

# Nordlux Invest A/S

Østre Havnegade 34, 9000 Aalborg  
CVR-nr. 30 50 66 77

Annual Report 2024

1 January - 31 December

The Annual Report has been presented and adopted at the  
Company's Annual General Meeting on 16 May 2025

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Karina Bro Sulkjær

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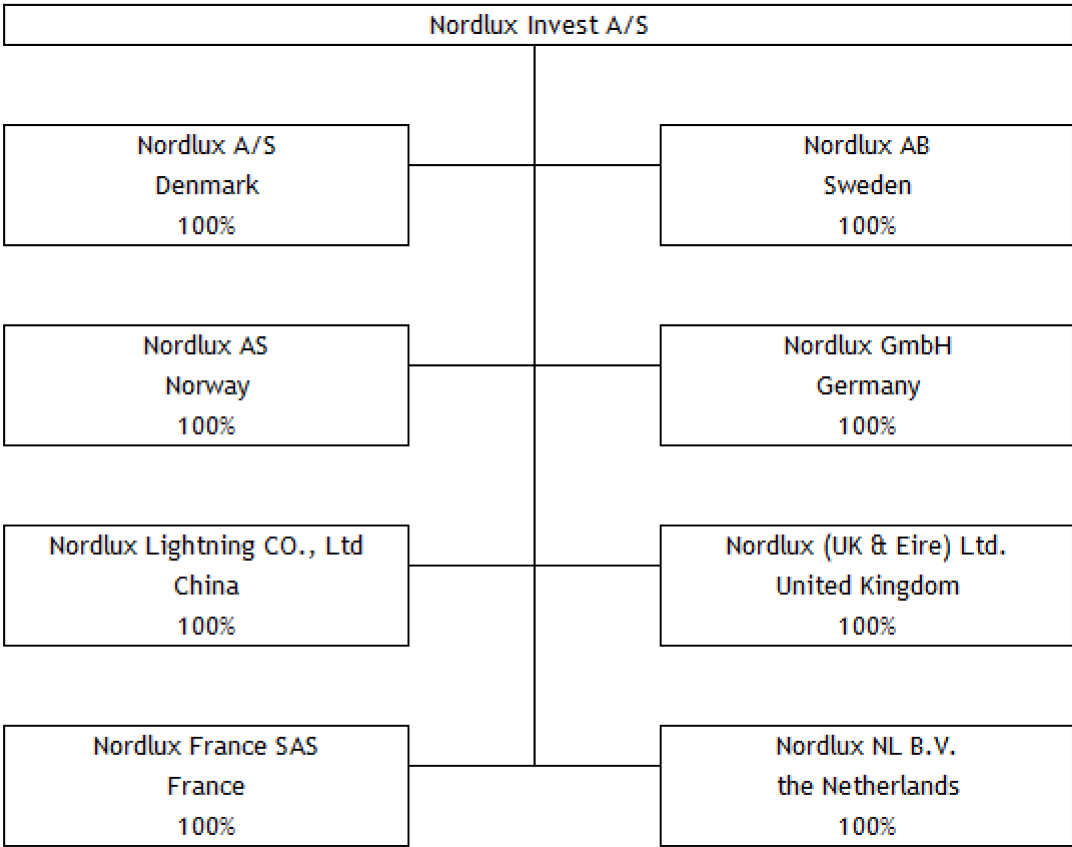
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## Company Details

<b>Company</b>	Nordlux Invest A/S Østre Havnegade 34 9000 Aalborg
	CVR No.: 30 50 66 77 Established: 17 June 2008 Municipality: Aalborg Financial Year: 1 January - 31 December
<b>Board of Directors</b>	Guoming Wu Zhao Weifeng, chairman Wei Chen Kristian Kolding
<b>Executive Board</b>	Niels Skov Jakobsen
<b>Auditor</b>	BDO Statsautoriseret revisionsaktieselskab Visionsvej 51 9000 Aalborg

# Group Structure



# Management's Statement

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Nordlux Invest A/S for the financial year 1 January - 31 December 2024.

The Annual Report is presented 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 Group's and the Company's assets, liabilities and financial position at 31 December 2024 and of the results of Group's and the Company's operations and cash flows for the financial year 1 January - 31 December 2024.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Aalborg, 21 March 2025

Executive Board

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Niels Skov Jakobsen

Board of Directors

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Guoming Wu

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Zhao Weifeng  
Chairman

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Wei Chen

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Kristian Kolding

# Independent Auditor's Report

To the Shareholder of Nordlux Invest A/S

## Opinion

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Nordlux Invest A/S for the financial year 1 January - 31 December 2024, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group and the Parent Company, as well as consolidated statement of cash flows for the Group. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the assets, liabilities and financial position of the Group or the Company at 31 December 2024 and of the results of the Group and the Parent Company's operations as well as the consolidated cash flows of the Group 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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## 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 the 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 Consolidated Financial Statements and the Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

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 about 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 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 Consolidated Financial Statements and the Parent Company Financial Statements.

# Independent Auditor's Report

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 Consolidated Financial Statements and the Parent Company 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 Parent 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 Group 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.

## **Statement on Management Commentary**

Management is responsible for Management Commentary.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management Commentary, 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 Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Consolidated Financial Statements and the Parent Company Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

## Independent Auditor's Report

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

Based on the work we have performed, we conclude that Management Commentary 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 of Management Commentary.

Aalborg, 21 March 2025

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Peter Højen Storgaard  
State Authorised Public Accountant  
MNE no. mne33767

## Financial Highlights of the Group

	2024 EUR '000	2023 EUR '000	2022 EUR '000	2021 EUR '000	2020 EUR '000
<b>Income statement</b>					
Net revenue	59,010	50,364	51,734	51,568	48,724
Gross profit/loss	15,118	13,759	12,762	16,843	15,186
Operating profit/loss of main activities	9,512	6,481	5,878	9,831	8,595
Financial income and expenses, net	-574	-604	-139	-233	-192
Profit/loss for the year	6,721	4,390	4,385	7,332	6,434
<b>Balance sheet</b>					
Total assets	32,353	27,543	31,004	27,733	23,635
Equity	10,480	6,202	9,882	9,401	7,760
<b>Cash flows</b>					
Cash flows from operating activities	4,654	7,546	1,600	4,998	4,463
Cash flows from investing activities	-532	-66	-367	-296	-268
Cash flows from financing activities	-4,018	-6,670	-1,197	-4,772	-2,609
Total cash flows	104	810	35	-70	1,586
Investment in property, plant and equipment	-30	-103	-364	-296	-249
<b>Average number of full-time employees</b>	<b>102</b>	<b>96</b>	<b>89</b>	<b>84</b>	<b>76</b>
<b>Key ratios</b>					
Current ratio	144.7	124.9	143.3	147.0	144.2
Equity ratio	32.4	22.5	31.9	33.9	32.8
Return on equity	80.6	54.6	45.5	85.4	121.4
Return on assets	31.8	22.1	20.0	38.3	41.4

Financial highlights for 2020, 2021 and 2022 has been adjusted from DKK to EUR using average exchange rates for the years.

