Dantherm Group Holding II A/S

Marienlystvej 65, 7800 Skive

CVR no. 42 60 99 78

Annual report 2024

Approved at the Company's annual general meeting on 14 July 2025

Chair of the meeting:

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Thomas Gjøl-Trønning

Contents

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 Dantherm Group Holding II A/S for the financial year 1 January - 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 January - 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.

Skive, 14 July 2025
Executive Board:

Oliver Patrick Zimmermann
CEO

Board of Directors:

Torben Duer Chairman	Oliver Patrick Zimmermann

Independent auditor's report

To the shareholder of Dantherm Group Holding II A/S

Opinion

We have audited the financial statements of Dantherm Group Holding II A/S for the financial year 1 January - 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 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Independent auditor's report

- 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.
- Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. 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 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.

Aarhus, 14 July 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Steen Skorstengaard
State Authorised Public Accountant
mne19709

Lone Nørgaard Eskildsen
State Authorised Public Accountant
mne32085

Management's review

Company details

Name	Dantherm Group Holding II A/S
Address, Postal code, City	Marienlystvej 65, 7800 Skive
CVR no.	42 60 99 78
Established	18 August 2021
Registered office	Skive Kommune
Financial year	1 January - 31 December
Board of Directors	Torben Duer, Chairman
	Oliver Patrick Zimmermann
Executive Board	Oliver Patrick Zimmermann, CEO
Auditors	EY Godkendt Revisionspartnerselskab
	Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Management commentary

Principal activities

Dantherm Group Holding II A/S is a holding company for the Dantherm Group, who is a leading provider of climate control products and solutions. The group companies have more than 60 years of experience in designing and manufacturing high-quality and energy-efficient solutions for heating, cooling, dehumidification and ventilation, and offers a wide product range of both mobile and installed products with many different applications covering a large number of market sectors.

The Dantherm Group is headquartered in Skive, Denmark and has subsidiaries in Norway, Sweden, the United Kingdom, Germany, France, Switzerland, Italy, Spain, Poland, Russia and China.

Development in activities and financial matters

Dantherm Group Holding II A/S has been established in 2021, and the company acquired Dantherm Group A/S on the 17th of November 2021. (In 2022, Dantherm Holding A/S was merged with Dantherm Group A/S as the continuing entity).

On May 24, 2022, Dantherm Holding II A/S acquired 100%of Trotec Group GmbH based in Germany. The Trotec Group has products within heating, cooling and dehumidification, of which a large part is sold through an online platform.

Dantherm Group Holding II A/S is owned 100%by Dantherm Group Holding I ApS.

Some other background about the Dantherm Group:

In November 2021, Dantherm was sold from the Swedish private equity fund Procuritas to the German private equity fund Deutsche Beteiligungs AG (DBAG).

The result for 2024 for year amounts to mDKK -200.2 against mDKK -147.5 for 2023. The equity amounts to mDKK 1,254.1.

The result is negatively impacted by non recurring and integration costs of DKK 44.5m, and for 2023, it was negatively impacted by DKK 64.6 m.

Regarding classification of liabilities between short and long-term, please refer to the section in “events after the balance sheet date”.

Management do not consider the result to be satisfactory, and has a consequence of this result also implemented a cost reduction program in the first half of 2025.

Adjustment of comparative figures

During 2024 we identified that the financial statements for 2023 is significantly misstated. As a result, the comparative figures to reflect the true values as if the misstatement have not been present. The adjustment impacts the result before tax negatively by DKK 27,144 thousand and the equity negatively by DKK 27,144 thousand. The balance sheet is impacted negatively by DKK 27,144 thousand.

Please refer to the description in note 1 to the financial statements.

Management's review

Financial structure

The debt structure is subject to general conditions as well as financial covenants that is tested quarterly. The Group failed to meet the financial covenant by end of 2024 and also failed the covenant test for Q1 2025.

Due to the breach the lender can withdraw the loan facilities. Management is in the pro-cess of renegotiating the overall financing structure and the related covenants for the group. Currently the group has received a proposal, and it is management expectations that a final agreement with be signed soon, but after the date for the approval of the financial statements for 2024.

