Tresu Investment Holding A/S

Venusvej 44

DK-6000 Kolding

Central Business Reg. No.: 37 55 37 27

Annual Report 2024

The Annual General Meeting adopted the Annual Report on 30.04.2025

Chairman of the General Meeting

Name: Jean-Marc Lechêne

Contents

Entity details

Entity

Tresu Investment Holding A/S
Venusvej 44
DK-6000 Kolding
Denmark

Central Business Registration No.: 37 55 37 27
Registered in: Kolding
Financial period: 01.01.2024 - 31.12.2024

Phone: +45 76323500
Web site: www.tresu.com

Board of Directors

Jean-Marc Lechêne, chairman
Ola Harald Erici
Søren Dan Johansen
Stephan Plenz

Executive Board

Stephan Plenz
Torben Børsting

Entity auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Central Business Registration No.: 33 77 12 31
Herredsvej 32
DK-7100 Vejle

Management's Statement

The Board of Directors and Executive Board have today considered and adopted the Annual Report of Tresu Investment Holding A/S for the financial year 1 January – 31 December 2024.

The Consolidated Financial Statements and the Parent Company Financial Statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act. Management's Review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Group and the Parent Company and of the results of the Group and Parent Company operations and cash flows for 2024.

In our opinion, Management's Review includes a true and fair review of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty which the Group and the Parent Company are facing.

In our opinion, the annual report of Tresu Investment Holding A/S for the financial year 1 January to 31 December 2024 with the file name tresu-2024-12-31-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Kolding, 30.04.2025

Executive Board

Stephan Plenz	Torben Børsting
CEO	*CFO*

Board of Directors

Jean-Marc Lechêne	Ola Harald Erici	Søren Dan Johansen
Chairman		

Stephan Plenz

Independent Auditor's Reports

To the shareholders of Tresu Investment Holding A/S

Report on the audit of the Financial Statements

Our opinion

I In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2024 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2024 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Our opinion is consistent with our Auditor's Long-form Report to the Audit Committee and the Board of Directors.

What we have audited

The Consolidated Financial Statements and Parent Company Financial Statements of Tresu Investment Holding A/S for the financial year 1 January to 31 December 2024 comprise statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information for the Group as well as for the Parent Company. Collectively referred to as the "Financial Statements".

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 Group 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. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

To the best of our knowledge and belief, prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 were not provided.

Appointment

We were first appointed auditors of Tresu Investment Holding A/S on 23 July 2020 for the financial year 2020. We have been reappointed annually by shareholder resolution for a total period of uninterrupted engagement of 5 years including the financial year 2024.

Material Uncertainty Related to Going Concern

We draw attention to note 1 in the Financial Statements, where Management's basis for presenting the financial statements on the basis of going concern are set forth. The conditions described in note 1 indicate that a material uncertainty exists that may cast significant doubt on the Group and the parent's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for 2024. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Valuation of intangible assets Brand with indefinite lifetime and other intangible assets might be impaired due to for example increased competition in markets, changes in global economy and changes in the strategy of the Group. Brand with indefinite life is tested annually for impairment. Other intangibles are assessed for impairment annually, and if indicators exist, an impairment test is performed. As a result of the impairment tests, an impairment loss DKK 45 million have been recorded in 2024. The impairment tests performed by Management contain significant assumptions for revenue growth, profit margins and discount rates. We focused on this area because the impairment test and the impairment assessment of these assets are complex and are dependent on subjective judgements by Management. We refer to notes 2 and 12 in the Consolidated Financial Statements.	In assessing the impairment test performed by Management, we obtained and evaluated Management's future cash flow forecasts, and the underlying process by which they were prepared including the mathematical accuracy of the cash flow model and agreeing future revenue growth and profit margin assumptions to the latest Board approved budgets and financial forecasts. Furthermore, we assessed whether the model applied by Management comply with the requirements of IFRS Accounting Standards. We used our valuation specialist to assist us in evaluating the appropriateness of key assumptions in Management's discount rates and the impairment model used. We challenged the reasonableness of Management's future forecasts of revenue growth, investment and profit margin included in the cash flow forecasts in light of the historical accuracy of such forecasts, the current operational results and expected market development. Finally, we assessed the adequacy of disclosures provided by Management in the Financial Statements.

Recognition and measurement of contract work in progress At 31 December 2024 the carrying value of contract work in progress of the group amounts to a net liability of DKK -17 million (31 December 2023 – DKK -43 million) corresponding to a sales value of contract work in progress of DKK 179 million (31 December 2023 – DKK 210 million). In accordance with IFRS 15, revenue from contract work is recognised over time based on the progress towards complete satisfaction of the individual performance obligations of the contract work (percentage -of-completion method). The progress (stage of completion) is determined and assessed by the proportion of the contract costs incurred at the balance sheet date compared to the total costs including the estimated cost to complete the contract. The preparation of reliable forecasts of the total expected contract costs involves significant accounting estimates. We focused on the recognition and measurement of contract work in progress as the application of the percentage-of-completion is complex and requires that Management make significant accounting estimates. We refer to note 16 in the Consolidated Financial Statements.	We performed risk assessment procedures with the purpose of achieving an understanding of it-systems, business procedures and relevant controls regarding the recognition and measurement of contract work in progress. In respect of controls, we assessed whether they were designed and implemented effectively to address the risk of material misstatement. We assessed the accounting policies applied and the Group's application and interpretation of relevant reporting standards. We obtained from Management an overview of the Group's contract work in progress at 31 December 2024 and contract work completed during the year. Based on project risk and materiality we selected a sample of contracts where we tested the underlying data for calculating sales value of the contract work in progress including change orders, original budget, project report including estimate of costs to complete and risk provision per contract. For the selected contracts, we assessed and challenged Management's assumptions for determining stage of completion including their assessment of risk provisions and estimated profit through interviews with CEO, CFO and project managers responsible for the individual projects.

Statement on Management's Review

Management is responsible for Management's Review.

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

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in 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 Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or the Parent 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 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 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 Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the 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 group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on compliance with the ESEF Regulation

As part of our audit of the Financial Statements we performed procedures to express an opinion on whether the annual report of Tresu Investment Holding A/S for the financial year 1 January to 31 December 2024 with the filename tresu-2024-12-31-en.zip is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the Consolidated Financial Statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for all financial information required to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL tagged data and the Consolidated Financial Statements presented in human-readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the Consolidated Financial Statements including notes;
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited Consolidated Financial Statements.

In our opinion, the annual report of Tresu Investment Holding A/S for the financial year 1 January to 31 December 2024 with the file name tresu-2024-12-31-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Vejle, 30 April 2025
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no 33 77 12 31

Lars Almskou Ohmeyer State Authorised Public Accountant mne24817	Heidi Bonde State Authorised Public Accountant mne42815

