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Entity details

Entity

N.G.P Tobacco ApS
Industriparken 35
9610Nørager

Business Registration No.: 41201908
Registered office: Rebild
Financial year: 01.01.2025- 31.12.2025

Board of Directors

Mark Slepkin
Jan Kerem
Arthur Emil Nielsen

Executive Board

Mark Slepkin
Arthur Emil Nielsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Østre Havnepromenade 26, 4th floor
9000 Aalborg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of N.G.P Tobacco ApS for the financial year 01.01.2025 - 31.12.2025.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2025 and of the results of its operations and cash flows for the financial year 01.01.2025 - 31.12.2025.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Nørager, 06.03.2026

Executive Board

Mark Slepkin

Arthur Emil Nielsen

Board of Directors

Mark Slepkin

Jan Kerem

Arthur Emil Nielsen

Independent auditor's report

To the shareholders of N.G.P Tobacco ApS

Opinion

We have audited the financial statements of N.G.P Tobacco ApS for the financial year 01.01.2025 - 31.12.2025, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2025 and of the results of its operations and cash flows for the financial year 01.01.2025 - 31.12.2025 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity 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 financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information

required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aalborg, 06.03.2026

N.G.P Tobacco ApS | Independent auditor's report

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Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mikkel Hede Olsen

State Authorised Public Accountant
Identification No (MNE) mne47791

Management commentary

Financial highlights

	2025 DKK'000	2024 DKK'000	2023 DKK'000	2022 DKK'000	2021 DKK'000
Key figures					
Gross profit/loss	94,596	68,724	38,934	24,888	9,391
Operating profit/loss	31,379	20,140	9,154	6,766	889
Net financials	(750)	(579)	731	(125)	(156)
Profit/loss for the year	23,933	15,165	7,599	5,330	590
Total assets	93,670	71,726	47,966	30,146	16,208
Investments in property, plant and equipment	10,455	8,436	2,756	3,798	3,669
Equity	53,815	29,882	14,716	7,117	1,788
Cash flows from (used in) operating activities	15,981	4,193	551	4,881	3,214
Cash flows from (used in) investing activities	(10,455)	(8,436)	(2,756)	(3,798)	(2,929)
Cash flows from (used in) financing activities	(1,740)	7,446	1,492	73	(21)
Ratios					
Return on equity (%)	57.19	68.01	69.61	119.71	39.52
Equity ratio (%)	57.45	41.66	30.68	23.61	11.03

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%) :

Profit/loss for the year * 100

Average equity

Equity ratio (%):Equity * 100

Total assets

Primary activities

The company's primary activities are to sell, produce, and develop non-smoke nicotine and tobacco products.

Development in activities and finances

Management considers the year's result satisfactory and in line with expectations. The result has been impacted by known changes in waste management resulting in additional costs during the year. Adjusted for these effects, the Company's financial performance reflects continued operational development and a strengthening of its market position.

During the year, the Company achieved further market growth, expanding its presence in both existing and new customer segments. This development is considered a result of sustained commercial focus, strong customer relationships, and a consistent emphasis on product quality and delivery reliability.

To support the increased activity level, the Company has invested in the expansion and modernization of its machinery and production equipment. These investments have enhanced production capacity, improved operational efficiency, and strengthened the Company's ability to meet growing demand while maintaining high quality standards.

In parallel, significant resources have been allocated to the training and development of employees. The strengthening of competencies across the organization is considered a key element in ensuring stable operations, continuous improvement, and long-term scalability. Management regards these initiatives as essential to safeguarding product quality, operational reliability, and future growth potential.

The financial year shows an equity of t.DKK 53,815 against last year's equity of t.DKK 29,882. The Management considers the development of equity to be highly positive, as it continues to reflect strong capital generation and effective equity leverage in a currently turbulent global market.

Overall, the Company has reinforced its operational platform during the year, positioning the business for continued development and growth in the coming financial years.

Profit/loss for the year in relation to expected developments

The financial year shows a profit after tax of t.DKK 23,933 against last year's profit after tax of t.DKK 15,165.

The management considers the year's result satisfactory and in line with expectations.

Outlook

The Company expects continued positive development in its activities in the forthcoming financial year, supported by sustained demand within the market for smoke-free nicotine products across Europe and selected international markets. Management continues to identify long-term growth potential, particularly in markets characterized by increasing consumer focus on regulated and documented product alternatives.

