



IETP III Redstone DK K/S

Scherfigsvej 10, st. th
2100 Copenhagen
CVR No. 43527959

Annual report 2024

The Annual General Meeting adopted the
annual report on 26.06.2025

Thomas Bentzen

Chairman of the General Meeting

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Entity details

Entity

IETP III Redstone DK K/S

Scherfigsvej 10, st. th

2100 Copenhagen

Business Registration No.: 43527959

Date of foundation: 21.09.2022

Registered office: Copenhagen

Financial year: 01.01.2024 - 31.12.2024

Executive Board in IWC Evergreen III GP ApS

Thomas Bentzen

Morten Stadil

Søren Damgaard

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Executive Board has today considered and approved the annual report of IETP III Redstone DK K/S for the financial year 01.01.2024 - 31.12.2024.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

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

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

Copenhagen, 26.06.2025

On behalf of IWC Evergreen III GP ApS

Thomas Bentzen

Morten Stadil

Søren Damgaard

Independent auditor's report

To the shareholders of IETP III Redstone DK K/S

Opinion

We have audited the financial statements of IETP III Redstone DK K/S for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

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

Copenhagen, 26.06.2025

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Rasmus Grynderup Kiær Steffensen

State Authorised Public Accountant

Identification No (MNE) mne44143

Management commentary

Primary activities

IETP III Redstone DK K/S was established in 2022. The purpose of the Company is to carry out long term sustainable forestry investments in established markets.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2024

	Notes	2024 USD	2022/23 USD
Other external expenses		(20,651)	(16,564)
Gross profit/loss		(20,651)	(16,564)
Income from investments in group enterprises		0	3,207,555
Other financial expenses		(1,637,411)	(1,861,223)
Profit/loss before tax		(1,658,062)	1,329,768
Tax on profit/loss for the year		(328,906)	0
Profit/loss for the year		(1,986,968)	1,329,768
Proposed distribution of profit and loss:			
Retained earnings		(1,986,968)	1,329,768
Proposed distribution of profit and loss		(1,986,968)	1,329,768

Balance sheet at 31.12.2024

Assets

	Notes	2024 USD	2022/23 USD
Investments in group enterprises		24,440,736	24,038,555
Financial assets	1	24,440,736	24,038,555
Fixed assets		24,440,736	24,038,555
Assets		24,440,736	24,038,555

Equity and liabilities

	Notes	2024 USD	2022/23 USD
Contributed capital		5,345,000	5,345,000
Revaluation reserve		3,060,736	0
Distributions		(550,385)	0
Retained earnings		(391,755)	1,329,768
Equity		7,463,596	6,674,768
Payables to group enterprises		16,035,000	16,035,000
Non-current liabilities other than provisions	2	16,035,000	16,035,000
Payables to group enterprises		923,909	1,319,820
Other payables		18,231	8,967
Current liabilities other than provisions		942,140	1,328,787
Liabilities other than provisions		16,977,140	17,363,787
Equity and liabilities		24,440,736	24,038,555
Employees	3		
Fair value information	4		
Contingent liabilities	5		

Statement of changes in equity for 2024

	Contributed capital USD	Revaluation reserve USD	Distributions USD	Retained earnings USD	Total USD
Equity beginning of year	5,345,000	0	0	1,329,768	6,674,768
Ordinary distributions	0	0	(550,385)	0	(550,385)
Revaluations for the year	0	402,181	0	0	402,181
Transfer to reserves	0	2,658,555	0	265,445	2,924,000
Profit/loss for the year	0	0	0	(1,986,968)	(1,986,968)
Equity end of year	5,345,000	3,060,736	(550,385)	(391,755)	7,463,596

The Limited Partners have committed themselves to contributing up to USD 5,345 thousand into the Fund, when new capital is required for making investments, paying fund costs etc. Of the total committed capital, the Limited Partners have paid-in net USD 5,345 thousand at 31.12.2024, and the remaining contribution balance is USD 0 thousand.