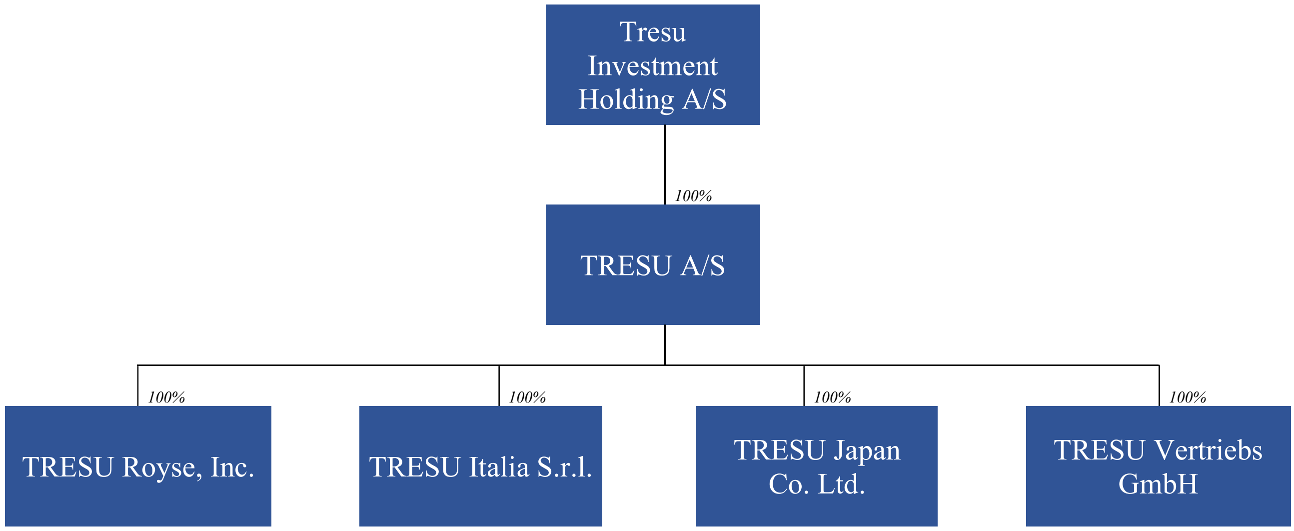
Management review

	2024 DKK'000	2023 DKK'000	2022 DKK'000	2021 DKK'000	2020 DKK'000
Key figures					
Revenue	339.979	388.781	359.035	340.917	302.089
Gross profit/loss	(25.398)	(108.676)	(68.607)	23.193	17.160
Operating profit/loss	(106.147)	(188.939)	(155.229)	(51.988)	(63.338)
Net financials	(58.263)	(50.470)	(33.288)	12.302	(29.540)
Profit/loss for the year	(146.924)	(215.231)	(165.305)	(31.485)	(74.673)
Total assets	331.537	470.898	643.218	761.981	815.534
Investments in property, plant and equipment	1.698	3.189	3.459	919	1.268
Equity	(490.742)	(344.765)	(147.930)	(11.947)	(50.713)
EBITDA	(3.196)	(7.047)	(17.518)	16.332	13.445
EBITDA excl. non-recurring items	804	(2.229)	(6.733)	20.281	31.593
Ratios					
Gross margin (%)	(7,5)	(28,0)	(19,1)	6,8	5,7
Net margin (%)	(43,2)	(55,4)	(46,0)	(9,2)	(24,7)
Return on assets	(32,0)	(40,1)	(24,1)	(6,8)	(7,8)

Ratios	**Calculation formula**	
Gross margin (%)	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$	The entity's operating gearing.
Net margin (%)	$\frac{\text{Profit/loss for the year x 100}}{\text{Revenue}}$	The entity's operating profitability.
Return on equity (%)	$\frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity x 100}}{\text{Total assets}}$	The financial strength of the entity.
Return of assets (%)	$\frac{\text{Profit before financials x 100}}{\text{Total assets}}$	Profit from invested capital

Management review

Group chart as per 31 December 2024



Management review

Primary activities

The Group develops, produces and sells custom made in-line flexo printing machines for the packaging manufacturing industry and ancillary products for the digital, flexo and offset printing industry worldwide.

Development in activities

In 2024 we focused on strategic initiatives to strengthen our portfolio, project execution and organization.

By standardization and market driven innovations we are improving our platform of our core business within custom made in-line flexo printing machines for the packaging industry and ancillary products for the digital, flexo and offset printing industry worldwide and we increased our aftersales offering to build an even stronger annuity business. We continue the development of our people and the future organization to support the growth.

In 2024 we experienced a temporary slowdown in market activities in our System business segment mainly driven by a slowdown in packaging and lower demands in corrugated. We expect to return to growth at the beginning of 2025.

In addition, we have seen postponed customers' investment decisions in the Machines & Units segment due to the uncertainties in the market. We expect decisions to be taken in the first half of 2025.

The Customer Care business had a growth of 10,5% in order intake in 2024 and was close to the plan level for the year.

Financial developments in the fiscal year 2024

The result of the Group was impacted by the slowdown in market activities in our System business segment and the postponed customer investment in our Machines & Units segment. Furthermore, additional resources and a price reduction have been needed for a project. The project is near completion, and we do not expect this project to affect 2025 by a significant amount. Even taking above into account, the financial results for 2024 are below expectations but according to guidance October 2024.

Due to the slowdown in order intake in the beginning of 2024 we have also made a reduction in staff during 2024 which will have full effect from beginning of 2025.

Consolidated revenue for the financial year 2024 is DKK 340,0m (2023: DKK 388,8m).

Operating profit (EBIT) for the year 2024 was DKK -106,1m (2023: DKK -188,9m).

Average number of headcounts in the Group in 2024 was 179 FTE (2023: 184).

Cash flow from operating activities in 2024 amounted to DKK -8,2m (2023: DKK -109,3m) and net investments in property, plant and equipment equaled DKK 1,7m (2023: DKK 3,2m).

At the end of 2024, total assets were DKK 331,5m (2023: 470,9m) and total equity amounted to DKK -490,7m (2023: DKK -344,8m).

Management review

Capital resources and Liquidity

The Group has in 2024 realized a loss of DKK 146,9m and equity of the Company amounts to DKK -490,7m on 31 December 2024.

On this basis, section 119 of the Companies Act regarding capital loss applies.

The budget for 2025 shows that there is sufficient liquidity available for continued operations, which is based, among other things, on the above, as well as an increase in revenue, improved project execution and adjustment in cost base in 2024. Predictions about the future are inherently uncertain especially given the current macro economics in 2025. It is Management's view that the liquidity budget will be met, including signing additional customer contracts, and the Financial Statements has therefore been prepared on a going concern basis. We refer additionally to note 1 – Going concern.

Overall, it is the assessment of the company's management and board of directors that the annual report for 2024 can be submitted under the going concern premise.

Further, it is noted that the equity is expected to be re-established with future earnings or with sales of TRESU A/S

The management will continue to assess the capital base and the need for re-establishing the equity.

Management review

Objective and outlook

Driven by our relentless focus on constantly improving print quality and simultaneously reducing our customers' total cost of print, we expect to expand our market position as we continue to penetrate the global market with our Flexo Innovator machines. We predict continued consolidation among our customers in the Liquid Packaging, Folding Carton and Lottery Tickets industry and expect machine demand to be driven by both replacements as well as new installations.

The ancillary product segment continues to follow the general market development and supports our development in the Aftermarket segment.

Against this outlook the Group expects revenue growth in the area of 0-10% and EBITDA margin in the area of 0-5% (adjusted for non-recurring items) as well as a positive cash flow from operating activities in 2025.

Internal control

Internal control systems are designed for reporting in accordance with IFRS Accounting Standards as adopted by the EU and additional disclosure requirements for annual reports of listed companies. The system contributes to TRESU's financial statements, providing fair presentations without material misstatements.

Comprehensive monthly accounting data is reported from all group subsidiaries. Such data is then analyzed and monitored at group, company and other operational levels.

Operating risks

To ensure a stable supply TRESU has entered into long-term agreements with relevant sub-suppliers for the delivery of essential components.

Credit risk

The credit risks of the Group are primarily related to trade receivables and customer specific projects included as part contract work in progress. The major part of the Group's products and projects are delivered to well-reputed, large international companies in the international packaging market.

Credit risk is monitored on an ongoing basis, and we perform an in-depth credit assessment of new customers and ongoing assessment of existing customers. In recent years, no significant debtor losses have been recorded.

Currency risks

The consolidated financial statements are influenced by changes in exchange rates, as the result, and equity of the subsidiaries are converted into Danish kroner at year-end based on the average and year-end rates.

The currency risk of the Group is primarily related to EUR and USD and mainly managed through matching of incoming and outgoing payment currencies, whereas active hedging e.g. instruments is only used to a limited extent in line with the established policy. In connection with considerations about the future financing structure of the Group, Management has examined various possibilities of covering risks connected with loan financing, cash flow in foreign currency and related interest costs.

Management review

Interest rate risks

Since the interest-bearing net liabilities have a variable interest, changes in the interest rate level may have a significant direct effect on the earnings. Hedging of interest rate risk is not carried out.

Intellectual capital resources

The competitive advantage of the Group is the development and production of leading technology printing machines and associated products, which entails particularly high demands on the intellectual capital resources both in the development and production divisions.

It is essential that the Group can recruit, develop and retain employees with a high level of education and the right set of skills to maintain our high level of technical competence and innovation.

The Group has implemented a quality management system which documents the individual methods and procedures to secure the critical business processes in relation to development, production and sales. The system is maintained and updated as part of the ISO 9001:2015 certification.

Research and development activities

Development activities comprise continuous development of our technology, product portfolio and development of new products with the ultimate objective of increasing our customers' uptime and reducing their cost of operations and/or climate footprint.

The Group's total costs for R&D make up to approx. 4% of the revenue. We have, as in previous years, invested significantly in future technology in line with the requirements to support the strategy and not at least meet the customers' demand

Corporate social responsibility (CSR)

Business model and approach to CSR

Being a global technology provider, TRESU are dedicated to offer a contribution to limiting the Group´s and our customer's environmental and climate footprint, fighting corruption as well as securing good conditions for its employees. For business model see page 12 Primary activities.

