

Nissens Automotive A/S

Ormhøjgårdvej 9, 8700 Horsens

CVR no. 39 56 53 58

Annual report

for the period 1 May - 31 December 2024

Approved at the Company's annual general meeting on 7 July 2025

Chair of the meeting:

.....
Thomas Brandt Pasgaard

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Nissens Automotive A/S for the financial year 1 May - 31 December 2024.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 May - 31 December 2024.

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

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

Horsens, 7 July 2025
Executive Board:

.....
Klavs T. Pedersen
CEO

.....
Thomas Brandt Pasgaard
CFO

Board of Directors:

.....
Eric Sills
Chairman

.....
Klavs Pedersen

.....
Morten Bøgetoft Thomsen

Independent auditor's report

To the shareholders of Nissens Automotive A/S

Opinion

We have audited the financial statements of Nissens Automotive A/S for the financial year 1 May - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 May - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 the 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.

Independent auditor's report

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Odense, 7 July 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Søren Smedegaard Hvid
State Authorised Public Accountant
mne31450

Henrik Carstensen
State Authorised Public Accountant
mne47765

Management's review

Company details

Name	Nissens Automotive A/S
Address, Postal code, City	Ormhøjgårdvej 9, 8700 Horsens
CVR no.	39 56 53 58
Established	1 May 2018
Financial year	1 May - 31 December
Board of Directors	Eric Sills, Chairman Klavs Pedersen Morten Bøgetoft Thomsen
Executive Board	Klavs T. Pedersen, CEO Thomas Brandt Pasgaard, CFO
Auditors	EY Godkendt Revisionspartnerselskab Cortex Park Vest 3, 5230 Odense M, Denmark

Management's review

Financial highlights

DKK'000	2024 8 months	2023/24 12 months	2022 12 mdr.(months)	2021 12 mdr.(months)	2020 12 mdr.(months)
Key figures					
Revenue	981,362	1,360,924	1,227,952	1,094,157	914,214
Profit before interest and tax (EBIT)	120,357	173,050	12,016	68,585	133,689
Net financials	1,467	4,384	-933	-3,501	1,221
Profit for the year	94,738	138,220	8,315	51,315	105,571
Balance sheet					
Total assets	866,725	861,928	729,538	630,273	847,136
Investments in property, plant and equipment	3,695	1,632	2,076	3,239	1,458
Equity	265,398	320,584	182,364	174,049	272,734
Financial ratios					
Operating margin	12.3%	12.7%	1.0%	6.3 %	14.6 %
Gross margin	19.4%	19.0%	8.2%	13.7%	22.2%
Current ratio	160.5%	181.5%	148.6%	157.4%	166.0%
Equity ratio	30.6%	37.2%	25.0%	27.6%	32.2%
Return on equity	32.3%	55.0%	4.7%	23.0%	41.8%
Return on assets	13.9%	21.8%	1.8%	9.3%	17.8%

For terms and definitions, please see the accounting policies.

Management's review

Management commentary

Principal activities

Nissens Automotive A/S is specialized in the production and supply of products within engine cooling, climate solutions and efficiency. As an automotive aftermarket leading company of most essential thermal system components, the Automotive business unit has a broad product portfolio coverage covering above 95% of the European car park including, inter alia, radiators, condensers, compressors and intercoolers, turbos and EGR valves. The product range covers products from the common to the more special parts of the European, Asian and American vehicle aftermarkets.

Nissens Automotive A/S strives to make a noticeable difference to our customers. Delivering the difference means that Nissens Automotive A/S' products and services must be the optimal solution to the customers' need.

Development in activities and financial matters

The Company's income statement for the 8 months ended 31 December 2024 shows an EBITDA of DKK 128, which is in line with expectations in Annual Report of 2023-24, a profit before tax of DKK 122 million and the balance sheet at 31 December 2024 shows equity of DKK 265 million.

The net revenue for the shortened fiscal year May to December 2024 amounts to DKK 981 million, which in a straight line setting represents an increase of DKK 111 million or 8.2% compared to last fiscal year. The net income for period is DKK 95 million compared to net income of DKK 138 million last year's 12 months period.