Based on the current budgets and cash flow forecasts, Management expects to have sufficient liquidity to fund the operations under the proposed financing structure and also expects to comply with the proposed covenants for 2025.

As a consequence of this, the regular non-current liability has been presented as “short-term part of long-term liabilities other than provisions” as there was no updated agreement with the lenders as per end of December 31, 2024.

Events after the balance sheet date

There has not been any subsequent events, which has significant impact on the financial status as of December 31, 2024.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2024	2023
	Gross profit/loss	-576	-418
5	Staff costs	0	0
	Other operating expenses	-4,303	-4,734
	Profit/loss before net financials	-4,879	-5,152
	Income from investments in group entities	-129,476	-104,547
6	Financial income	128,441	128,261
7	Financial expenses	-198,139	-196,751
	Profit/loss before tax	-204,053	-178,189
8	Tax for the year	3,847	3,536
	Profit/loss for the year	-200,206	-174,653

	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	-200,206	-174,653
		-200,206	-174,653

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	ASSETS		
	Fixed assets		
9	**Investments**		
	Investments in group entities	1,663,605	1,806,565
		1,663,605	1,806,565
	Total fixed assets	1,663,605	1,806,565
	Non-fixed assets		
	Receivables		
11	Receivables from group entities	1,457,569	1,603,875
10	Deferred tax assets	5,273	1,427
	Joint taxation contribution receivable	0	8,001
	Other receivables	462	430
		1,463,304	1,613,733
	Cash	16	0
	Total non-fixed assets	1,463,320	1,613,733
	TOTAL ASSETS	3,126,925	3,420,298

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2024	2023
	EQUITY AND LIABILITIES		
	Equity		
12	Share capital	17,883	17,883
	Retained earnings	1,236,263	1,449,953
	Dividend proposed	0	0
	Total equity	1,254,146	1,467,836
	Liabilities other than provisions		
13	**Non-current liabilities other than provisions**		
	Bank debt	0	1,863,730
		0	1,863,730
	Current liabilities other than provisions		
13	Short-term part of long-term liabilities other than provisions	1,827,805	74,529
	Trade payables	853	245
	Payables to group entities	44,121	13,958
		1,872,779	88,732
	Total liabilities other than provisions	1,872,779	1,952,462
	TOTAL EQUITY AND LIABILITIES	3,126,925	3,420,298

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15 Contractual obligations and contingencies, etc.
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Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	**Share capital**	**Retained earnings**	**Dividend proposed**	**Total**
Equity at 1 January 2023	17,444	1,547,161	26,468	1,591,073
Capital increase	439	62,864	0	63,303
Transfer through appropriation of loss	0	-174,653	0	-174,653
Adjustment of investments through forreign exchange adjustments	0	14,581	0	14,581
Dividend distributed	0	0	-26,468	-26,468
Equity at 1 January 2024	17,883	1,449,953	0	1,467,836
Transfer through appropriation of loss	0	-200,206	0	-200,206
Adjustment of investments through forreign exchange adjustments	0	7,769	0	7,769
Other value adjustments of equity	0	-21,253	0	-21,253
Equity at 31 December 2024	17,883	1,236,263	0	1,254,146

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Dantherm Group Holding II A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Pursuant to section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The financial statements of Dantherm Group Holding II A/S are included in the consolidated financial statements of Dantherm Group Holding I ApS, Skive, Denmark, (reg. no. 42608335)

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

Material misstatements

During 2024 Management identified that the financial statements for 2023 is significantly misstated. The misstatement is related to the recognition of an inventory location with obsolete goods in one the subsidiaries. The misstatement has led to an overstatement of the investments in group enterprises and the income from investments in group enterprises.

The misstatement has been corrected by adjusting the comparative figures for 2023 in the financial statements in accordance with section 52 in the Danish Financial statements Act. The adjustment impacts the result before tax negatively by DKK 27.144 thousand. The negative effect on the equity as on 31 December 2023 amounts to DKK 27.144 thousand and net effect on the total assets is impacted negative by DKK 27.144 thousand. The adjustment does not impact tax for the year.