Corporate responsibility policy

The Group is dedicated to being a responsible employer and a good corporate citizen. Our Code of Conduct represents our core values and reflects our continued commitment to ethical business practice and regulatory compliance.

We take a serious view of any suspicion of breach of the Group's Code of Conduct, which all employees must comply with, and in case of non-compliance with the Code of Conduct, we will act immediately.

Requirements, guidelines and daily practice for social responsibility and working environment conditions are fully incorporated parts of the company's management system which consists of:

- Certified quality management system DNV/ISO 9001:2015
- Certified environmental management system DNV/ISO 14001:2015

The basic idea of the management system is involvement of the employees and a high degree of decentralization in decisions making. In this way we foster a high level of social capital, good working climate and job satisfaction among the employees.

Management review

Anti-corruption and bribery

The Group is dedicated to upholding a high degree of business ethics. The Group operates out of Denmark and adheres to laws and rules concerning corruption and bribery. The Group considers the area to have a limited risk. However, we dress our employees, so they know how to handle any situations, and all employees are aware that it is not permitted to receive gifts, money or services from any stakeholders with exceptance of Christmas gifts to a reasonable extent.

The Group´s expectations regarding anti-corruption and bribery are specified in our Employee handbook and Code of Conduct, which all the employees of the Group must comply with. The Group is not aware of any breaches regarding anti-corruption and bribery in 2024 and we do not expect any breaches in 2025 either.

Human rights

The Group endeavors to comply with applicable local and international legislation and to conduct its business with strong dedication to human rights including ethical and responsible practices.

We have not identified any material risks regarding human rights in our operations and we strive to manage the potential risks in relations to our employees and suppliers with our employee handbook and Code of Conduct.

We have in our code of Conduct adopted policies on group level related to ethics and with respect to compliance with applicable laws in each jurisdiction. These policies apply to each subsidiary in the Group. Accordingly, each subsidiary shall comply with applicable laws, rules and regulations, including those that may relate to protection of human rights in each jurisdiction where it operates.

The Group strives to continually improve our work environment. We aim to strengthen and implement a shared corporate culture to help us treat all colleagues equally. The Group supports and respects the protection of the UN’s Universal Declaration of Human Rights and the Core Conventions of the International Labor Organization (ILO) and makes sure that the Group is not complicit in abuse of human rights. Use of child labour is prohibited.

The focus in 2025 will be to conduct awareness campaigns internally and to secure, that our suppliers conduct its business in compliance with our corporate standards.

The Group´s expectations regarding human rights are specified in our Employee handbook and Code of Conduct, which all the employees of the Group must comply with. The Group is not aware of any breaches regarding human rights in 2024 and does not expect any in 2025 either.

Social & Labor conditions

The employees of the Group are essential to maintain our high level of technical competence and innovation. The Group prioritizes safety and health and wants to be regarded as a company with high standards in relation to the physical and psychological working environment. Preventive measures and high ethical standards are central themes in our Working Environment Policy.

This means that the Group complies with the rules of the authorities in force at any time, has a number of governance policies and continuously implements improvements to the working environment. The Group has an active safety organization and motivates the employees to be aware of the working environment and to understand the importance of the efforts of each individual person. Further, for 2024 the group has required that suppliers are aware of the working environment and continue to make the suppliers aware of our expectations to them to comply with our Code of Conduct.

Management review

Social & Labor conditions

The Safety organization is active in supporting the physical and psychological working environment, and reaches out to management and HR, when action and focus is needed both on an individual level as well as related to departments or group of employees.

The Group strives towards achieving broader gender representation by recruitment, taking into account the industry in which the Group operates where basis for candidates is predominantly male. Both male and female employees are encouraged to develop their competences and careers. In all cases the best qualified person will be employed for the job.

In addition, we plan to conduct a job satisfaction survey during 2025.

Environment and climate

The Group strives to minimize the environmental and climate footprint. The primary risk is related to the environmental impact, e.g. electricity consumption and raw material consumption in relation to production of printing machines and ancillary products.

The environmental policy of the Group is to act as an environmentally aware company at the forefront of the expectations of customers and surroundings and at all time to be in compliance with the requirements of the authorities.

This means that the Group:

- complies with the requirements of DNV/EN ISO 14001:2015
- continuously implements and documents improvement to the environment
- continuously reduces the environmental footprint
- motivates the employees to be environmentally aware
- documents the environmental footprint of the products in an objective way
- involves the employees actively to carry out improvements to the environment
- requires that suppliers are environmentally aware
- can explain purchased equipment’s impact on the environment
- informs the public of the result of the environmental initiatives

The environmental policy is based on responsible environmental operations and is an integrated part of the Group’s targets in terms of both manufacturing our equipment and customers using our equipment in their production.

As such, we have adopted and committed to the Science Based Target initiative (SBTi) moving from compliance- to real commitment to climate change and greenhouse gas (GHG) emissions.

Management review

Results achieved and expectations for future CSR activities

The Group's aim for 2024 was to carry through improvements of our products so that our customer's contribution to the global CO2 emission would be reduced by at least 7.500 tons per year. The Group's external CO2 reduction impact focuses on the current installed base for two main machines i.e., VT FLEX ES machines and the portfolio of Flexo Innovator machines delivered to TRESU customers. The result in 2024 was a total annual CO2 reduction of 7.450 tons on the external energy consumption associated with the specific TRESU products using the heat recovery systems in the drying design.

2024 was a year of addressing immediate GHG reducing levers, while laying grounds for future footprint-reducing program following the SBTi- framework.

Planning for future commitment to significantly reduce total CO2 footprint, we managed to map the TRESU footprint across entire value chain, from up- to down-stream activities. Coming from our 2023 baseline, we have officially committed to reduce scope 1, 2 & 3 emissions by:

- Short-term (2033)
    - Scope 1 & 2: 54,6%
    - Scope 3: 32,5%
- Long-tern (2050)
    - Scope 1 & 3: 90,0%

While concluding activity roadmap during 2025, it is clear that TRESUs journey towards net-zero is one of focusing on scope 3 – specifically purchased goods and use of sold products.

The goal of the Group for 2024 was an absenteeism of maximum 2,8%. In 2024 we have realized a small increase in absenteeism amounting to 3,8% versus 3,6% in 2023.

In 2025 the Group will have a continued focus on preventive measures and information. The goal of the Group is an absenteeism of maximum 2,8% covering both short term and long-term absenteeism.

Management review

Statement of data ethics Policy

We have in 2024 not established a policy for data ethics. Over time it will become relevant for TRESU Group, but until now we do not process data or uses algorithms for data analysis, and it is not an integrated part of the TRESU Group's business strategy and business activity. We will continue to follow the best practice within data ethics, and we can confirm that we despite no formal established data ethics policy still among others use awareness campaigns, secure compliance with code of conduct and communicate the importance of protecting fundamental rights for alle stakeholders.

We commit to comply with all applicable data and privacy laws and regulations. We expect employees to prevent and mitigate all data and privacy risks and to inform, through our management system or grievance mechanisms, any breach of this expectation or doubts that our expectations are being met.

TRESU Investment Holding A/S wants to be a good corporate citizen. We support high-quality standards for data protection and integrity.

Corporate governance

The Board of Directors and Executive Board of TRESU Group constantly seek to ensure that the management structure and control systems of the group are appropriate.

On an ongoing basis, Management assesses whether this remains the case. The tasks and responsibilities of Management are, among others, based on the Danish Companies Act, the Danish Financial Statements Act, the Company's Articles of Association and generally accepted practice for enterprises of the same size and with the same international reach as TRESU Group. In this connection and because the Group's principal shareholder is Altor Fund IV, who is a member of Danish Venture Capital and Private Equity Association (www.dvca.dk), the TRESU Group in all material respects and also complies with the guidelines for responsible ownership and corporate governance of DVCA.

Shareholder relations

On an ongoing basis, the Board of Directors assesses whether the Company's capital structure is in accordance with the Company's and its stakeholders' interests. The overall objective is to ensure a capital structure that supports long-term, profitable growth.

The Company's Articles of Association stipulate no limits of ownership or voting rights.

The Tresu Investment Holding A/S's indirect principal shareholder is Altor Fund IV, who indirectly possesses 99,9% of the Company's shares. Former key employees and board members hold a minority of 0,1% of the Company's shares. By the end of 2024 TRESU Investment Holding A/S owns none of its own shares.

Management review

Board of Directors

Jean-Marc Lechene

Elected by Altor Fund IV in 2020. Chairman in Norican Global A/S and Caillau group, Independent Director with Hydro Quebec and McPhy, and Head of the Advisory board of Baettr.