The shortened fiscal year 2024 reflects a positive development in Nissens financial performance and underline the resilience Nissens possesses whilst the global economy continued to tackle political and economic turmoil caused by the war in Ukraine and influences from global geopolitical challenges and unrest in various parts of the world which has demands prudence in reading and responding to market conditions and adapting to the changing business environment.

Management considers the results as satisfactory.

Knowledge resources

At Nissens Automotive A/S, we wish for all employees to be able to live up to the constantly changing demands relating to the working processes. As a result, Nissens Automotive A/S attaches great importance to the training and education of the employees in order for each of them to be able to deliver high performance as well as flawless products and services. The training takes place in both internal and external courses, and with this approach, a profound know how of the processes related to the processing of aluminum and the development of applications for thermal solutions is gained.

Financial risks and use of financial instruments

Customer and market-related risks are assessed as limited, considering the large spread of both customers and markets. The performance of Nissens is reliant on the geopolitical situation and economic stability. Besides the later, Nissens has no specific risks besides what is common to the industry.

The majority of Nissens' activities implies currency risks in connection with the purchase and sale of goods and services in foreign currencies. These currency risks are monitored regularly and managed within the limitations of the financial policy approved by the Board of Directors.

Nissens' risk of losses related to debtors is, in general, minimized by means of credit lines and by obtaining credit information and credit insurance.

Both material prices and freight rates from Asia to Europe have been subject to favorable price development during the financial year, as the global economy started to recover from the COVID-19 pandemic and cost levels normalized. Conversely, Nissens see signs of increasing inflation in markets where the group operates.

Management's review

Research and development activities

Research & Development (R&D) is essential in order to ensure future development and growth, and therefore Nissens continues to spend considerable resources in R&D activities. The R&D activities and the test facilities drive a range of product applications for future launches and will support the ongoing product development activities.

Corporate social responsibility

The following constitutes the statutory statement on CSR, cf. §99a, for Nissens Automotive A/S.

Business model & Nissens' approach to sustainability

Being a global industrial and distribution company, Nissens is committed to offering a contribution to limiting the Group's environmental and climate footprint, just as it is the Group's obligation to consider the health and safety standards applicable for our employees.

Nissens remains a committed member of UN Global Compact, and we maintain our focus on our ESG agenda, our social responsibility and environmental sustainability by exploring and implementing initiatives within the areas of energy, environment, work environment and company governance. The COP report from Nissens can be found on the company's website www.nissens.com.

Nissens is specialized in the production and supply of products within engine cooling, climate systems and engine efficiency. As a leading company in the automotive aftermarket, Nissens has a broad product portfolio coverage, covering above 95% of the European car parc including, inter alia, radiators, condensers, compressors, intercoolers, turbos and EGR valves. The product range covers products from the common to the more special parts.

Human rights

Nissens is committed to supporting and respecting the internationally proclaimed human rights.

Area	Risk	Actions in 2024	Results 2024
Code of Conduct	Adverse human rights, negative environmental impact, and corruption issues in supply chain.	We specify our expectations to our employees across Nissens' global organization and to our suppliers, e.g. via our company policies, employee handbooks as well as in our Code of Conduct.	All of Nissens' employees are made acquainted with the Code of Conduct, and our suppliers receive our Code of Conduct as an integrated element in the formalization of our business interaction.
Data privacy	Not handling personal and sensitive personal data and information in compliance with legal regulations and internal guidelines.	The actions are to maintain and monitor Nissens' level of compliance. To analyze development within the area, and how Nissens' IT systems can further support and enhance Nissens' levels of compliance.	100% compliance on signatures on Data Privacy Policy from Top Three tier levels of managers.

Within the area of human rights, we will going forward ensure committed management compliance with our human rights-related policies via formalized signatures.

Management's review

Social & Labor Conditions

The experience, competence and well-being of Nissens' employees are vital elements in our ability to develop our business and succeed with our strategic plans and objectives. Across Nissens, there is a commitment to supporting a safe and healthy work environment and focusing on securing risk management in relation to work-related accidents and injuries.