The ratios stated in the list of key figures and ratios have been calculated as follows:

Current ratio:	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Equity ratio:	$\frac{\text{Equity (ex. minorities), at year-end} \times 100}{\text{Total assets, at year-end}}$
Return on equity:	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$
Return on assets	$\frac{\text{Profit/loss from operating activities}}{\text{Average assets} \times 100}$

# Management Commentary

## Principal activities

The Nordlux group develops and promotes lighting fixtures mainly for private homes. The primary sales channels in Northern Europe are within retail and E-commerce. We are one of the leading lighting companies in Europe, and we have a wide range of indoor luminaries, outdoor luminaries, design luminaries and bulbs. Due to our position, we believe we have natural obligation to contribute to addressing national and global challenges. A key example of our commitment to social responsibility is the requirements we place on our suppliers to comply with human and labor rights. We are making serious efforts to improve employee relations and the work environment internally.

We are 100% owned by the Belgian company Energetic Lighting Europe NV and we work very close together with the other companies in the group of Energetic Lighting Europe NV. Energetic Lighting Europe NV is owned by the Chinese listed company Zhejiang Yankon Group Co. Ltd.

Our vision is “Lifting people’s quality of life with light” and our mission is “We create products that you want to bring home”.

Our core competencies lie in designing and developing high-quality products while ensuring readiness for production. We collaborate closely with external designers to guarantee superior design standards across our product range. This approach allows us to leverage specialized expertise, ensuring that our products consistently meet and exceed customer expectations.

To ensure that the quality of our products consistently complies with all applicable regulations, we work with external quality advisors. Their expertise helps us maintain the highest standards and adhere to the legal requirements in all our markets.

Additionally, we have partnered with trusted manufacturing facilities in China, ensuring efficient and reliable production processes. This strong operational foundation ensures scalability, cost-effectiveness, and the ability to deliver high-quality products to market within optimal timeframes.

Nordlux Invest A/S has no real operating activities besides being the holding company.

## Development in activities and financial and economic position

In 2024, we changed the reporting currency to EUR and changed the 2023 figures accordingly, as EUR is the currency used for group reporting in our daily operations. The change in accounting policies means that total equity in the comparative numbers in the 2024 annual report is T.EUR 6,202 compared to T.DKK 46,060 in the official annual report for 2023. The total effect on the opening equity amounts to T.EUR 28. Accordingly, assets are T.EUR 27,543 compared to T.DKK 204,861, revenue is T.EUR 50,364 compared to T.DKK 375,374 and net profit is T.EUR 4,390 thousand compared to T.DKK 32,550.

It has been impractical to disclose the effect on 2024 as if DKK had been used as the functional and presentation currency, as the consolidation has been prepared using EUR in 2024.

At the beginning of 2024, we acquired the entities Nordlux France SAS and Nordlux NL bv from our parent company Energetic Lightning Europe NV., as their daily management is handled by the management of Nordlux Group. The activity, products and customers in Nordlux France SAS and Nordlux NL bv are similar to the other entities in Nordlux Group. The acquisition is recognized as cost price in Nordlux Invest A/S and adjusted to the acquisition method in the group reporting according to the accounting procedure.

## Development in activities and finances

The income statement for 2024 shows a profit on T.EUR 6,721 against a profit on T.EUR 4,390 (T.DKK 32,549) last year. The group’s balance sheet on 31 December 2024 shows an equity of T.EUR 10,480.

## Profit/loss for the year in relation to expected developments

The annual profit on T.EUR 6,721 is higher than 2023 and higher than the expected profit in the range between EUR 4.0-4.7 million (DKK 30-35 million). The revenue in some markets has been challenged, while we on other markets have been able to increase revenue. The lighting business in Europe has in general

# Management Commentary

## **Profit/loss for the year in relation to expected developments (continued)**

experienced a decrease in overall demand, which also has affected Nordlux Group. We have mainly seen an increase in Europe compared to 2023 as we have acquired Nordlux NL and Nordlux FR in the start of 2024. The market in Europe has in general not increased as expected due to general lower demand. In Scandinavia we have seen an increase in the Norwegian and Swedish market. Furthermore, we have seen an increase in our exports to countries outside Europe.

Despite the revenue has not been on the expected level we have achieved a higher profit than expected. We are focusing on the inventory level to have the optimal inventory level and capacities to the current level of activity. Furthermore, we have been focusing on where we would be able to optimize procedures, systems, internal costs and external costs etc. The freight rates have not been as turbulent as we have seen in the past and the USD rate has been more stable until the last quarter of 2024.

The impact from the war in Ukraine is unchanged from 2023.

The management considers the annual result for 2024 and the performance to be satisfying.

## **Significant events after the end of the financial year**

To this date, no significant events have occurred after the balance sheet date, which would influence the evaluation of this annual report.

## **Financial risk**

### **Operating risks**

The group's most significant operational risk is related to its ability to maintain strong client and supplier relationships, retain key employees, and always maintain a leading position in product development.

Our products are primary made in China, and we therefore have a risk concerning the prices for raw materials and container rates. We have in the last years experienced significant fluctuations in container prices, and at times, we have faced limited container capacity, which represents a substantial risk for Nordlux Group.

Nordlux Group is exposed to inventory risks, particularly due to the growing number of private label customers, which involve higher levels of risk. Measures are continuously taken to manage and minimize these risks, ensuring efficient inventory control and reducing potential losses.

### **Financial risks, currency risks and use of financial instruments**

Nordlux group's operating profit, earnings, and equity are affected by exchange rate variations in certain currencies, particularly USD. As the group's purchases are made in USD, it is directly exposed to changes in the USD exchange rate. The group will constantly follow the exchange rate development and continuously assess the need to reduce the risk, including the covering of expected purchases. The group make use of currency forward exchange contracts transactions to address the currency exchange risks. Our policy is to secure purchases in USD for the upcoming 6-12 months using forward contracts. This approach reduces our financial risk related to USD fluctuations and enables us to perform reliable cost calculations for our purchases. As the USD rate has been increasing in the last months of 2024, we expect this will have a negative impact on our purchase prices in 2025.

Nordlux Group has loan and bank credit facilities with variable interest rates, and we are therefore exposed to significant market fluctuations.

Nordlux Group is exposed to risks related to receivables. However, efforts are made to mitigate risk on accounts receivable through the use of credit insurance assessed by external partners, ensuring greater security and stability in the management of outstanding payments. Furthermore, this credit assessment helps us ensure that we engage only with suitable customers and avoid customers that are in connection with corruption. The parent company is exposed to changes in the credit rating of the subsidiaries.

# Management Commentary

## Research and development activities

Nordlux Group's development activities mainly consist of product development. Product development is an important element in the strategy of the Nordlux Group. This applies both to the use of existing products and to the creation of new, value-added products.

The group is continuously developing the product range by using external and internal designers. We are focusing on design and functionality at competitive prices.

Nordlux Group does not engage in any research activities.

## Future expectations

The outlook for 2025 is growth in revenue but a lower profit than 2024. We expect to realize a profit in the range between EUR 5.0-5.5 million.

We expect the positive development we have realized in 2024 to continue. However, we recognize the uncertainties linked to increases in import tariffs and changes in the USD rate and freight rates compared to the level of 2024 will have an impact on our results for 2025. These unpredictable factors underline the importance of maintaining a cautious and adaptable approach to out planning and operations.

## Statutory report on corporate social responsibility (CSR) report (§99a)

In Denmark, Corporate Social Responsibility (CSR) is defined under §99a as of the Danish Financial Statements Act. This provision requires large companies to include a non-financial statement addressing environmental considerations, such as efforts to reduce the climate impact of their activities, as well as social responsibility, working conditions, respect for human rights and the prevention of bribery and corruption.