Reporting currency

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

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. Discontinued operations are presented separately, see below.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of group entities which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

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

Foreign group entities and associates are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign group entities to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Gross profit/loss

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

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including rental income from the temporary lease out of production facilities, compensation, government grants, refund of wages and salaries, gains on the disposal of intangible assets and property, plant and equipment, etc. Compensation and grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

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.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

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 Company and its Danish group entities are jointly taxed. 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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investments in group entities

Equity investments in group entities are measured according to the equity method.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Goodwill and other value adjustments in relation to the acquisition is amortised on a straight line basis over the expected useful life. The expected useful life is between 7-20 years.

Gains and losses on disposal of group entities and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

Impairment of fixed assets

The carrying amount of investments in group entities 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.

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 or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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 or portfolio is used as discount rate.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash and cash equivalents include bank accounts and cash.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Hedging reserve

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The reserve does not represent a limitation under company law and may therefore be negative.

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".

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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

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. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Special items

Special items include significant income and expenses that are of a special nature in relation to the company's revenue-generating operating activities.

Special items may include costs for large-scale process restructuring and fundamental structural adjustments, as well as any associated divestment gains and losses, which are significant over time. Special items also include other significant amounts of a one-off nature which, in the management's assessment, are not part of the company's primary operations and which are not assumed to be recurring.

Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

2 Capital ratio

The debt structure is subject to general conditions as well as financial covenants that is tested quarterly. The Group failed to meet the financial covenant by end of 2024 and also failed the covenant test for Q1 2025.

Due to the breach the lender can withdraw the loan facilities. Management is in the process of renegotiating the overall financing structure and the related covenants for the group. Currently the group has received a proposal, and it is management expectations that a final agreement with be signed soon, but after the date for the approval of the financial statements for 2024.

Based on the current budgets and cash flow forecasts, Management expects to have sufficient liquidity to fund the operations under the proposed financing structure and also expects to comply with the proposed covenants for 2025.

As a consequence of this, the regular non-current liability has been presented as “short-term part of long-term liabilities other than provisions” as there was no updated agreement with the lenders as per end of December 31, 2024.

Financial statements 1 January - 31 December

Notes to the financial statements

3 Events after the balance sheet date

There has not been any subsequent events, which has significant impact on the financial status as of December 31, 2024.

4 Special items

Special items for the year are specified below just as are the items under which they are recognised in the income statement.

DKK'000	2024	2023
Expenses		
Acquistion cost	-307	-2,259
Integration and restructuring costs	-45,295	-64,066
	-45,602	-66,325
Special items are recognised in the below items of the financial statements		
Other operating expenses	-4,303	-4,734
Income from investments in group enterprises	-41,299	-61,591
Net loss on special items	-45,602	-66,325

5 Staff costs

The Company has no employees.

6 Financial income		
Interest receivable, group entities	128,302	128,062
Exchange adjustments	123	194
Other financial income	16	5
	128,441	128,261

7 Financial expenses		
Other interest expenses	197,520	194,531
Exchange adjustments	619	2,220
	198,139	196,751

8 Tax for the year		
Estimated tax charge for the year	0	-4,036
Deferred tax adjustments in the year	-3,978	500
Tax adjustments, prior years	131	0
	-3,847	-3,536

Financial statements 1 January - 31 December

Notes to the financial statements

9 Investments

DKK'000	Investments in group entities
Cost at 1 January 2024	1,963,826
Additions	204,481
Cost at 31 December 2024	2,168,307
Value adjustments at 1 January 2024	-157,261
Foreign exchange adjustments	-641
Dividend received	-204,481
Profit/loss for the year	-129,476
Changes in equity	-12,843
Value adjustments at 31 December 2024	-504,702
Carrying amount at 31 December 2024	1,663,605