Area	Risk	Actions in 2024	Results 2024
Employee safety, health and well-being	Employees getting injured at work.	Our health and safety focus is supported by regular, ongoing measurement and follow-up on our safety procedures and KPIs.	In the period May-December 2024, Nissens decreased the LTIR (Lost Time Injury Rate) on blue-collar employees in Denmark to 0. LTIR is defined as: Absence Rate due to injuries per 200,000 working hours.
	Sickness absence impacting negatively on daily operations and planned outputs.	We measure and follow up on our sickness absence on both blue-collar and white-collar employees on a monthly basis and take necessary actions to support our employees during illness and upon return to work. We also focus on limiting and preventing absence due to sickness.	The weighted average for our short-term sickness absence rate for blue-collar and white-collar employees measured across in Nissens Automotive A/S is: 1.6%. The absence rate represents an reduction from prior fiscal period which is linked to reduced long term sickness.

In future, within the area of social and labor conditions, we will intensify our focus and follow-up on our performance within retention of employees, sickness absence and injury stats on an international level.

Management's review

Climate

Nissens strives to minimize the risk of having an unnecessary detrimental impact on the climate through the optimization of our energy consumption and a reduction of the Group's CO2 emissions. The Group's ambition and approach are outlined in our policies on energy and environment, which apply to all of Nissens' locations and define the guidelines and ambitions within environment and climate in Nissens' global sites.

Area	Risk	Actions in 2024	Results 2024
Energy consumption	Limitation of energy consumption impact.	Energy consumption closely follows the level of activity in our production sites and in our warehouses. New energy sources, such as conversion from natural gas to district heating for specific and relevant sites, are being assessed.	The room temperature in our production has remained at the reduced level from 2023/2024. District heating has been implemented at a new site in Denmark while further conversion is ongoing.
CO2 emissions - scope 1 and scope 2	Limitation of climate impact through business focus and optimizations.	In 2024, we have continued our focus on sustainability with the aim of creating clarity on our main scope 1 and scope 2 emission drivers. A central element in the work with limiting climate impact is the preparation of a CO2 baseline that maps Nissens' CO2 emissions across scope 1, scope 2 and scope 3.	Nissens' baseline assessment of CO2 emission has been aligned with the fiscal period and was reported in June 2024. Nissens has been reassessed by EcoVadis in 2024 and maintained the bronze rating awarded in the first sustainability assessment in 2023 for its ESG efforts. The focus on sustainability has led to improvements in processes and policies.
CO2 emissions - scope 3	Management of climate impact through business model structure and climate initiatives	In 2024, we have elaborated on our suppliers' strategies and opportunities in preparations for setting ambitions for scope 3 reductions.	We have started collection of sustainability targets and strategies from suppliers and initiated follow-up of their implementation.

Management's review

Environment

Nissens strives to minimize the environmental footprint of our production through a continuous focus on resource optimization throughout the Group's production facilities. The environmental management system is certified according to ISO14001 standards, and the Group is working in a structured manner with our environmental awareness and sustainability for years.

Area	Risk	Actions in 2024	Results 2024
Chemical Management	Non-compliance with chemical management guidelines.	We have an ongoing follow-up on our chemical mapping and work to comply with the legislation.	Continuous work with our mapping have secured that we are in compliance with legislations. Nissens is compliant in 2024.
Emissions	Detrimental effects of emissions from our inhouse production activities.	We have implemented a new brazing line. Emission was an essential requirement in the specification of the equipment. Actions to reduced oil emission from fin machines.	The emission from the new brazing oven have been validated and Nissens is compliant. Nissens has prepared investments in emission reduction equipment.

Next year, within the areas of environment and climate, we are going to introduce a long-term ambition for enhancing our CO2 footprint based on an elaborate CO2 baseline covering our emissions within scope 1, scope 2 and scope 3.

Anti-corruption

The Nissens Group is committed to upholding a high degree of business ethics in all the markets in which the Group operates, and Nissens works against corruption in all of its forms. The Group's expectations regarding anti-corruption are specified in a Code of Conduct, which all of Nissens' employees must comply with.