Previously worked as COO for Vestas (2012-2019) and holds an MBA from Instead and Ingenieur Civil, Ecole Nationale supérieure des Mines de Paris.

Ola Harald Erici

Elected by Altor Fund IV. Member of the Board of Directors since 2017. Chairman of the Board of Finqr AB, The Akkermansia Company SA and Alogis AB. Member of the Board of TRESU A/S and Dermalab Lund AB.

Søren Dan Johansen

Elected by Altor Fund IV. Joined Altor in 2011 and Member of the Boards of C Worldwide Holding A/S, Hamlet Protein A/S, Multi-Wing A/S, Norican Global A/S, Wrist Ship Supply A/S and TRESU A/S.

Previously worked at Kromann Reumert (1989-2011) and holds a MSc in Law from Copenhagen University.

Stephan Plenz

Elected by Altor Fund IV in 2021. Also, a member of the Board of Directors for Sennheiser, Landa Digital Print, nominated by Altana as observer since 2022 and independent consultant.

Over 30 years' experience in the high-tech industry including more than 20 years in leading management positions and from 2008 to 2020 Member of the Management Board (CTO) of Heidelberger Druckmaschinen AG. He is holding a degree of Mechanical Engineering.

Responsibilities of the Board of Directors

The Board of Directors have monitored the preparation of the financial reporting, the internal controls and the audit of the financial statements.

The Board of Directors ensures that the Executive Board complies with the objectives, strategies and procedures laid down by the Board of Directors. The reporting from the Executive Boards of the respective companies takes place systematically, both at meetings and through written and verbal reporting on ongoing basis.

Among other things, this reporting includes a description of the development in key markets, as well as the Group's operational and financial development. The Board of Directors holds meetings according to a fixed plan, with at least five meetings a year and extraordinary meetings, if required.

Events after the balance sheet date

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

Parent company's primary activities

Tresu Investment Holding A/S activities comprise the ownership of 100% of the shares in TRESU A/S and fully owned subsidiaries.

Consolidated statement of comprehensive income

	Notes	1/1 - 31/12 2024 DKK'000	1/1 - 31/12 2023 DKK'000
Revenue	3	339.979	388.781
Production costs	4	(365.377)	(497.457)
Gross profit/loss		**(25.398)**	**(108.676)**
Distribution costs		(41.461)	(42.435)
Administrative costs	5	(40.282)	(37.763)
Other operating income		994	(65)
Operating profit/loss (EBIT)	6,7	**(106.147)**	**(188.939)**
Financial income	8	157	3.719
Financial expenses	9	(58.420)	(54.189)
Profit/loss before tax		**(164.410)**	**(239.409)**
Tax on profit/loss for the year	10	17.486	24.178
Loss for the year		**(146.924)**	**(215.231)**
Items that may be recycled subsequently to the income statement:			
Exchange rate adjustments, foreign companies		947	(924)
Tax on other comprehensive income		0	0
Other comprehensive income, net of tax		947	(924)
Total comprehensive income/(loss)		**(145.977)**	**(216.155)**

Consolidated balance sheet

	Notes	31.12.2024 DKK'000	31.12.2023 DKK'000
Goodwill	11	0	0
Completed development projects		24.561	21.336
Patents and licenses		61.450	102.607
Brand		22.900	37.900
Customer relationship		8.878	27.414
Intangible assets	7,12	**117.789**	**189.257**
Plant and machinery		15.098	22.075
Other fixtures and fittings, tools and equipment		2.228	5.372
Leasehold improvements		1.807	2.192
Lease assets		74.005	79.324
Property, plant and equipment	7,13	**93.138**	**108.963**
Deposits		10.248	10.191
Other non-current assets		**10.248**	**10.191**
Non-current assets		**221.175**	**308.411**
Inventories	14	**52.560**	**79.839**
Trade receivables	15	36.935	47.786
Contract work in progress	16	6.084	6.387
Receivable parent companies		0	482
Tax receivables		2.320	17.752
Other receivables		4.369	3.469
Prepayments		2.522	2.797
Receivables		**52.230**	**78.673**
Cash		**5.572**	**3.975**
Current assets		**110.362**	**162.487**
Assets		**331.537**	**470.898**

Consolidated balance sheet

	Notes	31.12.2024 DKK'000	31.12.2023 DKK'000
Contributed capital	17	2.925	2.925
Other reserves		3.337	2.390
Retained earnings		(497.004)	(350.080)
Equity		**(490.742)**	**(344.765)**
Provisions for deferred tax	18	17.568	37.687
Corporate bonds	19	485.765	444.750
Lease liability		66.964	72.332
Payable parent companies		71.340	64.974
Other payables		8.926	8.781
Non-current liabilities		**650.563**	**628.524**
Current portion of long-term lease liabilities		11.112	10.593
Bank debt	20	65.923	40.926
Payable parent companies		248	248
Contract work, liabilities	16	22.296	47.453
Other provisions	21	3.860	4.805
Prepayment customers		16.475	9.876
Trade payables		27.045	43.776
Income tax payable		368	1.431
Other payables	22	24.389	28.031
Current liabilities		**171.716**	**187.139**
Total liabilities		**822.279**	**815.663**
Equity and liabilities		**331.537**	**470.898**

Consolidated statement of changes in equity

	Contri-buted capital DKK'000	Other Reserves DKK'000	Retained earnings DKK'000	Total DKK'000
Equity at 1 January 2024	2.925	2.390	(350.080)	(344.765)
Loss for the period	0	0	(146.924)	(146.924)
Other comprehensive income	0	947	0	947
Comprehensive income	**0**	**947**	**(146.924)**	**(145.977)**
Equity at 31 December 2024	**2.925**	**3.337**	**(497.004)**	**(490.742)**
Equity at 1 January 2023	2.923	3.314	(154.167)	(147.930)
Loss for the period	0	0	(215.231)	(215.231)
Other comprehensive income	0	(924)	(1)	(925)
Comprehensive income	**0**	**(924)**	**(215.232)**	**(216.156)**
Capital increase	2	0	19.319	19.321
Equity at 31 December 2023	**2.925**	**2.390**	**(350.080)**	**(344.765)**

Other reserves consist of exchange differences on translating foreign companies.

Consolidated cash flow statement

	Notes	1/1 - 31/12 2024 DKK'000	1/1 - 31/12 2023 DKK'000
Operating profit/loss		(106.147)	(188.939)
Amortization, depreciation and impairment		102.951	181.892
Other provisions and payables		(9.012)	(14.840)
Working capital changes	25	(1.123)	(33.484)
Cash flows from ordinary operating activities		**(13.331)**	**(55.371)**
Financial income received		5	298
Financial expenses paid		(6.916)	(41.043)
Income taxes refunded/(paid)		12.010	(13.142)
Cash flow from operating activities		**(8.232)**	**(109.258)**
Acquisition etc. of intangible assets		(10.498)	(3.204)
Acquisition etc. of property, plant and equipment		(1.698)	(3.189)
Proceeds from disposal of financial fixed assets		(54)	(82)
Disposal ect. of property, plant and equipment		0	69
Cash flow from investing activities		**(12.250)**	**(6.406)**
Change in the bank overdraft facility		24.997	21.236
Capital increase		0	19.321
Process from (repayments of) related party borrowings		6.848	64.974
Leasing		(9.766)	(9.577)
Cash flows from financing activities		**22.079**	**95.954**
Increase/decrease in cash and cash equivalents		**1.597**	**(19.710)**
Cash and cash equivalents at 1 January		3.975	23.685
Cash and cash equivalents end of year	26	**5.572**	**3.975**
Cash and cash equivalents at year end are composed of:			
Cash		5.572	3.975
Cash and cash equivalents end of year		**5.572**	**3.975**

Notes to consolidated financial statements

Overview notes

Notes to consolidated financial statements

0. Accounting policies and material accounting policy information

The Annual Report of Tresu Investment Holding A/S, a Danish company, and its subsidiary companies has been prepared in accordance with IFRS Accounting Standards, as adopted by the EU, and additional Danish requirements applicable to reporting class D, including the statutory order on adoption of IFRS issued pursuant to the Danish Financial Statements Act.

The consolidated financial statements are presented for the period 1 January 2024 to 31 December 2024, including its consolidated subsidiaries.

The consolidated financial statements are presented in Danish kroner, which is the Parent Company's functional currency.

The material accounting policy information adopted can be found in note 33.