In response to anticipated demand, the Company will continue to invest in production equipment and technological upgrades to ensure sufficient capacity, operational flexibility, and consistent product quality. These investments are aimed at supporting scalable growth while maintaining efficient and reliable operations.

A continued strategic priority for the Company is the active monitoring of and adaptation to evolving national and international legislation governing nicotine products. The Company plans to strengthen its internal competencies and processes to ensure ongoing compliance with applicable regulatory requirements. Management considers

regulatory alignment and transparency to be essential competitive parameters in the market.

Furthermore, the Company maintains a focused effort on combating counterfeit and non-compliant products in the market. Management views this as a critical element in safeguarding consumer safety, protecting brand integrity, and supporting a fair and regulated competitive environment. Initiatives aimed at product authentication, documentation, and cooperation with relevant authorities and business partners will remain central in the coming year.

The Company's activity and financial performance remain influenced by regulatory developments within the nicotine product market. However, such changes typically follow defined legislative processes and implementation periods, allowing the Company to adapt accordingly. Management continues to view a harmonized and well-regulated market as supportive of long-term sustainable growth.

Management anticipates a profit after tax for the forthcoming financial year in the range of t.DKK 46,000–56,000. The expectation is subject to general market conditions and regulatory developments.

Income statement for 2025

	Notes	2025 DKK	2024 DKK
Gross profit/loss		94,596,267	68,724,072
Staff costs	1	(60,852,820)	(45,994,178)
Depreciation, amortisation and impairment losses		(2,364,538)	(2,589,962)
Operating profit/loss		31,378,909	20,139,932
Other financial income		7,034	462,593
Other financial expenses		(756,827)	(1,041,799)
Profit/loss before tax		30,629,116	19,560,726
Tax on profit/loss for the year		(6,695,942)	(4,395,493)
Profit/loss for the year	2	23,933,174	15,165,233

Balance sheet at 31.12.2025

Assets

	Notes	2025 DKK	2024 DKK
Plant and machinery		11,317,689	4,114,061
Other fixtures and fittings, tools and equipment		6,394,763	5,401,698
Leasehold improvements		666,457	677,559
Property, plant and equipment in progress		1,482,016	2,326,987
Property, plant and equipment	3	19,860,925	12,520,305
Deposits		1,808,127	900,361
Financial assets	4	1,808,127	900,361
Fixed assets		21,669,052	13,420,666
Raw materials and consumables		34,443,418	33,132,514
Work in progress		2,838,048	2,016,916
Manufactured goods and goods for resale		6,493,877	5,508,910
Prepayments for goods		4,260,998	528,097
Inventories		48,036,341	41,186,437
Trade receivables		12,912,727	10,331,316
Other receivables		2,727,892	1,950,598
Prepayments	5	552,808	852,101

Receivables	16,193,427	13,134,015
Cash	7,770,763	3,984,668
Current assets	72,000,531	58,305,120
Assets	93,669,583	71,725,786

N.G.P Tobacco ApS | Balance sheet at 31.12.2025

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Equity and liabilities

	Notes	2025 DKK	2024 DKK
Contributed capital		40,000	40,000
Retained earnings		53,774,901	29,841,727
Equity		53,814,901	29,881,727
Deferred tax	6	1,461,647	772,595
Provisions		1,461,647	772,595
Lease liabilities		0	417,672
Prepayments received from customers		85,385	306,716
Trade payables		24,618,668	26,042,938
Tax payable		3,740,389	3,753,454
Other payables	7	9,948,593	10,550,684
Current liabilities other than provisions		38,393,035	41,071,464
Liabilities other than provisions		38,393,035	41,071,464
Equity and liabilities		93,669,583	71,725,786

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Statement of changes in equity for 2025

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	40,000	29,841,727	29,881,727
Profit/loss for the year	0	23,933,174	23,933,174
Equity end of year	40,000	53,774,901	53,814,901

Cash flow statement for 2025

	Notes	2025 DKK	2024 DKK
Operating profit/loss		31,378,909	20,139,932
Amortisation, depreciation and impairment losses		2,364,538	2,589,962
Working capital changes	8	(10,019,693)	(14,654,589)
Payment of deposits		(907,767)	(480,392)
Cash flow from ordinary operating activities		22,815,987	7,594,913
Financial income received		7,034	7,558
Financial expenses paid		(756,827)	(719,904)
Taxes refunded/(paid)		(6,084,953)	(2,689,661)
Cash flows from operating activities		15,981,241	4,192,906
Acquisition etc of property, plant and equipment		(10,455,365)	(8,435,526)
Cash flows from investing activities		(10,455,365)	(8,435,526)
Free cash flows generated from operations and investments before financing		5,525,876	(4,242,620)