Area	Risk	Actions in 2024	Results 2024
Corruption	Employees engaging in activities of corruption	Our Code of Conduct is distributed to our employees during their onboarding in the company, and which all relevant colleagues will sign as an act of commitment, just as our relevant suppliers receive the Code of Conduct upon formalization of co-operation.	We have not identified any non-compliance or breaches with our Code of Conduct in the reporting year. Nissens has implemented awareness training and policies on prevention of corruption and bribery.
Whistleblowing	Serious breaches or non-compliances with internal procedures, ethics and legislation not being conveyed or made transparent.	The previously established whistleblower scheme has been reviewed and maintained during the year. All new employees are made acquainted with the whistleblower access.	Nissens did not have reporting via our official whistleblower line during 2024.

We will pursue our aim for limiting any kind of corruption and bribery via our established whistleblower scheme and supported by internal control measures.

Management's review

Report on data ethics

In pursuance of Section 99d of the Danish Financial Statements Act, the Company reports the following.

Nissens has remained the focus on improving data security, compliances and best practices related to soliciting, processing, storing and deleting both personal data and non-personal data. This includes that Nissens has entered into data processing agreements with all external parties (where relevant), completed training for all employees in relation to data handling as well as safeguarding all IT systems that store data - both personal and non-personal. No formal data ethics policy has been adopted yet due to the strong existing data governance, but Nissens will establish a formal data ethics policy accompanying governance measures during the fiscal year 2025.

Events after the balance sheet date

After the balance sheet date, no events have occurred that may have significant influence on the assessment of the financial statements for the year 1 May 2024 - 31 December 2024.

Outlook

In fiscal year 2025, the Group expects net sales and Operating margin on par with fiscal year 2024 driven by continuous profit from strategic initiatives and stable market conditions.

Financial statements 1 May - 31 December

Income statement

Note	DKK'000	2024 8 months	2023/24 12 months
3	Revenue	981,362	1,360,924
	Cost of sales	-748,278	-888,217
	Change in inventories of finished goods and work in progress	82,662	-37,914
	Other operating income	8,341	11,482
4	Other external expenses	-134,128	-187,029
	Gross profit	189,959	259,246
5	Staff costs	-62,137	-75,381
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-7,465	-10,815
	Profit before net financials	120,357	173,050
6	Financial income	3,724	5,758
7	Financial expenses	-2,257	-1,374
	Profit before tax	121,824	177,434
8	Tax for the year	-27,086	-39,214
	Profit for the year	94,738	138,220

Financial statements 1 May - 31 December

Balance sheet

Note	DKK'000	2024	2023/24
	ASSETS		
	Fixed assets		
11	Intangible assets		
	Completed development projects	3,643	4,519
	Acquired intangible assets	24,360	13,901
	Development projects in progress and prepayments for intangible assets	9,093	17,540
		<u>37,096</u>	<u>35,960</u>
12	Property, plant and equipment		
	Land and buildings	26,717	27,003
	Plant and machinery	2,603	3,057
	Fixtures and fittings, other plant and equipment	1,096	1,666
	Property, plant and equipment under construction	556	1,546
		<u>30,972</u>	<u>33,272</u>
	Investments		
	Deposits, investments	21	21
		<u>21</u>	<u>21</u>
	Total fixed assets	<u>68,089</u>	<u>69,253</u>
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	23	22
	Work in progress	3,038	1,932
	Finished goods and goods for resale	477,784	396,229
		<u>480,845</u>	<u>398,183</u>
	Receivables		
	Trade receivables	69,430	84,850
	Receivables from group enterprises	203,204	262,469
	Other receivables	17,392	7,755
13	Prepayments	4,610	3,593
		<u>294,636</u>	<u>358,667</u>
	Securities and investments	0	42
	Cash	<u>23,155</u>	<u>35,783</u>
	Total non-fixed assets	<u>798,636</u>	<u>792,675</u>
	TOTAL ASSETS	<u>866,725</u>	<u>861,928</u>