At Nordlux Group, we take a strategic approach to Corporate Social Responsibility (CSR) and sustainability. We are currently building our ESG strategy and preparing to report in compliance with the new EU CSRD requirements starting in 2025.

Our CSR Policy Commitment refers to our company behaviors "IDEA" (Integrity, Dynamic, Excitement, Always) and is a valuable tool used to reach the Nordlux vision. To lead the way, we have chosen the three, for us, most important and relevant UN Sustainable Development Goals:

3. Good health and wellbeing
7. Affordable and clean energy
12. Responsible consumption and production

It also refers to international endorsed principles for sustainable development:

- The International Bill of Human Rights, including the core labour rights from the ILO declaration on Fundamental Principles and Rights at Work
- Rio Declaration on Environment and Development
- UN Convention against Corruption.

We are committed to seeking to prevent, address, and mitigate adverse impacts on all areas, as set forth in the UN Guiding Principles on Business and Human Rights (UNGP's, and implemented in the OECD Guidelines for Multinational Enterprises. Other additional policies and procedures for Nordlux will be aligned with this CSR Policy Commitment.

The Nordlux Group CSR Policy can be found on the group website: [www.nordlux.com](http://www.nordlux.com).

## Business model

Nordlux Group focuses on the development and sale of lighting fixtures mainly for private homes. We design a wide range of high-quality lamps that combine functionality, designs and energy efficiency. We are proud to be one of the leading players in creating energy efficient LED lightning. We prioritize reducing our environmental impact by focusing on sustainable products through long-lasting designs and products there are made-to-last. We are also constantly trying to optimize throughout our value chain.

# Management Commentary

## **Statutory report on corporate social responsibility (CSR) report (§99a) (continued)**

We are dedicated to incorporating sustainability practices into every aspect of our operations, from material sourcing to production, logistics, and promoting reuse and recycling to extend product lifecycles. For a more detailed description of the group's business model, please refer to the section on primary activities.

### **Environmental and climate**

Nordlux Group will consistently take the initiative to a high level of responsibility on climate and environmental matters and take a careful approach to all these matters. Nordlux Group is committed to continuously assessing its climate-related and environmental footprint and recognizes our responsibility to minimize our climate footprint, especially the scope 3 emissions from our supply chain, as this is where our business has the biggest impact. Below, some of the key areas where we face the greatest risk and opportunities related to environmental factors will be outlined:

#### Environmental impact of factory and transport:

Collaboration with suppliers is essential to reduce our environmental impact and ensure responsible production throughout our supply chain.

The environmental impact of our supply chain during production and transportation is substantial. Collaboration and incentives for reducing the climate footprint are crucial.

Nordlux Group conducts ongoing risk assessments to identify and anticipate potential adverse impacts on both human rights and the environment in our supply chain. These assessments are conducted regularly by both internal teams and external experts. Nordlux Group is a member of Amfori, an organization committed to ensuring proper working conditions at factories and protection of the environment. Supplier audits are conducted in accordance with BSCI. No issues were reported in 2024.

In the continuous effort to improve our climate footprint, Nordlux Group works purposefully to protect the environment, and we strive to make environmentally friendly choices in our day-to-day operations.

We work with our suppliers to recommend actions to reduce energy consumption. All suppliers must adhere to our Code of Conduct, which is publicly available on our website.

Suppliers should assess the significant environmental impact of operations and establish effective policies and procedures that reflect their environmental responsibility. They will arrange sufficient measures to prevent or minimize adverse effects on the community, resources of nature and the environment.

Suppliers must strive to use less possible resources in production and hereby also strive to reduce carbon footprint in transportation. Business partners must, at all times, improve in the following areas:

- Mass production (preferred)
- Limit materials used in general for both products and packaging
- For packaging, plastic needs to be avoided 100%
- Products must comply with the updated REACH and RoHS requirements, and the list of Substances of Very High Concern (SVHC) will be updated every six months
- Avoiding the use of SVHC and if any are used, it needs to be communicated to us by e-mail including the amount to secure that the limit value is not exceeded, so this can be changed and/or communicated to the end-user
- Prioritize using the most sustainable materials
- Nearly all our products containing wood are made using FSC™ certified materials.
- Avoid use of Styrofoam in packaging.

The environmental initiatives will be updated frequently and informed directly by all Business Partners. The Business Partners must demonstrate a willingness to make continuous improvements of the overall environmental performance related to the areas listed above.

#### Materials:

## Management Commentary

### **Statutory report on corporate social responsibility (CSR) report (§99a) (continued)**

We are committed to using materials with a lower environmental footprint. We design our products using different materials and support recycling and use recycled materials in our production when possible.

We use FSC certified wood and grass materials and actively support FSC as a member to promote the mission “Forests for all forever”. We produce luminaires using recycled plastic and are actively working to integrate more recycled plastic into our future designs by incorporating sustainability as a key focus area within our Product Councils. To ensure our products are repurposed at the end of their lifecycle, we are members of different recycling unions across Europe.

We are using good quality materials to ensure to make products there are made-to-last and long-lasting designs. An example of that Nordlux Group has a special product collection “Designed for Seaside”. Products are constructed in extra-resistant materials such as copper, brass, corten and galvanised steel, which are particularly suitable for areas close to the coast with severe weather. Nordlux offer a 15-year guarantee on all outdoor lamps in galvanized steel, copper and brass. Nordlux offers a 10-year guarantee on all our outdoor lights that have a special surface treatment and paint specifically for coastal areas. This guarantee covers widescale deterioration of the lamp’s surface.

Nordlux Group uses replaceable light sources where the design allows, supporting the creation of long-lasting products. Additionally, we continuously strive to optimize our lamps to be more energy-efficient and have introduced many bulbs with an energy rating of A.

Some of the underlying challenges for material innovation include developing a great understanding of the quality and consistency of new materials. We will continue to invest in developing in sustainable materials and we aim to develop more products made from renewable or recycled materials.

We will maintain our focus on sustainable and recyclable materials. This will provide our customers and consumers with a wider selection of products with reduced environmental impact.

#### Product responsibility and quality:

The business partners should exercise due diligence when designing, manufacturing, and testing products so that product defects that could be harmful to people’s health or the environment are avoided. These actions, seeking to use the most responsible choices regarding resources throughout our value chain, will contribute to lowering the environmental impacts of our business - and ensure competitive products.

At the same time, we are prioritizing the quality as we want to produce products that are made-to-last. This way the products will remain in service for many years and thereby also reduce the impact on the environment.

The business partner must strive to minimize the adverse environmental impact of its activities and comply with all applicable environmental laws and regulations. In particular, the business partner must focus on:

- Design for manufacturing/mass production
- Compact/flat packing
- Using the most sustainable materials for packaging
- Limit accessories included with the product
- Minimize the use of packing materials and the different packaging materials
- Use most sustainable transportation possible
- Follow EU restrictions for materials and chemical use
- Made to last
- Quality assurance/QC
- Modular and standard components
- Highest possible Ra value and use of ‘Eyelight Technology’ for improving the quality of light

The business partners must demonstrate willingness to continuous improvements of the overall shared product responsibility and quality performance related to areas listed above.