Group entities

Name	Legal form	Domicile	Interest
Dantherm Group A/S	A/S	Skive	100.00%
Dantherm Denmark A/S	A/S	Skive	100.00%
Dantherm Group AS	AS	Norway	100.00%
Dantherm Group Limited	Ltd	UK	100.00%
Dantherm Group AB	AB	Sweden	100.00%
Dantherm Group S.p.A	S.p.A	Italy	100.00%
Dantherm Group SAS	SAS	France	100.00%
Dantherm Group AG	AG	Switzerland	100.00%
Dantherm Group Desiccant AB	AB	Sweden	100.00%
Dantherm Group Sp.z.o.o	Sp.z.o.o.	Poland	100.00%
Dantherm Group Sp SAU	Sp SAU	Spain	100.00%
Dantherm LLC	Llc	Russia	100.00%
Dantherm Group Co. Ltd	Ltd	China	100.00%
Dantherm Group Holding Inc.	Inc	USA	100.00%
Dantherm Group LLC	Llc	USA	100.00%
Trotech Group GmbH	GmbH	Germany	100.00%
Trotech GmbH	GmbH	Germany	100.00%
TKL SRL	SRL	Italy	100.00%

10 Deferred tax assets

Deferred tax assets is relates to tax losses carried forward. The management has assessed that these tax losses can be utilized in taxable income in the near future.

11 Receivables from group entities

Receivables from group enterprises consists of loans and receivables provided to companies within the group. The receivables amounts to DKK 1,457,569 thousand at 31 December 2024 of which DKK 907,798 thousand falls due more than one year from the balance sheet date.

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Notes to the financial statements

DKK'000	2024	2023
12 Share capital		
Analysis of the share capital:		
240,474,858 A shares of DKK 0.074365 nominal value each	17,883	17,883
	17,883	17,883

13 Non-current liabilities other than provisions

The debt structure is subject to general conditions as well as financial covenants that is tested quarterly. The Group failed to meet the financial covenant by end of 2024 and also failed the covenant test for Q1 2025.

Due to the breach the lender can withdraw the loan facilities. Management is in the process of renegotiating the overall financing structure and the related covenants for the group. Currently the group has received a proposal, and it is management expectations that a final agreement with be signed soon, but after the date for the approval of the financial statements for 2024.

Based on the current budgets and cash flow forecasts, Management expects to have sufficient liquidity to fund the operations under the proposed financing structure and also expects to comply with the proposed covenants for 2025.

As a consequence of this, the regular non-current liability has been presented as “short-term part of long-term liabilities other than provisions” as there was no updated agreement with the lenders as per end of December 31, 2024.

DKK'000	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Bank debt	1,827,805	1,827,805	0	0
	1,827,805	1,827,805	0	0

14 Derivative financial instruments

The Company uses hedging instruments such as interest swaps to hedge recognised and non-recognised transactions.

The Company has entered into an interest rate swap on variable interest on debt of EUR 110 million with a CAP of 3.5%and Floor of 2.75% The agreement runs until 23 February 2025.

The Company has entered into an interest rate swap on variable interest on debt of EUR 50 million with a fixed rate of 2.82% The agreement runs until 31 March 2026.

Recognised transactions

Hedging of recognised transactions primarily includes interest on loans.

Interest rate risks

The Company uses interest rate swaps to hedge interest rate risks, whereby floating interest payments are rescheduled into a cap of interest payments.

Financial statements 1 January - 31 December

Notes to the financial statements

14 Derivative financial instruments (continued)

Fair value disclosures

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

DKK'000	Interest swaps
Fair value at year end	0
Unrealised fair value adjustments for the year, recognised in the income statement	0
Fair value level	2

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Notes to the financial statements

15 Contractual obligations and contingencies, etc.

The Company is jointly taxed with its parent, Dantherm Group Holding I ApS, which acts as management company, and is jointly and severally liable with the affiliated companies for Danish companies and withholding taxes on dividends, interest and royalties within the joint taxation group. The known net liability of the joint taxation companies on corporation taxes due and withholding taxes on dividends, interest and royalties amounts to DKK 0 as at 31 December 2024. Any subsequent corrections to jointly taxation income or withholding taxes, etc. may result in the liability of the companies amounting to a larger amount. The Group as a whole is not liable to others.