Few comparative figures have been reclassified in order to present the figures correctly. This includes 'adjustments prior years' for intangible and tangible assets in note 12 and 13. It has no effect on the equity or the fair view of the Annual Report.

Implementation of new standards, amendments, and interpretations

The Company has implemented the following amendments or new standards (IFRS) for financial year 2024:

The amendments came into effective for financial years beginning on or after 1 January 2024:

- *IAS 1, Presentation of Financial Statements:* Clarify that the definition of current liabilities must be based on the rights existing on the balance sheet date. The requirement for an unconditional right to postpone payment for 12 months from the balance sheet date is therefore changed to a right to defer payment for 12 months from the balance sheet date.

- *IAS 7 Cash Flow Statement and IFRS 7 Financial Instruments:* Disclosures: The amendment introduces disclosure requirements for supplier finance arrangements (reverse factoring), regarding terms and conditions in the arrangements, including payment terms for both the liabilities comprised by the agreements and similar for those not covered by the arrangements. Significant variances must be explained. The amendment also requires disclosure of recognised values at both the beginning and the end of the year for the liabilities comprised by the arrangements.

- *IFRS 16, Leasing:* The amendment to IFRS 16 clarifies that the leased share in a sale and leaseback transaction should be measured in such a way that no gain or loss arises from recognition of the lease asset. Furthermore, it is clarified that the lease liability should be measured to reflect the present value of the expected future lease payments.

Tresu Investment Holding A/S has assessed the effect of the new standards, amendments, and interpretations. Tresu Investment Holding A/S has concluded that all standards, amendments, and interpretations effective for financial years beginning on or after 1 January 2024 are either not relevant to the Tresu Investment Holding A/S or have no significant effect on the Financial Statements of the Tresu Investment Holding A/S.

Notes to consolidated financial statements

New standards, interpretations and amendments adopted by the Group

The following new standards, amendments, and interpretations of relevance to the Tresu Investment Holding A/S have been adopted by the IASB and adopted by the EU. The standards are not yet effective and will therefore not be implemented in the Annual Reports until they take effect.

- *IAS 21, Foreign exchange rates:* The amendment clarifies the procedures relating to the assessment of whether a currency is exchangeable into another currency, and when it is not, how to determine the exchange rate to use and which disclosures to provide.

  The amendment will be effective for financial years beginning on or after 1 January 2025.

The IASB has issued the following new standards, amendments and new interpretations which could be relevant to Tresu Investment Holding A/S, but which have not yet been adopted by the EU:

- *IAS 21, Foreign exchange rates:* The amendment clarifies the procedures relating to the assessment of whether a currency is exchangeable into another currency, and when it is not, how to determine the exchange rate to use and which disclosures to provide.

  The amendment will be effective for financial years beginning on or after 1 January 2025.

- *IFRS 7 and 9, Classification and measurement of financial instruments:* The amendment clarifies the requirements for the timing of derecognition of some financial asset and financial liability. The amendment clarifies it is the date of settlement which determines the derecognition of a financial asset or a financial liability, although financial liabilities settled by electronic transfer under certain circumstance may be derecognized earlier. Furthermore, the amendment contains an assessment of how to determine whether a payment for financial assets satisfies the SPPI test, when the instrument is linked to the achievement of sustainability targets.

  A The amendment will be effective for financial years beginning on or after 1 January 2026.

- *IFRS 18, Presentation and Disclosure in Financial Statements:* This new standard replaces IAS 1 and it implements set of new requirements for presentation and disclosures in the financial statements. The new standard requires the income statement to be structured into five categories, while also introducing two new subtotals. Furthermore, the new term “Management Performance Measures (MPM)” is introduced, which must be disclosed in the notes of the financial statements. The new requirements for presentation and disclosure is applicable for all financial statements, including consolidated financial statements, separate financial statements and interim financial statements.

  The amendment will be effective for financial years beginning on or after 1 January 2027.

Tresu Investment Holding A/S expects to implement these new standards, amendments, and interpretations when they take effect. The Group has assessed the effect of the new standards, amendments, and interpretations and apart from IFRS 18, we have concluded that all standards, amendments and interpretations are either not relevant to the Group or have no significant effect on the Financial Statements of the Group. Management is currently assessing the detailed implications of applying IFRS 18 on the group’s consolidated financial statements.

Notes to consolidated financial statements

1. Going concern

The Group has in 2024 realized a loss of DKK 146.9m and equity of the Group amounts to DKK -490.7m on 31 December 2024.

The Group is financed by a bond-loan of DKK 485.8m on 31 December 2024 and an overdraft facility of DKK 112.0m, which expires January 2027 and November 2026 respectively. The bond-loan includes a roll-up of interest only being paid if the Group has a certain positive liquidity.

The budget for 2025 shows that there is sufficient liquidity available for continued operations, which is based, among other things, on the above, as well as a revenue growth in the area 0-10% derived from the current order book and additional customer contracts.

Tresu is a project company, where changes compared to what is expected can happen quickly, and the liquidity budget is subject to uncertainty, as it includes expected cash flow from recurring customers and additional customer contracts not placed yet. In recent years, the group has not met the budgeted expectations, which, combined with the fact that the Group and Company is generally in a liquidity-pressured situation, indicates that material uncertainty exists that may cast significant doubt on the Group's and Company's ability to continue as a going concern. However, it is Management's view that the liquidity budget will be met, including additional customer contracts being placed, and the Financial Statements has therefore been prepared on a going concern basis.

2. Use of estimates and judgement

Management of the Company has made a number of estimates and assumptions related to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities in the preparation of these consolidated financial statements in conformity with IFRS. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to consolidated financial statements

2. Use of estimates and judgement

Intantible assets - impairment

During annual testing of intangible assets for impairment, or when an indication of impairment exists, an assessment is made as to how those activities of the Group (cash-generating units) supports the value of the intangible assets. Due to the nature of the business, estimates are made of cash flows for many years ahead, which inherently results in some uncertainty.

Please see specification in note 12.

Contract work in progress

The method for estimating work in progress is based on total cost for calculation of percentage of completion (POC). Contract work in progress is continuously assessed to see if the net realizable value is higher than cost incurred.

The stage of completion on Contract work in progress is based on an estimate of cost to finish the asset. These estimates might change as assets evolve, cf. note 33 accounting policies on revenue.

It may be necessary to change previous estimates due to changes in those circumstances on which the estimates are based, or due to new information or subsequent events.

Lease of property

The Company's property leases allow for extension at the discretion of the Company. The determination of the lease term is significant to the calculation of lease liabilities and right-of-use assets, and consequently, due to discounting, to depreciation and interest costs of the year. Management has assessed the probable lease term for individual leases in relation to the Company's strategic goals and current plans. If these goals and plans are changed, the lease liabilities and right-of-use assets are revised. The matter is described in further detail in note 33.

Notes to consolidated financial statements

3. Revenue and segmentation of operations

Management has analysed segmentation of the operations through the strategic management, decision and reporting structure used by Management. The analysis resulted in that two segment was identified.

2024	**Machines & Units DKK'000**	**Ancillary DKK'000**	**Group DKK'000**
Revenue	206.120	133.859	339.979
Production costs	(189.082)	(90.554)	(279.636)
Distribution costs	(21.361)	(17.658)	(39.019)
Administrative costs	(18.043)	(14.915)	(32.958)
Other operating income	544	450	994
Allocated EBITDA	**(21.822)**	**11.182**	**(10.640)**
non-allocated costs			7.444
EBITDA			**(3.196)**
Amortization, depreciation and impairment			(102.951)
EBIT			**(106.147)**
Finacial net			(58.263)
Profit/loss before tax			**(164.410)**

2023	**Machines & Units DKK'000**	**Ancillary DKK'000**	**Group DKK'000**
Revenue	258.105	130.676	388.781
Production costs	(246.596)	(85.064)	(331.660)
Distribution costs	(23.619)	(16.408)	(40.027)
Administrative costs	(18.021)	(12.520)	(30.541)
Other operating income	(38)	(27)	(65)
Allocated EBITDA	**(30.169)**	**16.657**	**(13.512)**
non-allocated costs			6.465
EBITDA			**(7.047)**
Amortization, depreciation and impairment			(181.892)
EBIT			**(188.939)**
Finacial net			(50.470)
Profit/loss before tax			**(239.409)**

Notes to consolidated financial statements

3. Revenue and segmentation of operations

Revenue from sale of products and services split by type:

	2024 DKK'000	2023 DKK'000
Machines & Units	206.120	258.105
Ancillary	133.859	130.676
Revenue	**339.979**	**388.781**

Revenue split by geography:

	2024 DKK'000	2023 DKK'000
Denmark	2.734	2.592
Germany	46.033	49.653
Rest of Europe	70.225	81.095
USA	148.730	169.901
Rest of North and South America	19.725	23.571
Asia	31.399	44.953
Middle East, Africa and others	21.133	17.016
Revenue	**339.979**	**388.781**

Timing of revenue recognition:

	2024 DKK'000	2023 DKK'000
Products and services transferred at a point in time	254.568	248.672
Products transferred over time	85.411	140.109
Revenue	**339.979**	**388.781**

The non-current assets for the total value of DKK 221,2m are per geographical area allocated in Denmark by DKK 214,5m, Germany DKK 0,2m, Rest of Europe DKK 0,5m, USA DKK 5,5m and Asia DKK 0,3m.