Nordlux Group has a target claim rate of less than 1%. We are following the claim rate and report internally

# Management Commentary

## **Statutory report on corporate social responsibility (CSR) report (§99a) (continued)**

monthly. The claim rate was in 2024 0,64%, which supports our sustainability goals by reducing waste and minimizing the environmental impact associated with product return and replacement. Nordlux Group aims to maintain or improve its current low claim rate by 2025. This goal reflects our commitment to maintaining high product quality and minimizing defects, thereby supporting customer satisfaction and sustainability efforts.

### Packaging:

Over the past year, Nordlux Group has actively worked to minimize the use of plastic in our packaging. Spare parts are supplied in paper bags, and we use paper tape for sealing. Additionally, our packaging includes sorting guidelines to ensure proper recycling, supporting our commitment to sustainability and environmental responsibility.

We will continue our focus on more climate friendly packaging and materials in the coming years. We are a member of different packaging associations in different countries and declare and pay for our packaging.

### Other initiatives:

The company has implemented a policy requiring all new company cars to be, at a minimum, hybrid vehicles, with a preference for fully electric cars. This initiative reflects our commitment to reducing environmental impact and supporting sustainable transportation solutions.

### Results and future expectations:

In 2024, Nordlux Group remains committed to reducing its environmental footprint by concentrating on key focus areas. These include optimizing energy efficiency in our products, minimizing waste through sustainable packaging solutions, and integrating recycled materials into our designs. Additionally, we will continue to assess and improve our processes across the value chain to ensure alignment with our sustainability goals and contribute to a greener future.

### **Staff and working conditions**

One of our main goals is to be a Great Place to Work, with a strong focus on our employees. We are committed to creating the right conditions for all colleagues to thrive, so that we can continue to be a great workplace while generating value for our stakeholders. We cultivate a culture that values initiative and responsibility. Everyone at Nordlux Group shares the responsibility of shaping a positive and productive work environment. We prioritize the development of our talented colleagues, recognizing it as a key investment in our future.

A potential risk exists if all employees are not fully familiar with our core behaviours and the principles guiding how we, as a group, are expected to act. To address this, we aim to reduce uncertainties and ensure that tasks and desired outcomes are clearly defined through the implementation of policies and other structured methods. This approach is intended to include all employees and provide them with the best possible understanding of our company's behaviours and values.

Over the past few years, we have worked on strengthening our business culture. In 2024, we conducted workshops focused at strengthening our high-performance culture, which we believe have had a positive influence on our culture.

At the end of 2024, we conducted a culture survey, where we empower our colleagues to make their voices heard and play a role in shaping their workplace. The survey was conducted anonymously, and participants were given the opportunity to provide comments. This has provided management with valuable insights and a framework for planning initiatives to further enhance the company culture. We believe that a strong business culture not only drives profitability but also makes our company a great place to work. Our latest survey resulted in a score of 4,10 out of 5, which is categorized as a high-performance culture. We are proud to see the survey results reflecting our high-performance culture, which we strongly believe we have achieved. Our goal is to not only maintain this high-performance culture, but also to further enhance it through new initiatives.

## Management Commentary

### **Statutory report on corporate social responsibility (CSR) report (§99a) (continued)**

Our behaviors IDEA: I - Integrity, D - Dynamic, E - Excitement and A - Always, is a significant and essential part of the daily life in Nordlux Group. All employees understand these behaviors and know how to work in accordance with these. We have learned different tools through workshops on how to understand ourselves, and our colleagues. We want everyone to keep a positive way of thinking and communicating.

All employees complete a DISC profile analysis during their onboarding. Through workshops conducted across departments, we have developed a comprehensive understanding of other different profiles, and we have also organized internal workshops within each department. All profiles are visible on desks and throughout the office.

Our behaviors have a major role in our daily life, and everyone can relate to these behaviors. The behaviors together with our group governance are our guidelines, of how we want to interact with each other as colleagues and partners.

The group's governance describes our internal guidelines and clearly defines principles and rules.

The governance framework is provided to all new employees alongside their draft employment contract. The staff manual, along with our core behaviours, is reviewed as part of the onboarding process, which takes place during the first quarter of employment. The company maintains a zero-tolerance policy towards abusive behaviour and places a strong emphasis on ensuring the safety and well-being of all employees.

We have in 2024 hired new colleagues in the group across countries and departments. We believe that the onboarding of our new colleagues has proceeded well, and we have been able to keep up the good work environment and good business culture.

At the group's headquarters in Denmark, we have an Occupational Health and Safety Organization and a staff association. The purpose of this Occupational Health and Safety Policy is to create and maintain a safe and healthy working environment for all Nordlux employees. We strive to minimize risks and promote well-being through preventive measures and continuous improvement. This policy covers areas such as management commitment, employee responsibilities, risk management, health promotion, employee development, prevention of work-related injuries, protection of young workers and whistleblower protection. We ensure that our Occupational Health and Safety Policy complies with applicable occupational health and safety legislation and standards, and we will update the policy in accordance with changes in the law.

We encourage everyone to actively contribute to achieving these objectives which includes measures to ensure a safe and healthy working environment for all employees.

The staff association arranges different events and activities during the year.

Nordlux Group has set a target for 5% of the organization in Denmark to consist of trainees. In 2024, trainees accounted for 7% of the Danish organization. We have chosen to calculate this figure based on the Danish organization, as the term "trainees" is primarily used in Denmark. Additionally, in some of our other locations, we do not have fully established offices, which limits the opportunities for trainees in those countries.

We take responsibility to educate and develop future talent. We collaborate with various educational institutions and provide opportunities for students to join both part-time and full-time capacities. In 2024, two full-time students in Denmark focused their graduation project on Nordlux Group about ESG. We believe that engaging in dialogue with students creates value by combining theoretical knowledge with practical insights into processes and challenges. Looking ahead, we are committed to continuing our collaboration with students in 2025.

Enforcement of policies about employee rights and discrimination is part of Nordlux Group's ongoing management development. Our Code of Conduct has been implemented which both employees, customers and suppliers must comply with.

## Management Commentary

### **Statutory report on corporate social responsibility (CSR) report (§99a) (continued)**

Nordlux Group has set up a whistleblower system, through which confidential reporting can be made to an IT system, which is operated by Whistleblower Software ApS. Whistleblower Software ApS is an independent third party and guarantees the security and anonymity of the software they make available. The guidelines and procedure for our whistleblower system are available on our Intranet for all employees.

#### Results and future expectations:

Throughout 2024, no violations of Nordlux Group's policies regarding staff and working conditions were reported, either in daily operations or via the whistleblower system. Nordlux Group will continue its efforts in 2025 to further develop and sustain a high-performance culture. This ongoing commitment aims to foster an environment of excellence, collaboration, and continuous improvement, ensuring that both individual and organizational performance remain at the highest level.

#### **Human rights**

Our business relies upon people from all over the world who manufacture, transport, and sell our products, as well as on supporting those. We strive to promote, protect, and remedy human rights throughout our value chain.

Nordlux Group commits to respecting all human rights as defined in the International Bill of Human Rights and ILO's core conventions. We commit to the United Nation's Guiding Principles on Business and Human Rights. Our supply chain poses significant human rights risks but also offers opportunities to enhance the well-being of those who produce our products.

We regularly assess human right risks and the impact of our mitigation efforts. Salient risks include freedom of association and collective bargaining, no discrimination, fair remuneration, decent working hours and working conditions, occupational health and safety, no child labour, protection of young workers, no unsecure employment, no bonded labour, ethical business behaviour / Anti-corruption and whistleblower/grievance mechanism, which is also described in our Code of Conduct.

