrease of DKK 16,352 thousand.
- Total equity, decrease of DKK 16,352 thousand.

Apart from the above, the accounting policies used in the preparation of the financial statements are consistent with those of last year.

Presentation currency

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

Consolidated financial statements

The consolidated financial statements comprise the Parent Company, Röchling Industrial Allingaibro A/S, and subsidiaries in which Röchling Industrial Allingaibro A/S directly or indirectly holds more than 50% of the votes or in some other way exercises control over. Entities in which the Group holds 20% or more of the votes and exercises significant influence but not control are considered associates. Entities for which the objective of the holding is to promote the Group's own activities through a permanent affiliation with the other entity and where the equity interest represents at least 20% of equity in the other entity are considered participating interests. Please view note 9 for specification of group entities.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Equity investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

Preparation of consolidated financial statements

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

Equity investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.



Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Foreign currency translation

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

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign group entities are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign group entities at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Income statement

Revenue

Income from the sale of goods for resale and finished goods, including, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer, the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2020. Where goods sold are supplied on an ongoing basis and integrated with the purchaser's property, the income is recognised in revenue as the goods are supplied, meaning that revenue corresponds to the selling price of work performed during the year.

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including rental income from the temporary lease out of production facilities.

Raw materials and consumables, etc.

Raw materials and consumables include the costs of raw materials and consumables incurred to generate revenue for the year.

Other external expenses

Other external expenses comprise expenses relating to distribution, sale, advertising, administration, premises, bad debts, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees. Refunds received from public authorities are deducted from staff costs.

Other operating expenses

Other operating costs comprise items secondary to the activities of the Group, including losses on the disposal of intangible assets and property, plant and equipment.

Profit/loss from equity investments in group entities

The proportionate share of the results of the underlying entities is recognised in the income statement after elimination of intra-group profit/loss and after tax. Group entities are subject to full elimination of intra-group profit/loss and ownership interests are not considered.



Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

The proportionate share of the results after tax of the individual group entities is recognised in the income statement of the Parent Company after full elimination of intra-group profits/losses.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. The items comprise interest income and expense, charges in respect of finance leases, realised and unrealised gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

Balance sheet

Intangible assets

On initial recognition, intangible assets are measured at cost.

Amortisation is made over the estimated economic life without the determination of a residual value.

Acquired intangible assets is subsequently measured at cost less accumulated amortisation. Acquired intangible assets is amortised on a straight-line basis over the estimated useful life, which is 3 years.

Intangible assets are written down to the lower of the recoverable amount and the carrying amount. Impairment tests are conducted on individual assets or groups of assets when there is indication of impairment.

Gains and losses on the disposal of intangible assets are calculated as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Property, plant and equipment

On initial recognition, items of property, plant and equipment are measured at cost.

Plant and machinery as well as fixtures and fittings, tools and equipment are subsequently measured at cost less accumulated depreciation.

Depreciation is based on the residual value of the asset after the end of the useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. Production overheads and borrowing costs are not included in cost.

Individual components of property, plant and equipment that have different useful lives are accounted for as separate items, which are depreciated separately.



Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Depreciation is provided on a straight-line basis over the expected useful lives of the assets, which are as follows:

Plant and machinery	5-10 years
Fixtures and fittings, tools and equipment	3-7 years
Leasehold improvements	5-16 years

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

Impairment of non-current assets

The carrying amount of intangible assets, property, plant and equipment and equity investments in group entities and associates and participating interests is tested annually for indication of impairment other than the decrease in value reflected by amortisation/depreciation.

Impairment tests are conducted on individual assets or cash-generating units when there is indication of impairment. Write-down is made to the lower of the carrying amount and the recoverable amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries as well as indirect production overheads. Production overheads comprise costs of material and labour as well as maintenance of and depreciation on production machinery, buildings and equipment as well as costs relating to plant administration and management. Borrowing costs are not recognised in the cost.

The net realisable value of inventories is determined as the selling price less costs of completion and costs incurred to effect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

Receivables

Receivables are measured at amortised cost.

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

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



Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on taxable income in previous years and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carryforwards, are measured at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net assets are measured at net realisable values.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in tax rates are recognised in the income statement.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Equity

Dividend

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

Liabilities other than provisions

Financial liabilities comprising amounts payable to credit institutions, trade payables and payables to group entities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, financial liabilities are measured at amortised cost.