Loans raised	0	7,572,435
Repayments of loans etc	(1,684,509)	0
Reduction of lease commitments	(55,272)	(126,141)
Cash flows from financing activities	(1,739,781)	7,446,294
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Increase/decrease in cash and cash equivalents	3,786,095	3,203,674
Cash and cash equivalents beginning of year	3,984,668	780,994
Cash and cash equivalents end of year	7,770,763	3,984,668
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Cash and cash equivalents at year-end are composed of:		
Cash	7,770,763	3,984,668
Cash and cash equivalents end of year	7,770,763	3,984,668
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Notes

1 Staff costs

	2025	2024
	DKK	DKK
Wages and salaries	55,224,860	42,837,252
Pension costs	4,408,345	2,432,918
Other social security costs	1,219,615	724,008
	60,852,820	45,994,178

Average number of full-time employees	139	89
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Remuneration to management is not disclosed, see Danish Financial Statements Act § 98 b stk. 3 nr. 2.

2 Proposed distribution of profit and loss

	2025	2024
	DKK	DKK
Retained earnings	23,933,174	15,165,233
	23,933,174	15,165,233

3 Property, plant and equipment

	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Property, plant and equipment in progress DKK
Cost beginning of year	5,271,983	6,420,804	1,133,904	2,326,987
Transfers	1,361,146	0	0	(1,361,146)
Additions	7,102,820	2,482,029	154,000	716,516
Disposals	0	(659,900)	0	(200,341)
Cost end of year	13,735,949	8,242,933	1,287,904	1,482,016
Depreciation and impairment losses beginning of year	(1,157,922)	(1,019,106)	(456,345)	0
Depreciation for the year	(1,260,338)	(1,113,118)	(165,102)	0
Reversal regarding disposals	0	284,054	0	0
Depreciation and impairment losses end of year	(2,418,260)	(1,848,170)	(621,447)	0
Carrying amount end of year	11,317,689	6,394,763	666,457	1,482,016

4 Financial assets

	Deposits DKK
Cost beginning of year	900,361
Additions	1,293,480
Disposals	(385,714)
Cost end of year	1,808,127
Carrying amount end of year	1,808,127

5 Prepayments

Prepayments consist of other prepaid costs, including insurance and leasing relating to the financial year 2026.

6 Deferred tax

	2025 DKK	2024 DKK
Property, plant and equipment	912,569	329,996
Financial assets	0	17,187
Inventories	549,078	425,412
Deferred tax	1,461,647	772,595

Changes during the year	DKK	DKK
Beginning of year	772,595	189,156
Recognised in the income statement	689,052	583,439
End of year	1,461,647	772,595

7 Other payables

	2025	2024
	DKK	DKK
Wages and salaries, personal income taxes, social security costs, etc payable	2,148,594	1,146,565
Holiday pay obligation	290,690	210,380
Other costs payable	7,509,309	9,193,739
	9,948,593	10,550,684

Other costs payable consists of loans from related parties conducted on arm's length basis.

8 Changes in working capital

	2025	2024
	DKK	DKK
Increase/decrease in inventories	(2,671,228)	(14,666,950)
Increase/decrease in receivables	(7,238,088)	431,012
Increase/decrease in trade payables etc	(110,377)	(418,651)
	(10,019,693)	(14,654,589)

9 Other unrecognised commitments

Unrecognised rental and lease commitments	2025	2024
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	11,290,734	5,971,803

N.G.P Tobacco ApS has entered into rental and lease agreements with an annual payment of approx. t.DKK 13,900. The agreements have a time to maturity of 1-21 months.

N.G.P Tobacco ApS has per 31.12.2025 other unrecognized commitments of approx. t.DKK 13,675. Other unrecognized commitments consists of inventory purchases.

10 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No

such transactions have been conducted in the financial year.

Accounting policies

Basis for financial statements

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and

measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's normal activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of

receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year.

Other financial income

Other financial income comprises interest income, payables and transactions in foreign currencies and amortisation of financial assets etc.

Other financial expenses

Other financial expenses comprise interest expenses, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	2-10 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

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

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists

of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprise bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Lease liabilities

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial

expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with activities and fixed asset investments, and purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.