Financial statements 1 May - 31 December

Balance sheet

Note	DKK'000	2024	2023/24
	EQUITY AND LIABILITIES		
	Equity		
14	Share capital	10,000	10,000
	Reserve for development costs	8,990	9,582
	Retained earnings	156,408	151,002
	Dividend proposed	90,000	150,000
	Total equity	265,398	320,584
	Provisions		
15	Deferred tax	8,769	7,846
17	Other provisions	21,168	8,231
	Total provisions	29,937	16,077
	Liabilities other than provisions		
16	Non-current liabilities other than provisions		
	Mortgage debt	67,713	82,593
	Other payables	6,098	6,028
		73,811	88,621
	Current liabilities other than provisions		
16	Short-term part of long-term liabilities other than provisions	14,914	0
	Trade payables	230,346	166,447
	Payables to group enterprises	213,990	210,765
	Corporation tax payable	26,035	34,115
	Other payables	12,294	21,897
	Deferred income	0	3,422
		497,579	436,646
	Total liabilities other than provisions	571,390	525,267
	TOTAL EQUITY AND LIABILITIES	866,725	861,928

- 1 Accounting policies
- 2 Events after the balance sheet date
- 9 Appropriation of profit
- 10 Disclosure of fair values
- 18 Contractual obligations and contingencies, etc.
- 19 Security and collateral
- 20 Related parties

Financial statements 1 May - 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Reserve for development costs	Retained earnings	Dividend proposed	Total
	Equity at 1 May 2023	10,000	7,853	164,511	0	182,364
9	Transfer, see "Appropriation of profit"	0	1,729	-13,509	150,000	138,220
	Equity at 1 May 2024	10,000	9,582	151,002	150,000	320,584
9	Transfer, see "Appropriation of profit"	0	-592	5,330	90,000	94,738
	Adjustment of investments through foreign exchange adjustments	0	0	76	0	76
	Dividend distributed	0	0	0	-150,000	-150,000
	Equity at 31 December 2024	10,000	8,990	156,408	90,000	265,398

Financial statements 1 May - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Nissens Automotive A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flows are reflected in the consolidated cash flow statement.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

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.

Foreign group entities

On recognition of foreign group entities which are integral entities, monetary items are translated at closing rates. Non monetary items are translated at the exchange rate at the acquisition date or at the date of any subsequent revaluation or impairment of the asset. Income statement items are translated at the exchange rates at the transaction date. However, items derived from non monetary items are translated at historical exchange rates for the non monetary item.

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.

Public grants

Public grants to cover expenses are recognised in the income statement when it is deemed likely that all grant criteria have been met. Grants which must be repaid under certain circumstances are recognised only where they are not expected to be repaid.

Financial statements 1 May - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

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® 2020.

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.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets and government grant.

Change in inventories of finished goods and work in progress

Changes in inventories of finished goods and work in progress comprise reduction or increase of inventories due to cost of raw materials and consumables as well as staff costs, but does not include changes in inventories of raw materials or prepayments for goods.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	3-5 years
Acquired intangible assets	2-5 years
Brand	15 years
Buildings	20-25 years
Plant and machinery	5-10 years
Fixtures and fittings, other plant and equipment	2-5 years

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

Financial statements 1 May - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

Land is not depreciated.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licences and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

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.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

The cost of self constructed assets includes the cost of direct materials and labour, etc. directly used in the production process and a portion of the relating production overheads.

Financial statements 1 May - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Leases

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

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

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".

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

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

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the cost.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Financial statements 1 May - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables

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

Receivables are measured at amortised cost.

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

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

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Warranty commitments include expenses for remedial action in respect of the contract work within the warranty period. Provisions for warranty commitments are measured at net realisable value and recognised based on past experience.

Provisions expected to be settled after more than one year after the balance sheet date are measured at the net present value of the expected payments. Other provisions are measured at net realisable value.

Financial statements 1 May - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

Financial statements 1 May - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating margin	$\frac{\text{Operating profit/loss (EBIT)} \times 100}{\text{Revenue}}$
Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$
Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$

Financial statements 1 May - 31 December

Notes to the financial statements

2 Events after the balance sheet date

After the balance sheet date, no events have occurred that may have significant influence on the assessment of the financial statement for the financial year.