The split by geography refers to the customers' place of residence.

Notes to consolidated financial statements

4. Production costs

	2024 DKK'000	2023 DKK'000
Materials consumption	168.779	225.473
Write-down of inventories	6.462	2.364
Other production costs	889	2.188
Staff costs	73.004	68.890
Depreciation, amortization and impairment	93.185	172.262
Research and development	5.439	5.252
Indirect production costs	17.619	21.028
Production costs	**365.377**	**497.457**

5. Fees to auditors appointed at the Annual General Meeting

	2024 DKK'000	2023 DKK'000
PricewaterhouseCoopers		
Statutory audit	1.215	932
Other services	0	142
Total fees to auditors appointed at the Annual General Meeting	**1.215**	**1.074**

Other services in 2023 relates to extra work in relation to the capital situation.

Notes to consolidated financial statements

6. Staff costs

	2024 DKK'000	2023 DKK'000
Board fees	1.260	1.151
Wages and salaries	108.789	108.788
Pensions	8.961	8.569
Other social security costs	2.530	2.361
Total staff costs	**121.540**	**120.869**
Staff costs are distributed as follows:		
Production	73.004	69.848
Sales and distribution	27.079	33.127
Administration	21.457	17.894
Total staff costs	**121.540**	**120.869**
Average number of employees	**179**	**184**

Remuneration of management

	Board of Directors		Executive board		Other key management personnel	
	2024 DKK'000	2023 DKK'000	2024 DKK'000	2023 DKK'000	2024 DKK'000	2023 DKK'000
Board fee	1.260	1.151	0	0	0	0
Salary and wages	0	0	9.078	6.977	6.445	6.725
Pension	0	0	170	356	628	571
	1.260	**1.151**	**9.248**	**7.333**	**7.073**	**7.296**

Remuneration of the executive directors and key management personnel is based on a fixed salary, bonus and non-monetary benefits such as company car, telephone etc. Executive directors and other key management personnel are covered by the same pension agreement as other employees. The usual notification period applies in the event of resignation of management. The total amount for key management amounts to 17.581 DKK'000 in 2024 (2023: 15.780 DKK'000).

Notes to consolidated financial statements

7. Amortization, depreciation and impairment

	2024 DKK'000	2023 DKK'000
Amortization, intangible assets	40.027	39.972
Impairment losses, intangible assets	45.000	125.000
Depreciation, property, plant and equipment	8.158	7.343
Amortization, lease assets	9.766	9.577
Total amortization, depreciation and impairment	**102.951**	**181.892**

Amortization, depreciation and impairment are distributed as follows:

Production	93.185	172.262
Other operating expenses	9.766	9.630
Total amortization, depreciation and impairment	**102.951**	**181.892**

Notes to consolidated financial statements

8. Financial income

	2024 DKK'000	2023 DKK'000
Gain on foreign exchange	131	166
Other financial income	26	3.553
Total financial income	**157**	**3.719**

Other financial income in 2023 is effected by a modification gain linked to renewed bonds agreement. Further information in consolidation note 19.

9. Financial expenses

	2024 DKK'000	2023 DKK'000
Interest expenses	43.735	42.331
Bond price adjustment	1.767	1.924
Financial expenses from group enterprises	6.366	566
Loss on foreign exchange	919	2.806
Other financial expenses	3.485	4.363
Interest expenses regarding leasing liabilities	2.148	2.199
Total financial expenses	**58.420**	**54.189**

Further information in consolidation note 19.

Notes to consolidated financial statements

10. Income tax

	2024 DKK'000	2023 DKK'000
Current tax for the year	(1.058)	(10.446)
Deferred tax for the year	(20.119)	(12.862)
Adjustments tax from deferred tax previous years	0	(793)
Adjustments recognized for current tax from prior periods	3.691	(77)
Corporation tax for the year	**(17.486)**	**(24.178)**

Income tax expense attributable to income before income taxes differed from the amounts computed by applying the Danish income tax rate of 22%. For foreign entities the actual tax rate in the country concerned is used.

Tax on profit the year breaks down as follows:		
Calculated tax on profit for the year before tax	22,0%	22,0%
Tax effect of:		
Adjustment prior year	(2,2%)	0,0%
Non-deductible expenses/non-taxable income	(9,2%)	(12,0%)
Effective tax rate (%)	**10,6%**	**10,0%**

11. Goodwill

	2024 DKK'000	2023 DKK'000
Cost at the beginning of the year	249.000	249.000
Cost at the end of the year	**249.000**	**249.000**
Impairment losses at the beginning of the year	(249.000)	(150.000)
Impairment losses for the year	0	(99.000)
Impairment losses at the end of the year	**(249.000)**	**(249.000)**
Carrying amount at the end of the year	**0**	**0**

Goodwill has been fully written down in prior years.

Notes to consolidated financial statements

12. Other intangible assets

DKK'000 2024	Completed development projects	Patents and licenses	Brand	Customer relation-ships	Total
Cost at beginning of the year	52.299	220.688	37.900	212.700	523.587
Adjustment prior year	4.718	15.787	0	(445)	20.060
Additions during the year	8.659	1.839	0	0	10.498
Disposals during the year	0	0	0	445	445
Cost at the end of the year	**65.676**	**238.314**	**37.900**	**212.700**	**554.590**
Amortization and impairment at the beginning of the year	(30.963)	(118.081)	0	(185.286)	(334.330)
Adjustment prior year	(4.718)	(12.726)	0	445	(16.999)
Impairment for the year	0	(30.000)	(15.000)	0	(45.000)
Amortization for the year	(5.434)	(16.057)	0	(18.536)	(40.027)
Reversal regarding disposals	0	0	0	(445)	(445)
Amortization and impairment losses at the end of the year	**(41.115)**	**(176.864)**	**(15.000)**	**(203.822)**	**(436.801)**
Carrying amount at the end of the year	**24.561**	**61.450**	**22.900**	**8.878**	**117.789**

Notes to consolidated financial statements

12. Other intangible assets

DKK'000 2023	Completed development projects	Patents and licenses	Brand	Customer relation-ships	Total
Cost at beginning of the year	50.817	220.688	37.900	212.700	522.105
Additions during the year	3.204	0	0	0	3.204
Disposals during the year	(1.722)	0	0	0	(1.722)
Cost at the end of the year	**52.299**	**220.688**	**37.900**	**212.700**	**523.587**
Amortization and impairment at the beginning of the year	(26.604)	(89.667)	0	(153.750)	(270.021)
Impairment for the year	0	(13.000)	0	(13.000)	(26.000)
Amortization for the year	(6.022)	(15.414)	0	(18.536)	(39.972)
Reversal regarding disposals	1.663	0	0	0	1.663
Amortization and impairment losses at the end of the year	**(30.963)**	**(118.081)**	**0**	**(185.286)**	**(334.330)**
Carrying amount at the end of the year	**21.336**	**102.607**	**37.900**	**27.414**	**189.257**

Apart from brand, all other intangible assets are regarded has having determinable useful lives over which the assets are amortized; see accounting practices in note 33. Estimated useful life of Patents are on average 14 years. Estimated useful life of Customers Relations are between 4-10 years. Estimated useful life of Completed development projects are between 3-12 years.

Management has tested the carrying amount of the above-mentioned intangibles using the assumptions as listed below and by using the same principles as used in the original purchase price allocation, where to intangible assets were identified and valued.

In the impairment test the discounted value of future net cash flows are compared with the carrying amount of the cash generating units.

The key assumptions underlying the calculation of value in use are the determination of revenue, gross margin, CAPEX, discount rate and terminal value growth rate.