Notes

1 Financial assets

Investments are measured at fair value through revaluation reserves on the equity. Had the investments been measured at cost, the carrying amount would have been USD 21,380,000.

The Entity has investments in unlisted group enterprises. The Entity's investment has invested into another entity, which use common accepted guidelines for measuring the fair value. The measuring of the fair value of the investments are made by the management of entities.

The management of the Entity will assess and if considered necessary adjust the valuation of the underlying investment. At the assessment of the fair value of the investment reported by the management, information about the market conditions, company specific information as well as information received through dialogue with the managers of the investment are used.

The investments made are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described below:

Level 1 – Inputs based upon quoted priced for identical assets and liabilities in active markets.

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 – Unobservable input.

2 Non-current liabilities other than provisions

	Due after more than 12 months 2024 USD
Payables to group enterprises	16,035,000
	16,035,000

3 Employees

The Company has no employees.

Management has not recieved remuneration.

4 Fair value information

	Investments in group enterprises USD
Fair value end of year	24,440,736
Unrealised fair value adjustments recognised in the fair value reserve in equity	6,533,736

5 Contingent liabilities

There is an outstanding investment commitment of 16 mUSD.

The Entity holds no other outstanding guarantees or contingent liabilities as of 31 December 2024.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The annual report for the company is presented in its functional currency, USD. Applied USD v/ DKK exchange rate at balance sheet date is 7.14 (2023: 6.75).

Changes in accounting policies

The Entity has changed its accounting policies with regard to the recognition of investments in group enterprises. Management has decided to recognise investments in group enterprises at fair value in accordance with section 41(1) of the Danish Financial Statements Act. Hence, the cumulative effect of revaluation to fair value will be recognised directly in equity under revaluation reserves to ensure a more true and fair view.

The change in accounting policies has led to a decrease in income from investments in group enterprises of USD 3,326,181, and an increase in revaluation reserves of USD 3,326,181. Consequently, the total effect of the change in accounting policies is a decrease in this year's profit or loss of USD 3,326,181, while it has an effect of USD 0 on equity and balance sheet total at 31.12.2024.

Referring to section 51(2) of the Danish Financial Statements Act, the change in accounting policy does not lead to a change in comparative figures.

Apart from the areas mentioned above, the annual report has been presented applying the accounting policies consistently with last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Non-comparability

The financial year 2022/2023 comprises the period 21.09.2022 - 31.12.2023. As a result, the financial years 2024 and 2022/2023 are not directly comparable.

Recognition and measurement

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

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

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

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm

or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

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

Income statement

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including audit fee, legal cost, and GP cost.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year due to the Entity being tax liable towards tax authorities in USA.

Balance sheet

Investments in group enterprises

Investments in group enterprises under non-current assets comprise unlisted investments.

Investments are measured at fair value through revaluation reserves on the equity. When measuring the fair value, the valuation is based on the fair value of the assets and liabilities, which appears in the individual investments audited financial statement.

The fair value of the investment is calculated based on recognized valuation methods, including the IPEV valuation guidelines, which essentially correspond to the recognition and measurement provisions under IFRS 13. The estimated fair value on the investments under non-current assets thus corresponds to the Entity's share of the net asset value of the investment.

The Company receives audited financial statements from the underlying investment by an independent auditor which is the basis for valuation at the balance sheet date.

Since the valuation is dependent on assumptions about e.g., future earnings in underlying companies and the development in market multiples, the valuation is associated with a natural uncertainty. This uncertainty will naturally be greater in periods of fluctuations in the financial markets, where market multiples, and thus the valuation, will be affected by, among other things, developments in illiquidity premiums and the possibility of selling underlying companies in the funds. Outstanding investment commitments at the balance sheet date are disclosed as contingent liabilities in the notes. The Company only holds investments in unlisted equity.

Refer to note 1 for further.

Other financial liabilities

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