DKK'000	2024 8 months	2023/24 12 months
3 Segment information		
Breakdown of revenue by geographical segment:		
Europe	881,976	1,261,689
America	44,242	42,575
Asia & Pacific	47,105	43,687
Other	8,039	12,973
	<u>981,362</u>	<u>1,360,924</u>
4 Fee to the auditors appointed in general meeting		
Total fees to EY	<u>496</u>	<u>775</u>
Statutory audit	258	243
Assurance engagements	38	69
Tax assistance	177	440
Other assistance	<u>23</u>	<u>23</u>
	<u>496</u>	<u>775</u>
5 Staff costs		
Wages/salaries	59,361	71,742
Pensions	2,023	2,766
Other social security costs	<u>753</u>	<u>873</u>
	<u>62,137</u>	<u>75,381</u>
Average number of full-time employees	<u>111</u>	<u>111</u>

Management fee paid related to the Company's management amounts to DKK 3.329 thousand.
(2023/24: DKK 5,891 thousand)

Financial statements 1 May - 31 December

Notes to the financial statements

DKK'000	2024 8 months	2023/24 12 months
6 Financial income		
Interest receivable, group entities	3,348	2,377
Foreign exchange gains	0	2,661
Other financial income	376	720
	<u>3,724</u>	<u>5,758</u>
7 Financial expenses		
Interest expenses, group entities	35	131
Foreign exchange rate loss	1,149	0
Other financial expenses	1,073	1,243
	<u>2,257</u>	<u>1,374</u>
8 Tax for the year		
Estimated tax charge for the year	26,035	37,103
Deferred tax adjustments in the year	923	1,993
Tax adjustments, prior years	128	118
	<u>27,086</u>	<u>39,214</u>
9 Appropriation of profit		
Recommended appropriation of profit		
Proposed dividend recognised under equity	90,000	150,000
Other statutory reserves	-592	1,729
Retained earnings/accumulated loss	5,330	-13,509
	<u>94,738</u>	<u>138,220</u>

10 Disclosure of fair values

The Company has the following assets and liabilities measured at fair value:

DKK'000	Derivatives
Fair value at year end	264
Unrealised fair value adjustments for the year, recognised in the income statement	264

The derivative financial instruments are categorised in level 2 of the fair value hierarchy and do not include significant unobservable inputs in the valuation.

Financial statements 1 May - 31 December

Notes to the financial statements

11 Intangible assets

DKK'000	Completed development projects	Acquired intangible assets	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 May 2024	6,569	32,601	17,540	56,710
Additions	0	714	4,240	4,954
Transferred	0	12,687	-12,687	0
Cost at 31 December 2024	6,569	46,002	9,093	61,664
Impairment losses and amortisation at 1 May 2024	2,050	18,700	0	20,750
Amortisation for the year	876	2,942	0	3,818
Impairment losses and amortisation at 31 December 2024	2,926	21,642	0	24,568
Carrying amount at 31 December 2024	3,643	24,360	9,093	37,096

Development projects comprise of development cost for new technology and products. New technology and products are expected to strengthen the Company's market position.

12 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Property, plant and equipment under construction	Total
Cost at 1 May 2024	45,251	11,919	2,771	1,546	61,487
Additions	242	176	373	556	1,347
Transferred	1,546	0	0	-1,546	0
Cost at 31 December 2024	47,039	12,095	3,144	556	62,834
Impairment losses and depreciation at 1 May 2024	18,248	8,862	1,105	0	28,215
Depreciation	2,074	630	943	0	3,647
Impairment losses and depreciation at 31 December 2024	20,322	9,492	2,048	0	31,862
Carrying amount at 31 December 2024	26,717	2,603	1,096	556	30,972

13 Prepayments

Prepayments recognized under assets comprise prepaid expenses regarding subsequent financial reporting years.

14 Share capital

The Company's share capital has remained DKK 10,000 thousand over the past 5 years.