We collaborate with AMFORI to address supply chain related risks and improvement opportunities. Supplier audits for Amfori are conducted through BSCI, and no issues were reported in 2024. In addition, we have expanded our auditing efforts by implementing our own internal audits. To support this, we developed an audit checklist, which is now applied by our internal quality team for evaluations.

To deal with any ethical risks Business Partners, including suppliers and sub-suppliers, we expect that they carry out due diligence processes where necessary. Thereby means that they must identify, prevent, and mitigate any adverse impacts on human rights, environment and anti-corruption. This is mentioned in Nordlux Group's CSR policy. If we discover any violations of the CSR policy, we will cooperate with the supplier to find solutions to eliminate these violations and improve the work environment for the employees. If we do not see a proper solution to the violence, we will terminate the contract with the supplier.

In our supply chain there are many levels, and the suppliers we deal with have numbers of sub suppliers. Nordlux Group's suppliers sign a Code of Conduct that is being checked through control forms completed by the supplier. Nordlux Group reserves the right to monitor if the supplier observes the signed Code of Conduct, that is composed within the framework of the recommendations of the Confederation of Danish Industry and the Danish Industry of Human Rights as well as applicable international standards, including those of the United Nations. We are only able to audit our suppliers, and therefore we need to trust our supplier's control of sub suppliers.

There is a risk that sub suppliers or sub sub suppliers do not meet our requirements. As a natural continuation of this Code of Conduct and for eliminating risk from other parties, the supplier must commit his or her supplier(s) to the same standards, and see that the standards are correct observed, as it is the policy of the group not to contribute to violation of the annex of the contract per substitute. Thus, the Code of Conduct is in force for the supplier as well as their sub-supplier(s), the supplier must start screening and selecting sub-suppliers with a view to their ability to meet the standards of this code and gradually establish a system to check that sub-suppliers operate in conformance with the code. The aim of the Code of Conduct is not to terminate business, but to help suppliers to improve social and environmental standards.

## Management Commentary

### Statutory report on corporate social responsibility (CSR) report (§99a) (continued)

Nordlux Group is therefore ready to work with suppliers to achieve compliance with the provisions of this code, whenever the parties deem this desirable and possible.

Respect for human rights is part of Nordlux Group's corporate culture. The topic is continuously discussed among the management and employees. Through our choice of suppliers, Nordlux Group ensures collaboration only with suppliers who align with our company's behaviors in this regard. When establishing new partnerships, we strive to select suppliers located in regions known for upholding and respecting human rights. This approach aligns with our commitment to ethical business practices and social responsibility. As a result, all suppliers must confirm their compliance with Nordlux Group's Code of Conduct to qualify as partners.

Our CSR Policy Commitment applies to the entire Nordlux Group, and all our activities. We will, at any time and place, establish processes that enable us to identify, prevent, and mitigate potential adverse impacts that we are contributing to through activities within our business. If we find that we are causing or contributing to any actual adverse impacts, we will support remediation for the affected stakeholders and/or notify the relevant authorities. We expect our employees to assist us in meeting our responsibilities. We will support capacity-building for our employees on human rights, environmental sustainability, and anti-corruption, and educate them on how to support the work of addressing potential adverse impacts. If any of our employees identify potential or actual adverse impacts, we expect them to inform the management about the identified issue. Our code of conduct requires Nordlux Group's employees to act with integrity, and in accordance with acceptable ethical standards for human rights.

None of the Group's Code of Conduct principles must undermine national legislation. Any supplier is at a minimum under an obligation to observe national laws and regulations. The supplier is committed to choosing the highest standard, be it the national legislation or this Code of Conduct.

Our Code of Conduct has been updated in 2022. Our 12 focus points have been defined as below.

- Freedom of association and collective bargaining
- No discrimination
- Fair remuneration
- Decent working hours and working conditions
- Occupational health and safety
- No child labour
- Protection of young workers
- No unsecure employment
- No bonded labor
- Ethical business behaviour/Anti-corruption
- Protection of the environment
- Whistle-blower/Grievance mechanism

For further information about our CSR and Code of Conduct policy please have a look at our website at the link below: <https://www.nordlux.com/about-us/information/csr/>

#### Results and future expectations:

We have in 2024 not discovered any violation of our Code of Conduct. In 2025, we will continue our efforts in relation to human rights.

## Management Commentary

### Statutory report on corporate social responsibility (CSR) report (§99a) (continued)

#### Corruption and bribery

The Code of Ethics is our primary tool to guide colleagues in conducting business with a high standard of integrity and protect our business against unethical practices. The Code of Ethics exemplifies and supports the principles and requirements set out in our Anti-Corruption policy.

The purpose of the Anti-Corruption Policy is to outline anti-corruption procedures with the primary goal of creating a preventive effect by fostering a culture of transparency and accountability. Additionally, it aims to encourage the reporting of significant matters without hesitation. The policy of zero tolerance in relation to corrupt conduct has been communicated at all levels of the organization.

Nordlux Group's whistleblower system aims to make it possible for employees to address and avoid adverse impact on the basic principles of our company. This can be done anonymously and without fearing unwanted consequences for speaking out.

All our customers undergo a credit approval process conducted by an external partner. This process helps minimize the risk of engaging in business with customers where there are indications of corruption or bribery, strengthening our commitment to responsible and ethical business practices.

In alignment with the section on human rights, our Code of Conduct also encompasses a policy addressing corruption and bribery applicable to our suppliers. This policy aims to reduce the risk of corruption and bribery among our suppliers. Additionally, we collaborate with suppliers located in regions of China where the risk of corruption and bribery is considered low. Through our Code of Conduct we aim at our Business Partners to arrange a whistleblower mechanism in place allowing stakeholders to voice their concerns if they find that operations of the Business Partners are adversely affecting human and labour rights, environment, including climate, and anti-corruption.

#### Results and future expectations:

We have in 2024 not discovered any violation of corruption or bribery in relation to the zero-tolerance policy - neither in daily operations nor through the Whistleblower System. In 2025, Nordlux Group will continue efforts in relation to anti-corruption.

### Statutory report on data ethics policy

We have a Privacy Policy in place, which is available on our website. This policy describes how the Nordlux Group collects and processes your personal data. The Privacy Policy applies to personal data that you provide to us, including through customer service enquiries, or collected by us through our websites, our digital advertising, your participation in competitions and your subscriptions to newsletters.

The Privacy Policy includes information about which personal data are collected and what rights you have. The policy covers the topics regarding data that is not covered by the GDPR. Our principles are that we only generate and save data, that is necessary for our handling with a customer, and for us to give the best service to our customers. The Group collects information about behavior on our website and this information is mainly used for the purpose of optimizing the customer experience on our website. We do not share the collected data with any third party, and we do frequently delete data. The policy is public in full version at our website, [www.nordlux.com](http://www.nordlux.com).

We do have other policies concerning GDPR rules.

With this year's reporting on our Data Ethics Policy, Nordlux Invest A/S complies with the requirements under section 99(d) of the Danish Financial Statements Act.