Key assumptions from the impairment testing are as follows:

- Revenue growth for 2025 of 3% and 2% for the terminal period (2023: revenue growth for 2024-2026 of 8,5% and 2% for the terminal period).
- Gross margin of 30% (2023: improvement in gross margin from 22% in 2023 to 29% in 2028). It should be noted the gross margin in 2023 and 2024 has been negatively impacted by overruns on a larger project. Adjusted for overrun on the larger project the realized gross margin in 2024 was 29%.
- CAPEX at the same level as current depreciations.(2023: the same assumption).
- The discount rate is determined based on the Group's borrowing rate plus a risk premium that reflects the risk involved in investing in shares and the risk involved in the activity performed. A base after-tax discount rate of 11,3% (12,3% in 2023) is used (equivalent to a before-tax discount rate of 14,5% (15,7% in 2023) and is supported by equivalent external benchmarks.

Notes to consolidated financial statements

Management has assessed impair losses to patents (DKK 30,0m) and brand (DKK 15,0m) based on the fact that expected future revenues will be lower than assessed in prior years and that current sales on some larger capital sales projects have been below expectations.

Patents and brand are supporting both segments and the underlying impairment testing and impairment loss is not allocated to a specific segment but the Company as a whole.

The Company's development expenses relate to capitalization of costs in respect of continuous development of product range and new ancillary products with the ultimate objective of increasing our customers' uptime and reducing their cost of operations and/or climate footprint. In addition, it is the intention with these projects to manufacture, market or use the projects for future commercial purposes.

The Group regularly reviews the carrying amounts of its definite-lived intangible assets to determine whether there is an indication of an impairment loss.

Development projects are tested for impairment annually if there is an indication that the asset should be impaired.

The cost of development projects comprises costs such as salaries and amortization that are directly and indirectly attributable to the development projects.

Notes to consolidated financial statements

13. Property, plant and equipment

DKK'000 2024	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improve-ments	Total
Cost at beginning of the year	56.653	6.859	5.122	68.634
Adjustment prior year	(4.900)	33	(343)	(5.210)
Exchange rate adjustments	11	127	0	138
Additions during the year	186	404	78	668
Disposals during the year	(4.080)	0	0	(4.080)
Transfer of assets	(119)	121	0	2
Cost at the end of the year	**47.751**	**7.544**	**4.857**	**60.152**
Amortization at the beginning of the year	(34.578)	(1.487)	(2.930)	(38.995)
Adjustment prior year	4.901	(3.094)	344	2.151
Exchange rate adjustments	(5)	(92)	0	(97)
Amortization for the year	(7.122)	(572)	(464)	(8.158)
Amortization reversed the year	4.080	0	0	4.080
Transfer of assets	71	(71)	0	0
Amortization and impairment losses at the end of the year	**(32.653)**	**(5.316)**	**(3.050)**	**(41.019)**
Carrying amount at the end of the year	**15.098**	**2.228**	**1.807**	**19.133**

Notes to consolidated financial statements

13. Property, plant and equipment

DKK'000 2023	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improve-ments	Total
Cost at beginning of the year	58.466	9.567	5.122	73.155
Exchange rate adjustments	(7)	(68)	0	(75)
Additions during the year	1.451	1.738	0	3.189
Disposals during the year	(3.257)	(4.378)	0	(7.635)
Cost at the end of the year	**56.653**	**6.859**	**5.122**	**68.634**
Depreciation at the beginning of the year	(32.266)	(4.670)	(2.331)	(39.267)
Adjustment prior year	2	47	0	49
Depreciation for the year	(5.548)	(1.196)	(599)	(7.343)
Depreciation reversed the year	3.234	4.332	0	7.566
Depreciation and impairment losses at the end of the year	**(34.578)**	**(1.487)**	**(2.930)**	**(38.995)**
Carrying amount at the end of the year	**22.075**	**5.372**	**2.192**	**29.639**

Notes to consolidated financial statements

13. Property, plant and equipment – lease assets

DKK'000 2024	Property	Cars	Other assets	Total
Cost at Jan 1, 2024	109.819	3.560	2.130	115.509
Foreign exchange rate adjustment	309	(16)	(2)	291
Additions	0	1.030	0	1.030
Disposals	0	(1.220)	0	(1.220)
Re-measurre / modification of lease assets	3.126	0	0	3.126
Cost at Dec 31, 2024	**113.254**	**3.354**	**2.128**	**118.736**
Depreciations and impairment at Jan 1, 2024	(34.134)	(1.706)	(345)	(36.185)
Disposals	0	1.220	0	1.220
Depreciations	(8.460)	(869)	(437)	(9.766)
Depreciations and impairment at Dec 31, 2024	**(42.594)**	**(1.355)**	**(782)**	**(44.731)**
Carrying amount at Dec 31, 2024	**70.660**	**1.999**	**1.346**	**74.005**

DKK'000 2023	Property	Cars	Other assets	Total
Cost at Jan 1, 2023	110.020	3.211	2.678	115.909
Foreign exchange rate adjustment	(201)	(10)	(49)	(260)
Additions	0	1.488	1.923	3.411
Disposals	0	(1.064)	(2.422)	(3.486)
Re-measurre / modification of lease assets	0	(65)	0	(65)
Cost at Dec 31, 2023	**109.819**	**3.560**	**2.130**	**115.509**
Depreciations and impairment at Jan 1, 2023	(26.024)	(1.793)	(2.324)	(30.141)
Foreign exchange adjustment	0	9	53	62
Disposals	0	1.054	2.417	3.471
Depreciations	(8.110)	(976)	(491)	(9.577)
Depreciations and impairment at Dec 31, 2023	**(34.134)**	**(1.706)**	**(345)**	**(36.185)**
Carrying amount at Dec 31, 2023	**75.685**	**1.854**	**1.785**	**79.324**

Notes to consolidated financial statements

14. Inventories

	2024 DKK'000	2023 DKK'000
Raw materials	39.645	36.299
Work in progress	14.404	33.931
Finished goods	15.644	23.106
Write-down inventories	(17.133)	(13.497)
Total inventories	**52.560**	**79.839**

Write-down of inventories for the year 2024 was DKK 6,5m (2023: DKK 2,4m).

15. Trade receivables

	2024 DKK'000	2023 DKK'000
Account receivable	38.720	49.045
Allowance for bad debts	(1.785)	(1.259)
Accounts receivable	**36.935**	**47.786**
Impairment losses at 1 January	1.259	3.863
Impairment loss provisioned	688	122
Realized for the period	(32)	(2.590)
Reversed	(130)	(136)
Impairment losses on receivables*	**1.785**	**1.259**

Distributed by age	2024 DKK'000	2023 DKK'000
Not overdue	20.862	25.463
0-30 days	5.101	11.540
31-60 days	2.400	6.428
61-90 days	252	1.897
Above 91 days	10.105	3.717
Accounts receivable	**38.720**	**49.045**

*Related to trade receivables overdue above 91 days.

Notes to consolidated financial statements

15. Trade receivables

The Group has no significant risk related to a single customer or market, and historical losses has been very limited.

Write-downs for bad and doubtful receivables are based on individual evaluations of the aging profiles, and a % has been provisioned according to expected risk of the receivable.

After this analysis it is still the expectation that future losses will be very limited, and we have therefor kept the method from prior years.

Please see note 27 for further information.

Notes to consolidated financial statements

16. Contract work in progress

	2024 DKK'000	2023 DKK'000
Sales value of contract work in progress	179.075	210.023
Progress billings regarding contract work in progress	(196.288)	(252.711)
	(17.213)	**(42.688)**
Net value in the balance sheet:		
Contract work in progress	6.084	6.387
Other provisions	(1.001)	(1.622)
Contract work, liabilities	(22.296)	(47.453)
	(17.213)	**(42.688)**

Amounts relating to contract work in progress are balances due from customers that arise when the Group carried out work at the balance sheet date. These agreements do not include a variable consideration. The Group receives payment from customers in line with the agreed payments terms at placing the order, prior to shipment of machines and a minor part after installation/commissioning acceptance. Any amount previously recognized as a contract work in progress is reclassified to trade receivables at the point at which it is invoiced to the customer. The Group expects that all performance obligations for ongoing projects will be met within a period of 18 months. End of 2024 we still have 3 projects started before this actual year, which are not 100% finalized, with total sales value of mDKK 113,7 recognized prior to 2024.

17. Share capital

The share capital consists of share with a nominal value of DKK 1 each. The shares have been paid in full. The shares have not been divided into classes and no special rights have been attached to the share.