16 Security and collateral

The Company participate as obligor in the Group's financing facility.

The Group has a total credit facility amounting to EUR 310 millions (DKK 2,312 million) as per December 31, 2024, whereas EUR 40 millions (DKK 298 million) are the credit facilities to finance the operations.

The credit facilities are subject to the following collaterals and pledges:

•Irrevocalby and unconditional jointly and severally guarantee for any payments, however limited with the limitation under the Danish Company Act, section 206 to 212 regarding unlawful financial assistance.

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Granted security by all shares held in Dantherm Denmark A/S, Aircenter AG, Dantherm Group A/S, Dantherm GmbH, Dantherm SAS, Dantherm S.P.A., Dantherm sp.z o.o., Trotec Group GmbH and Trotec GmbH, intercompany loans and bank accounts. Further, Dantherm Group Holding II A/S has granted security over claims under the due diligence reports prepared for the acquisition of Dantherm and the related SPA.

•Floating charge issued by Dantherm Denmark A/S amounting to 75 mio DKK. The total carrying amount of these assets is DKK 275 mio and can be specified as debtors with a carrying value at 31 December 2024 of DKK 29 million, inventories with a carrying value at 31 December 2024 of DKK 143 million, intangible assets with a carrying value at 31 December 2024 of DKK 36 million and tangible assets with a carrying value at 31 December 2024 of DKK 67 million.

The debt structure is subject to general conditions as well as financial covenants that is tested quarterly. The Group failed to meet the financial covenant by end of 2024 and also failed the covenant test for Q1 2025.

Due to the breach the lender can withdraw the loan facilities. Management is in the process of renegotiating the overall financing structure and the related covenants for the group. Currently the group has received a proposal, and it is management expectations that a final agreement with be signed soon, but after the date for the approval of the financial statements for 2024.

Based on the current budgets and cash flow forecasts, Management expects to have sufficient liquidity to fund the operations under the proposed financing structure and also expects to comply with the proposed covenants for 2025.

As a consequence of this, the regular non-current liability has been presented as “short-term part of long-term liabilities other than provisions” as there was no updated agreement with the lenders as per end of December 31, 2024.

The Group has issued an unconditional jointly and severally guarantee for Dantherm Group Ltd.

Guarantee commitments consist of a guarantee provided in respect of third party commitments. The guarantee commitment is maximally tDKK 10.509.

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Notes to the financial statements

17 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Dantherm Group Holding I ApS	Skive, Denmark	CVR no 42 60 83 35

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5%of the share capital:

Name	Domicile
Dantherm Group Holding I ApS	Denmark

Torben Duer
Board of Directors
On behalf of: Dantherm Group Holding II A/S
Serial number: torben.duer@danthermgroup.com
IP: 85.218.xxx.xxx
2025-07-14 09:39:08 UTC

Oliver Patrick Zimmermann
Executive Board and Board of Directors
On behalf of: Dantherm Group Holding II A/S
Serial number: oliver.zimmermann@danthermgroup.com
IP: 146.241.xxx.xxx
2025-07-14 09:45:46 UTC

Thomas Korfix Gjøl-Trønning
Chair of the meeting
On behalf of: Bech Bruun
Serial number: aa497ec6-bc65-499f-9ff1-4c14bebbcfe9
IP: 93.165.xxx.xxx
2025-07-14 16:13:00 UTC

Lone Nørgaard Eskildsen
EY Godkendt Revisionspartnerselskab CVR: 30700228
State Authorised Public Accountant
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: c716d8d8-6538-4f61-be2f-1f10c5cbb305
IP: 147.161.xxx.xxx
2025-07-14 16:31:56 UTC

Steen Skorstengaard
EY Godkendt Revisionspartnerselskab CVR: 30700228
State Authorised Public Accountant
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: 46c3b475-55f1-4e18-bb1d-e4a1d2024657
IP: 194.239.xxx.xxx
2025-07-14 18:08:25 UTC