## Income Statement 1 January - 31 December

	Note	Group		Parent Company	
		2024 EUR '000	2023 EUR '000	2024 EUR '000	2023 EUR '000
<b>Net revenue</b>	1	<b>59,010</b>	<b>50,364</b>	<b>0</b>	<b>0</b>
Change in inventories of finished goods		2,539	-4,483	0	0
Other operating income		0	301	0	0
Goods purchased		-40,452	-29,380	0	0
Other external expenses	2	-5,979	-3,043	-21	-15
<b>Gross profit/loss</b>		<b>15,118</b>	<b>13,759</b>	<b>-21</b>	<b>-15</b>
Staff costs	3	-5,279	-6,912	0	0
Depreciation, amortisation and impairment losses for tangible and intangible assets		-327	-366	0	0
<b>Operating profit</b>		<b>9,512</b>	<b>6,481</b>	<b>-21</b>	<b>-15</b>
Income from investments in subsidiaries		0	0	3,955	3,524
Other financial income	4	319	497	6	-41
Other financial expenses	5	-893	-1,101	-318	-177
<b>Profit before tax</b>		<b>8,938</b>	<b>5,877</b>	<b>3,622</b>	<b>3,291</b>
Tax on profit/loss for the year	6	-2,217	-1,487	74	51
<b>Profit for the year</b>	7	<b>6,721</b>	<b>4,390</b>	<b>3,696</b>	<b>3,342</b>

## Balance Sheet at 31 December

	Note	Group		Parent Company	
		2024 EUR '000	2023 EUR '000	2024 EUR '000	2023 EUR '000
<b>Assets</b>					
Acquired concessions, patents, licences, trademarks and similar rights		6	9	0	0
Goodwill		388	315	0	0
<b>Intangible assets</b>	8	<b>394</b>	<b>324</b>	<b>0</b>	<b>0</b>
Other plant, fixtures and equipment		121	289	0	0
Leasehold improvements		84	112	0	0
<b>Property, plant and equipment</b>	9	<b>205</b>	<b>401</b>	<b>0</b>	<b>0</b>
Investments in subsidiaries		0	0	22,568	22,052
Rent deposit and other receivables		204	194	0	0
<b>Financial non-current assets</b>	11	<b>204</b>	<b>194</b>	<b>22,568</b>	<b>22,052</b>
<b>Non-current assets</b>		<b>803</b>	<b>919</b>	<b>22,568</b>	<b>22,052</b>
Finished goods and goods for resale		17,670	15,131	0	0
<b>Inventories</b>		<b>17,670</b>	<b>15,131</b>	<b>0</b>	<b>0</b>
Trade receivables		10,573	7,886	0	0
Receivables from group enterprises		72	517	0	268
Derivative financial instruments	10	153	0	0	0
Other receivables		105	241	0	0
Corporation tax receivable		74	51	74	51
<b>Receivables</b>		<b>10,977</b>	<b>8,695</b>	<b>74</b>	<b>319</b>
<b>Cash and cash equivalents</b>		<b>2,903</b>	<b>2,798</b>	<b>0</b>	<b>0</b>
<b>Current assets</b>		<b>31,550</b>	<b>26,624</b>	<b>74</b>	<b>319</b>
<b>Assets</b>		<b>32,353</b>	<b>27,543</b>	<b>22,642</b>	<b>22,371</b>

## Balance Sheet at 31 December

	Note	Group		Parent Company	
		2024 EUR '000	2023 EUR '000	2024 EUR '000	2023 EUR '000
<b>Equity and liabilities</b>					
Share Capital	12	341	341	341	341
Retained earnings		7,458	3,381	13,577	12,556
Proposed dividend		2,681	2,480	2,681	2,482
<b>Equity</b>		<b>10,480</b>	<b>6,202</b>	<b>16,599</b>	<b>15,379</b>
<hr/>					
Provision for deferred tax	13	65	24	0	0
<b>Provisions</b>		<b>65</b>	<b>24</b>	<b>0</b>	<b>0</b>
<hr/>					
Bank debt		10,715	12,250	5,616	6,949
Trade payables		4,579	2,967	0	0
Debt to Group companies		972	852	408	27
Corporation tax payable		611	580	0	0
Other liabilities		4,931	4,668	19	16
<b>Current liabilities</b>		<b>21,808</b>	<b>21,317</b>	<b>6,043</b>	<b>6,992</b>
<b>Liabilities</b>		<b>21,808</b>	<b>21,317</b>	<b>6,043</b>	<b>6,992</b>
<hr/>					
<b>Equity and liabilities</b>		<b>32,353</b>	<b>27,543</b>	<b>22,642</b>	<b>22,371</b>
<hr/>					
Contingencies etc.	14				
Charges and securities	15				
Related parties	16				
Consolidated Financial Statements	17				

## Equity

EUR '000	Group			
	Share Capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2024	341	3,353	2,480	6,174
Change of equity due to change of policy		28		28
<b>Adjusted equity at 1 January 2024</b>	<b>341</b>	<b>3,381</b>	<b>2,480</b>	<b>6,202</b>
Proposed profit allocation, cf. note 7		4,040	2,681	6,721
<b>Transactions with owners</b>				
Dividend paid			-2,480	-2,480
<b>Other legal bindings</b>				
Foreign exchange adjustments		-54		-54
Other adjustments to equity value		117		117
<b>Tax on changes in equity</b>		<b>-26</b>		<b>-26</b>
<b>Equity at 31 December 2024</b>	<b>341</b>	<b>7,458</b>	<b>2,681</b>	<b>10,480</b>

EUR '000	Parent Company			
	Share Capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2024	341	12,541	2,480	15,362
Change of equity due to change of policy		21		21
<b>Adjusted equity at 1 January 2024</b>	<b>341</b>	<b>12,562</b>	<b>2,480</b>	<b>15,383</b>
Proposed profit allocation, cf. note 7		1,015	2,681	3,696
<b>Transactions with owners</b>				
Dividend paid			-2,480	-2,480
<b>Equity at 31 December 2024</b>	<b>341</b>	<b>13,577</b>	<b>2,681</b>	<b>16,599</b>

Other adjustments to equity value are related to adjustments to forward contracts at fair value concerning hedging of future purchases in foreign currency.

All shares rank equally.

The parent's share capital has remained DKK 2,544 thousand over the past 5 years.

## Cash Flow Statement 1 January - 31 December

	<b>Group</b>	
	2024	2023
	EUR '000	EUR '000
Profit/loss for the year	6,721	4,367
Depreciation and amortisation, reversed	327	365
Tax on profit/loss, reversed	2,217	1,485
Other adjustments	0	-1
Corporation tax paid	-2,209	-1,103
Change in inventories	-2,539	4,483
Change in receivables (ex tax)	-2,037	-698
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility)	1,754	-1,197
Other cash flows from operating activities	420	-155
<b>Cash flows from operating activity</b>	<b>4,654</b>	<b>7,546</b>
Purchase of intangible assets	-16	0
Sale of intangible fixed assets	16	0
Purchase of property, plant and equipment	-501	-51
Purchase of financial assets	-31	-15
<b>Cash flows from investing activity</b>	<b>-532</b>	<b>-66</b>
Instalments on loans	-1,334	4,025
Change in operating credit	-204	-2,645
Dividends paid in the financial year	-2,480	-8,050
<b>Cash flows from financing activity</b>	<b>-4,018</b>	<b>-6,670</b>
<b>Change in cash and cash equivalents</b>	<b>104</b>	<b>810</b>
Cash and cash equivalents at 1. januar	2,799	1,989
<b>Cash and cash equivalents at 31. december</b>	<b>2,903</b>	<b>2,799</b>
Cash and cash equivalents at 31 December comprise:		
Cash and cash equivalents	2,903	2,799
<b>Cash and cash equivalents</b>	<b>2,903</b>	<b>2,799</b>