Financial statements 1 May - 31 December

Notes to the financial statements

DKK'000	2024	2023/24
15 Deferred tax		
Deferred tax at 1 May	7,847	5,852
Tax related to the income statement	923	1,993
Other deferred tax	0	2
Deferred tax at 31 December	8,770	7,847
Deferred tax relates to:		
Intangible assets	6,879	6,406
Property, plant and equipment	1,455	2,049
Provisions	-1,116	-1,320
Other taxable temporary differences	1,552	712
	8,770	7,847

16 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Mortgage debt	82,627	14,914	67,713	55,340
Other payables	6,098	0	6,098	6,098
	88,725	14,914	73,811	61,438

Financial statements 1 May - 31 December

Notes to the financial statements

DKK'000	2024	2023/24
17 Other provisions		
Other provisions at 1 May 2024	14,991	6,495
Adjustment in the year	12,673	4,277
Provisions utilised in the year	-6,495	-2,541
Other provisions at 31 December	21,169	8,231
The provisions are expected to be payable in:		
0-1 year	19,169	3,073
> 1 year	2,000	5,158
	21,169	8,231

Provisions comprise anticipated expenses relating to warranty commitments, pending disputes etc.

18 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is party to a minor number of pending disputes. The outcome of these cases is not expected to have any material impact on the financial position of the Company, neither individually nor in the aggregate.

Rent liabilities and payments under operating leases concerning cars, gas, plant and computer equipment amount to DKK 43,694 thousand (30 April 2024 DKK 61,898 thousand).

The remaining terms are 0-4 years.

The Nissens Group has a cash pool agreement, under which the parent company, K. Nissens International A/S, is the holder of the agreement, while other group companies are sub-account holders. The bank can settle drafts and deposits with each other, so the net amount constitutes a balance between the bank and K. Nissens International A/S. For Nissens Automotive A/S intercompany balances, DKK 22,587 thousand are included in the joint cash pool agreement (receivable) presented as Receivables from group enterprises.

The Company is jointly taxed with its parent, SMP Nissens III ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

The Company is jointly VAT registered with its parent company, NA International A/S, and is jointly and severally liable for joint VAT registration.

Financial statements 1 May - 31 December

Notes to the financial statements

19 Security and collateral

As security for mortgage debt totaling DKK 82,282 thousand, the Company has granted charges on land and buildings, carried at DKK 26,716 thousand at 31 December 2024 (30 April 2024 DKK 27,003 thousand).

20 Related parties

Nissens Automotive A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
NA International A/S	Horsens, Denmark	Shareholdings (direct)
K. Nissen International A/S	Horsens, Denmark	Shareholdings (indirect)
SMP Nissens ApS	Horsens, Denmark	Shareholdings (indirect)
SMP Nissens I ApS	Horsens, Denmark	Shareholdings (indirect)
SMP Nissens II ApS	Horsens, Denmark	Shareholdings (indirect)
SMP Nissens III ApS	Horsens, Denmark	Shareholdings (indirect)

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Standard Motor Products, Inc.	Long Island City, NY 11101	https://www.smpcorp.com/media/cxabmyz2/2024annualreport.pdf

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

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Thomas Brandt Pasgaard

Executive Board

On behalf of: Nissens Automotive AS

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2025-07-07 13:20:40 UTC



Thomas Brandt Pasgaard

Chairman

On behalf of: Nissens Automotive AS

Serial number: eb278528-1a80-43f3-8f2d-f347a125a0ef

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2025-07-07 13:20:40 UTC



Klavs Pedersen

Executive Board

On behalf of: Nissens Automotive AS

Serial number: 0218661b-5aaa-4a79-abfc-0fbc51efe638

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2025-07-08 09:19:42 UTC



Morten Bøgetoft Thomsen

Board of Directors

On behalf of: Nissens Automotive AS

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Eric Sills

Board of Directors

On behalf of: Nissens Automotive AS

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Klavs Pedersen

Board of Directors

On behalf of: Nissens Automotive AS

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Søren Smedegaard Hvid

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

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Henrik Carstensen

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

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