Freeze liability, which comprises frozen holiday funds, is measured at net realisable value, including indexation. Indexation is recognised in the income statement as interest expenses.

Other liabilities are measured at net realisable value.



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1 Accounting policies (continued)

Cash flow statement

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

The cash flow effect of acquisitions and disposals of entities is shown separately in cash flows from investing activities. Cash flows from acquisitions of entities are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital, interest received and paid as well as corporation tax paid. Interest received is classified as cash flows from operating activities. Furthermore, dividends received are classified as operating activity.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and investments. Dividends received regarding securities are also considered investing activities.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a remaining term of three months or less that are subject to only minor risks of changes in value.

2 Events after the balance sheet date

No events have occurred after the end of the financial year of material importance for the Company's financial position.



Financial statements 1 January – 31 December

Notes

	Group		Parent company	
	2024	2023	2024	2023
3 Staff costs				
DKK				
Wages and salaries	25.223.557	23.760.596	18.987.408	18.045.441
Pensions	1.862.753	1.651.040	1.862.753	1.651.040
Other social security costs	1.772.467	1.628.405	293.317	279.321
Other staff costs	31.417	44.033	31.417	44.033
	<u>28.890.194</u>	<u>27.084.074</u>	<u>21.174.895</u>	<u>20.019.835</u>
Average number of employees	<u>74</u>	<u>74</u>	<u>38</u>	<u>37</u>
Pursuant to section 98b (3) of the Danish Financial Statements Act, remuneration of Management and the Board of Directors is not disclosed.				
4 Other financial income				
Interest income from group entities	952.669	948.090	952.669	975.013
Other interest income	305.576	154.088	305.576	154.088
	<u>1.258.245</u>	<u>1.102.178</u>	<u>1.258.245</u>	<u>1.129.101</u>
5 Tax for the year				
Current tax for the year	1.342.972	1.163.883	1.340.898	1.162.788
Deferred tax adjustment for the year	-140.000	-118.500	-140.000	-118.500
Prior year adjustments	0	0	0	0
	<u>1.202.972</u>	<u>1.045.383</u>	<u>1.200.898</u>	<u>1.044.288</u>
6 Proposed distribution of profit				
Retained earnings	<u>6.686.010</u>	<u>6.824.948</u>	<u>4.263.997</u>	<u>3.756.175</u>
	<u>6.686.010</u>	<u>6.824.948</u>	<u>4.263.997</u>	<u>3.756.175</u>
7 Intangible assets				
			Group	
DKK			Acquired intangible assets	Total
Costs at 1 January 2024			495.636	495.636
Foreign currency adjustments			101	101
Additions			0	0
Disposals			<u>-130.670</u>	<u>-130.670</u>
Cost at 31 December 2024			<u>365.067</u>	<u>365.067</u>
Amortisation and impairment losses at 1 January 2024			311.732	311.732
Foreign currency adjustments			-27	-27
Reversed amortisation of disposals			-130.670	-130.670
Depreciation and amortisation			<u>52.387</u>	<u>52.387</u>
Amortisation and impairment losses at 31 December 2024			<u>233.422</u>	<u>233.422</u>
Carrying amount at 31 December 2024			<u>131.645</u>	<u>131.645</u>



Financial statements 1 January – 31 December

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8 Property, plant and equipment

	Group			Total
	Plant and machinery	Fixtures and fittings, tools and equipment	Leasehold improvements	
DKK				
Costs at 1 January 2024	49.293.327	4.733.907	2.291.994	56.319.228
Foreign currency adjustments	13.168	751	0	13.919
Additions	2.256.433	558.488	1.149.439	3.964.360
Disposals	-1.037.520	-1.754.321	0	-2.791.841
Cost at 31 December 2024	50.525.408	3.538.825	3.441.433	57.505.666
Depreciation and impairment losses at 1 January 2024	31.624.558	4.131.758	1.834.137	37.590.453
Foreign currency adjustments	7.664	678	0	8.342
Disposals	-980.394	-1.754.321	0	-2.734.715
Depreciation	2.903.225	368.474	158.453	3.430.152
Depreciation and impairment losses at 31 December 2024	33.555.053	2.746.589	1.992.590	38.294.232
Carrying amount at 31 December 2024	16.970.355	792.236	1.448.843	19.211.434