## Notes

	Group		Parent Company	
	2024 EUR '000	2023 EUR '000	2024 EUR '000	2023 EUR '000
<b>1   Net revenue</b>				
<b>Segment details (geography)</b>				
Scandinavia	28,609	27,137	0	0
Other Europe	29,874	21,113	0	0
Other world	527	2,114	0	0
	<b>59,010</b>	<b>50,364</b>	<b>0</b>	<b>0</b>
<b>Segment details (activities)</b>				
Bulbs	6,770	2,610	0	0
DFTP	4,677	4,533	0	0
Functional	13,533	12,223	0	0
NordluxDeco	17,529	16,440	0	0
Outdoor	15,397	12,655	0	0
SmartLight	841	829	0	0
Others	263	1,074	0	0
	<b>59,010</b>	<b>50,364</b>	<b>0</b>	<b>0</b>
<b>2   Fee to statutory auditor</b>				
Total fee				
BDO	66	50	22	15
Auditors of foreign subsidiaries	33	16	0	0
	<b>99</b>	<b>66</b>	<b>22</b>	<b>15</b>
Specification of fees:				
Statutory audit	49	49	12	5
Assurance engagements	2	0	0	0
Other services	48	17	10	10
	<b>99</b>	<b>66</b>	<b>22</b>	<b>15</b>

## Notes

	Group		Parent Company	
	2024 EUR '000	2023 EUR '000	2024 EUR '000	2023 EUR '000
<b>3   Staff costs</b>				
Average number of full-time employees:	102	96	0	0
Wages and salaries	4,488	6,280	0	0
Pensions	364	333	0	0
Social security costs	427	299	0	0
	<b>5,279</b>	<b>6,912</b>	<b>0</b>	<b>0</b>
Remuneration of Management and Board of Directors	0	0	288	364
Remuneration of Executive Board	765	1,005	0	0
Remuneration of Board of Directors	64	143	0	0
	<b>829</b>	<b>1,148</b>	<b>288</b>	<b>364</b>
Information on management remuneration has been omitted in accordance with the exemption provision in section 98 b, subsection 3, No. 2 of the Danish Financial Statements.				
The management remuneration has been paid out in Nordlux A/S				
<b>4   Other financial income</b>				
Interest income from group enterprises	6	132	6	45
Other interest income	313	365	0	-86
	<b>319</b>	<b>497</b>	<b>6</b>	<b>-41</b>
<b>5   Other financial expenses</b>				
Interest expenses to group enterprises	0	98	23	0
Other interest expenses	893	1,003	295	177
	<b>893</b>	<b>1,101</b>	<b>318</b>	<b>177</b>
<b>6   Tax on profit/loss for the year</b>				
Calculated tax on taxable income of the year	2,201	1,463	-74	-51
Adjustment of tax in previous years	1	0	0	0
Adjustment of deferred tax	15	24	0	0
	<b>2,217</b>	<b>1,487</b>	<b>-74</b>	<b>-51</b>

## Notes

	Group		Parent Company	
	2024 EUR '000	2023 EUR '000	2024 EUR '000	2023 EUR '000
<b>7   Proposed distribution of profit</b>				
Proposed dividend for the year	2,681	10,534	2,681	10,534
Extraordinary dividend	0	5,367	0	5,367
Retained earnings	4,040	-11,511	1,015	-12,559
	<b>6,721</b>	<b>4,390</b>	<b>3,696</b>	<b>3,342</b>

## 8 | Intangible assets

EUR '000	Group	
	Acquired concessions, patents, licences, trademarks and similar rights	Goodwill
Cost at 1 January 2024	41	15,417
Additions	0	159
Addition from mergers and acquisition of Company	1	0
Disposals	-15	0
<b>Cost at 31 December 2024</b>	<b>27</b>	<b>15,576</b>
Amortisation at 1 January 2024	32	15,103
Change of policy	0	-6
Reversal of amortisation of assets disposed of	-15	0
Amortisation for the year	4	91
<b>Amortisation at 31 December 2024</b>	<b>21</b>	<b>15,188</b>
<b>Carrying amount at 31 December 2024</b>	<b>6</b>	<b>388</b>

Completed development projects include development and testing of application for use in the company's product range. The application is depreciated over 2 years.

## Notes

### 9 | Property, plant and equipment

EUR '000	Group	
	Other plant, fixtures and equipment	Leasehold improvements
Cost at 1 January 2024	1,284	294
Additions	30	0
Addition from mergers and acquisition of Company	5	0
Disposals	-159	-19
<b>Cost at 31 December 2024</b>	<b>1,160</b>	<b>275</b>
Depreciation and impairment losses at 1 January 2024	995	182
Reversal of depreciation of assets disposed of	-139	-19
Depreciation for the year	183	28
<b>Depreciation and impairment losses at 31 December 2024</b>	<b>1,039</b>	<b>191</b>
<b>Carrying amount at 31 December 2024</b>	<b>121</b>	<b>84</b>

### 10 | Derivative financial instruments

Analysis of the Group's balances in foreign currency as well as related hedging transactions at 31 December 2024:

Currency	Payment/Expiry	Group			
		Receivables EUR '000	Debt EUR '000	Hedging transaction EUR '000	Net position EUR '000
USD	< 1 year	327	-3,095	2,890	122
EUR	< 1 year	1,427	-845	0	582
SEK	< 1 year	1	-372	0	-370
GBP	< 1 year	258	0	0	258
DKK	< 1 year	377	-112	0	265
CNY	< 1 year	0	0	0	0
NOK	< 1 year	3	-360	0	-357
		<b>2,393</b>	<b>-4,784</b>	<b>2,890</b>	<b>500</b>

The Company has entered foreign exchange contract to hedge future purchase of goods in USD for totally DKK 60,346 thousand. In relation to the forward rate as per 31 December 2023, the hedge instruments have a negative value of DKK 952 thousand.

### 11 | Financial non-current assets

EUR '000	Group
	Rent deposit and other receivables
Cost at 1 January 2024	194
Additions	11
Disposals	-1
<b>Cost at 31 December 2024</b>	<b>204</b>
<b>Carrying amount at 31 December 2024</b>	<b>204</b>

## Notes

### 11 | Fixed asset investments (continued)

EUR '000	<u>Parent Company</u> Investments in subsidiaries
Cost at 1 January 2024	22,052
Change of policy	15
Additions	501
<b>Cost at 31 December 2024</b>	<b>22,568</b>
<b>Carrying amount at 31 December 2024</b>	<b>22,568</b>

#### Investments in subsidiaries (EUR '000)

Name and domicil	Equity	Profit/loss for the year	Ownership
Nordlux A/S,, Denmark	11,897	4,537	100 %
Nordlux AS, Norway	1,283	961	100 %
Nordlux GmbH, Germany	1,488	1,246	100 %
Guangzhou Nordlux Lighting Co. Ltd. , China	341	-162	100 %
Nordlux AB, Sweden	840	784	100 %
Nordlux (UK & Eire) Ltd. , United Kingdom	263	101	100 %
Nordlux France SAS , France	669	175	100 %
Nordlux NL B.V., the Netherlands	-718	-566	100 %

2024	2023
EUR '000	EUR '000

### 12 | Share Capital

Allocation of share capital:		
A-aktier, 341,000 unit in the denomination of 1 DKK	341	341
	<b>341</b>	<b>341</b>

## Notes

### 13 | Provision for deferred tax

The provision for deferred tax is related to differences between the carrying amount and tax value of receivables, intangible and tangible fixed assets.

Deferred tax, beginning of year	24	-34	0	0
Deferred tax of the year, income statement	15	31	0	0
Deferred tax of the year, equity	26	27	0	0
<b>Provision for deferred tax 31 December 2024</b>	<b>65</b>	<b>24</b>	<b>0</b>	<b>0</b>

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### 14 | Contingencies etc.

#### Joint liabilities

The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax payable of the group's jointly taxed income amounts to EUR ('000) 325 at the Balance Sheet date.

### 15 | Charges and securities

#### Group

As security for the group's debt to credit institutions the group has provided a floating charge for its assets for a total amount of DKK 60.000 thousand.

#### Parent Company

As security for the parent Company's debt to banks, the parent Company has provided security in the parent Company's investments in subsidiaries for Nordlux A/S (Denmark) and Nordlux AS (Norway).

# Notes

## 16 | Related parties

The Company's related parties include:

### Controlling interest

Energetic Lighting Europe NV, Belgium, (Parent Company)

**Transactions with related parties:** 2024

### Group:

Sales of goods and services to group enterprises: 1,067

Purchases of goods and services from group enterprises: 6,583

Fees from group enterprises: 462

Interest income, group enterprises: 7

### Parent Company:

Interest income, group entities: 6

Interest expenses, group enterprises: 23

Payables to group enterprises: 408

Remuneration/fees to members of the Executive Board and the Board of Directors are reflected in note 3.

## 17 | Consolidated Financial Statements

The Company is included in the Consolidated Financial Statement of the Parent company Energetic Lighting Europe NV, Belgium, Mouterij 14, 2550 Kontich, Business registration no. BE0806032782.

## Accounting Policies

The Annual Report of Nordlux Invest A/S for 2024 has been presented in accordance with the provisions of the Danish large-size Financial Statements Act for enterprises in reporting class C .

The Annual Report is prepared consistently with the accounting principles applied last year, except for the following changes.

### **Change in accounting policies and classification**

The accounting policies have been changed in the following areas:

The Group and the parent Company have changed accounting policy regarding reporting currency in accordance with section 16 of the Danish Financial Statements Act, which has been changed from Danish Kroner (DKK) to Euro (EUR). The change is based on management internal reporting is prepared in EUR.

The translation from DKK to EUR has been made so that monetary balances from previous years has been recalculated with the official currency rates as of the date of the balances and non-monetary balances has been recalculated by the official currency rate as of the date of the actual transaction. Transactions in the income statement has been recalculated by the official currency rate as of the date of the actual transaction.

The change in accounting policies means that total equity in the comparative numbers in the 2024 annual report is T.EUR 6,202 compared to T.DKK 46,060 in the official annual report for 2023. The total effect on the opening equity amounts to T.EUR 28. Accordingly, assets are T.EUR 27,543 compared to T.DKK 204,861, revenue is T.EUR 50,364 compared to T.DKK 375,374 and net profit is T.EUR 4,390 thousand compared to T.DKK 32,550.

It has been impractical to disclose the effect on 2024 as if DKK had been used as the functional and presentation currency, as the consolidation has been prepared using EUR In 2024.

### **Consolidated Financial Statements**

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra- group income and expenses, shareholdings, intra- group balances and dividends, and realised and unrealised gains on intra- group transactions are eliminated.

# Accounting Policies

## External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non- controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight- line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash- generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

## Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses

## Accounting Policies

### **Derivative financial instruments**

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of future assets or liabilities are recognised as separate items in the balance sheet and in the hedging reserve under equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

# Accounting Policies

## Income Statement

### Net revenue

The Company has chosen IAS 11/ IAS 18 as interpretation for revenue recognition. Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided 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® 2010. Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

### Gross profit/loss

The items revenue, cost of sales, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

### Changes in inventories of finished goods

Changes in inventories of finished goods comprise decrease or increase of inventories of goods for resale. Additionally, normal impairment of inventories of goods for resale is included.

### Goods purchased

Goods purchased comprises the costs of purchased goods for resale used to reach the revenue for the year.

### Costs of raw materials and consumables

Raw materials and consumables comprises the costs of raw materials and consumables used to reach the revenue for the year. Additionally, decrease or increase of inventories of raw materials and consumables for the year is included, as well as normal impairment of inventories of raw materials and consumables.

### Other operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

### Changes in inventories of finished goods and goods in process

Changes in inventories of finished goods and goods in process comprise decrease or increase of inventories for the year as a result of costs of raw materials and consumables as well as staff costs. Additionally, normal impairment of inventories of finished goods is included.

### Other external expenses

Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

### Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Group and the Parent Company's employees. Repayments from public authorities are deducted from staff costs.

### Income from investments in subsidiaries

Dividend from equity interests is recognised in the financial year in which the dividend is declared. In connection with transfers, potential profits are recognised when the economic rights related to the sold equity interests are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

## Accounting Policies

### **Financial income and expenses**

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

### **Tax**

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

# Accounting Policies

## Balance Sheet

### Intangible fixed assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period. The amortisation period is fixed on the basis of the expected repayment horizon, longest for strategically acquired business enterprises with strong market positions and long-term earnings profiles.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Development projects comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the Company's development activities and which fulfil the criteria for recognition in the Balance Sheet.

The accounting item is measured at the lower of the capitalised costs less accumulated amortisation and recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. The amortisation period is normally 5 years.

Intangible fixed assets are amortised on a straight-line basis over normally 2-10 years. 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.

Intangible fixed assets are generally written down to the recoverable amount if this is lower than the carrying amount.

In the 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.

# Accounting Policies

## Tangible fixed assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. The basis of depreciation is the cost price less any expected residual value at the end of the useful life. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Where individual components of an item have different useful lives, the cost of the individual item is accounted for as separate components, which are depreciated separately.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

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 the 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.

	Useful life	Residual value
Other plant, fixtures and equipment	3-10 years	0 %
Leasehold improvements	3-10 years	0 %

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

## Lease contracts

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

## Fixed asset investment

Equity investments in subsidiaries are measured at cost. If the cost exceeds the net realisable value, this is written down to the lower value.

Acquired enterprises are subject to the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisition date. The fair value is calculated based on acquisitions made in an active market, alternatively calculated using generally accepted valuation models.

Consolidated goodwill is amortised over the expected useful life, which is determined on the basis of Management's experience within the individual lines of business. Consolidated goodwill is amortised on a straightline basis over the amortisation period, which is 10 years. The amortisation period is determined on the basis of an assessment of the acquired entity's market position and earnings profile, and the industry-specific condition.

Received dividend is deducted in the carrying amount of the equity investment.

# Accounting Policies

## Impairment of fixed assets

The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

## Inventories

Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.

## Receivables

Receivables are measured at amortised cost.

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

An impairment loss is recognised if there is objective evidence that a receivable is impaired.

## Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

# Accounting Policies

## **Liabilities**

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

## **Cash Flow Statement**

The cash flow statement shows the Company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

### **Cash flows from operating activities:**

Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

### **Cash flows from investing activities:**

Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

### **Cash flows from financing activities:**

Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

### **Cash and cash equivalents:**

Cash and cash equivalents include cash in hand.