	Parent Company			Total
	Plant and machinery	Fixtures and fittings, tools and equipment	Leasehold improvements	
Costs at 1 January 2024	29.255.948	3.592.318	2.291.994	35.140.260
Foreign exchange adjustment	0	0	0	0
Additions	612.029	552.663	1.149.439	2.314.131
Disposals	0	-1.300.529	0	-1.300.529
Cost at 31 December 2024	29.867.977	2.844.452	3.441.433	36.153.862
Depreciation and impairment losses at 1 January 2024	19.740.356	3.069.501	1.834.137	24.643.994
Foreign exchange adjustment	0	0	0	0
Disposals	0	-1.300.529	0	-1.300.529
Depreciation	1.753.269	223.479	158.453	2.135.201
Depreciation and impairment losses at 31 December 2024	21.493.625	1.992.451	1.992.590	25.478.666
Carrying amount at 31 December 2024	8.374.352	852.001	1.448.843	10.675.196



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DKK	Parent company	
	2024	2023
9 Equity investments in group entities		
Cost at 1 January	21.660	21.660
Additions	0	0
Cost at 31 December	21.660	21.660

<u>Name and registered office</u>	<u>Voting rights and ownership</u>
Röchling Industrial Liepaja LSEZ SIA, Latvia	100%

10 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including insurance policies, software licenses, etc.

11 Share capital

The share capital comprises:
1 class A share of DKK 3.800.000.

DKK	Group		Parent company	
	2024	2023	2024	2023
12 Deferred tax				
Deferred tax at 1 January	1.140.000	1.258.500	1.140.000	1.258.500
Deferred tax adjustment for the year	-140.000	-118.500	-140.000	-118.500
Deferred tax at 31 December	1.000.000	1.140.000	1.000.000	1.140.000

Deferred tax comprises property, plant and equipment.



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13 Financial liabilities

	Group and parent company		
	Total liabilities at 31/12 2024	Repayment first year	Outstanding debt after 5 years
Employee obligations	738.774	0	593.728
	<u>738.774</u>	<u>0</u>	<u>593.728</u>
	Parent company		
	Total liabilities at 31/12 2024	Repayment first year	Outstanding debt after 5 years
Employee obligations	738.774	0	593.728
	<u>738.774</u>	<u>0</u>	<u>593.728</u>

14 Contingencies, etc.

Parent Company

Rent and lease liabilities in interminable rent and lease agreements with remaining contract terms of app. 16 years amount to DKK 32.801 thousand.

Lease liabilities for car with remaining contract terms of 10 months amount to DKK 33 thousand.

Rent liabilities for car with remaining contract terms of 27 months amount to DKK 68 thousand.

15 Related parties

Röchling Industrial Allingaabro A/S' related parties comprise the following:

Control

Röchling Industrial SE & Co. KG, Röchlingstrasse 1, 49733 Haren, Germany

Röchling Industrial SE & Co. KG holds the majority of the share capital in the Company.

Röchling Industrial Allingaabro A/S is part of the consolidated financial statements of Röchling Industrial SE & Co. KG, and the consolidated financial statements of Röchling SE & Co. KG, Richard-Wagner-Str. 9, 68165 Mannheim, Germany, which are the smallest and largest groups, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements of Röchling Industrial SE & Co. KG and Röchling SE & Co. KG can be obtained by contacting the companies at the above address.

Related party transactions DKK'000	Group		Parent company	
	2024	2023	2024	2023
Transaction with affiliates:				
Sale of goods and services	2.797	2.011	3.020	2.369
Purchase of goods and services	50.833	51.455	50.447	65.498
Interest income	953	948	953	975
Receivables from group entities	24.504	24.252	24.441	24.299
Payables to group entities	5.237	3.606	6.163	4.434



Financial statements 1 January – 31 December

Notes

		Group	
		2024	2023
16	Cash flow statement – adjustments		
	DKK		
	Amortisation of intangible assets and depreciation on property, plant and equipment	3.539.672	3.595.526
	Tax on profit/loss for the year	1.202.972	1.045.383
	Foreign exchange adjustments etc.	39.684	39.904
		<u>4.782.328</u>	<u>4.680.813</u>
17	Cash flow statement – changes in working capital		
	Changes in inventories	-1.474.318	4.670.228
	Changes in receivables	-6.828.369	2.486.107
	Changes in current liabilities	604.975	-1.348.825
		<u>-7.697.712</u>	<u>5.807.510</u>