The share capital can be made up as follows:

	2024 DKK'000	2023 DKK'000
Number of share 1 January	2.925	2.923
Capital increase	0	2
Number of shares 31 December	**2.925**	**2.925**

Notes to consolidated financial statements

18. Deferred tax

	2024 DKK'000	2023 DKK'000
Deferred tax liabilities	17.568	37.687
Total deferred taxes	**17.568**	**37.687**

2024	Deferred tax 01.01 DKK'000	Recognized in profit DKK'000	Recognized equity DKK'000	Recognized in other comp.inc. DKK'000	Total 31.12 DKK'000
Intangible assets	33.300	(13.361)	0	0	19.939
Property, plant and equipment	4.267	(781)	0	0	3.486
Inventories	232	0	0	0	232
Receivables	(58)	(48)	0	0	(106)
Profits, contract work in progress	5.530	(3.579)	0	0	1.951
Liabilities and other provisions	(5.584)	(2.350)	0	0	(7.934)
Temporary differences	**37.687**	**(20.119)**	**0**	**0**	**17.568**

2023	Deferred tax 01.01 DKK'000	Recognized in profit DKK'000	Recognized equity DKK'000	Recognized in other comp.inc. DKK'000	Total 31.12 DKK'000
Intangible assets	47.118	(13.818)	0	0	33.300
Property, plant and equipment	5.239	(972)	0	0	4.267
Inventories	(859)	1.091	0	0	232
Receivables	(88)	30	0	0	(58)
Profits, contract work in progress	4.857	673	0	0	5.530
Liabilities and other provisions	(4.925)	(659)	0	0	(5.584)
Temporary differences	**51.342**	**(13.655)**	**0**	**0**	**37.687**

Notes to consolidated financial statements

19. Corporate bonds

	2024 DKK'000	2023 DKK'000
Corporate bonds	488.908	448.984
Corporate bonds fees, amortized	(3.143)	(4.234)
	485.765	**444.750**
Corporate bonds in the balance sheet:		
Non-current liabilities	485.765	444.750
	485.765	**444.750**

	Currency	Expires	Interest fixed or variabel	Amortized cost DKK'000	Nominal Value DKK'000	Fair Value DKK'000
Corporate bond, 3m Euribor + 500 bps	EUR	Jan. 2027	Variable	485.765	479.489	71.923
31 December 2024				**485.765**	**479.489**	**71.923**

	Currency	Expires	Interest fixed or variabel	Amortized cost DKK'000	Nominal Value DKK'000	Fair Value DKK'000
Corporate bond, 3m Euribor + 500 bps	EUR	Jan. 2027	Variable	444.750	441.340	64.561
31 December 2023				**444.750**	**441.340**	**64.561**

Since the issue in September 2017, the bonds have been adjusted with the exchange rate EUR/DKK at the end of the year. Level 2 from the fair value hierarchy has been used.

In the second half of 2023, the Group obtained an extension of the repayment date on the bond loan from January 2025 to January 2027.

The Group obtained an extension of the repayment date on the bond loan from January 2025 to January 2027. Further, interest payments may be rolled up. No other changes to the terms were made. On this basis, Management has assessed that the terms are not substantially different from the terms applying before the amendment and that consequently, the bond liability is remeasured at the revised contractual cash flows discounted at the original effective interest rate.

The fair value is based on a single trade in January 2024. The fair value is calculated based on level 2. The fair value is thus subject to some uncertainty.

Borrowings are subject to standard trade covenants as well as certain financial leverage ratio covenants.

Further information in consolidation note 9.

Notes to consolidated financial statements

20. Bank debt

	2024 DKK'000	2023 DKK'000
Overdraft facilities	65.923	40.926
Total bank debt	**65.923**	**40.926**
Debts to banks are recognized in the balance sheet:		
Current liabilities	65.923	40.926
	65.923	**40.926**

	Currency	Expires	Interest fixed or variabel	Amortized cost DKK'000	Nominal Value DKK'000	Fair Value DKK'000
Overdraft facility	DKK	2026	Variable	65.923	65.923	65.923
31 December 2024				**65.923**	**65.923**	**65.923**

	Currency	Expires	Interest fixed or variabel	Amortized cost DKK'000	Nominal Value DKK'000	Fair Value DKK'000
Overdraft facility	DKK	2026	Variable	40.926	40.926	40.926
31 December 2023				**40.926**	**40.926**	**40.926**

The Group has unutilized drawings rights on overdraft facilities DKK 46,1m (2023: DKK 71,1m)

Notes to consolidated financial statements

21. Other provisions

	2024 DKK'000	2023 DKK'000
Other provisions 1 January	4.805	19.895
Realized for the period	(286)	(630)
Provisioned for the year	(25)	1.307
Adjustment for the year	(14)	(602)
Specific customer projects	(620)	(15.165)
Other provisions	**3.860**	**4.805**
Provisions are recognized in the balance sheet:		
Current liabilities	3.860	4.805
	3.860	**4.805**

Other provisions consist of warranties and loss making customer projects, and are primarily due within one year.

22. Other payables

	2024 DKK'000	2023 DKK'000
Payable staff costs	8.034	13.110
Payable VAT	478	279
Other liabilities	15.877	14.642
Total other payables	**24.389**	**28.031**

Notes to consolidated financial statements

23. Contingent liabilities

The Group´s Danish companies are jointly and severally liable for tax on the Group´s jointly taxed income etc. Total corporation tax payable is stated in the Annual Report of Nortre Administration ApS, which is the management company in the joint taxation. The Group´s Danish companies are moreover jointly and severally liable for Danish withholding taxes in the form of dividend tax, royalty tax and tax on interest. Any subsequent adjustments to corporation taxes and withholding taxes may imply that the Company will be liable for a higher amount.

24. Pledged assets etc.

There has been given a negative pledge in the Group´s assets.

25. Changes in working capital

	2024 DKK'000	2023 DKK'000
Increase/decrease in inventories	27.279	(6.599)
Increase/decrease in receivables	10.529	4.523
Increase/decrease in trade payables etc.	(38.931)	(31.408)
	(1.123)	**(33.484)**

Notes to consolidated financial statements

26. Cash and cash equivalents

	2024 DKK'000	2023 DKK'000
Cash and cash equivalents	5.572	3.975
	5.572	**3.975**

The Group has unutilized drawings rights on overdraft facilities DKK 46,1m (2023: DKK 71,1m)

			Non-cash changes				
	01.01	Cashflow	Adjustment of debt	Accrued Interest	Exchange rate adjust.	New leases/ Remeassure	31.12
2024	**DKK'000**	**DKK'000**	**DKK'000**	**DKK'000**	**DKK'000**	**DKK'000**	**DKK'000**
Corporate bonds	444.750	0	2.848	37.747	420	0	485.765
Lease debts	82.925	(9.766)	3.595	0	292	1.030	78.076
Payable to group enterprises	64.974	0	0	6.366	0	0	71.340
Bank debt	40.926	24.997	0	0	0	0	65.923
	633.575	**15.231**	**6.443**	**44.113**	**712**	**1.030**	**701.104**

			Non-cash changes				
	01.01	Cashflow	Adjustment of debt	Accrued Interest	Exchange rate adjust.	New leases/ Remeassure	31.12
2023	**DKK'000**	**DKK'000**	**DKK'000**	**DKK'000**	**DKK'000**	**DKK'000**	**DKK'000**
Corporate bonds	434.211	0	(415)	9.967	987	0	444.750
Lease debts	88.824	(9.577)	527	0	(260)	3.411	82.925
Payable to group enterprises	0	64.974	0	0	0	0	64.974
Bank debt	19.690	21.236	0	0	0	0	40.926
	542.725	**76.633**	**112**	**9.967**	**727**	**3.411**	**633.575**

Notes to consolidated financial statements

27. Financial risks

Categories of financial instruments

	2024 DKK'000	2023 DKK'000
Deposits	10.248	10.191
Trade receivables	36.935	48.268
Other short-term receivables	4.369	3.469
Cash	5.572	3.975
Financial assets at amortized cost	**57.124**	**65.903**
Corporate bonds	485.765	444.750
Lease liabilities	78.076	82.925
Non-current other payables	8.926	8.781
Bank debt	65.923	40.926
Payable to group company	71.588	65.222
Trade payables	27.045	43.776
Other payables	24.389	28.031
Financial liabilities measured at amortized cost	**761.712**	**714.411**

Policy for controlling financial risks

The Group, due to its operations, investments and financing, is exposed to market risks in the form of changes in exchange rates and interest rates, as well as credit risk and liquidity risks. The Group manages the financial risk centrally and coordinates the Group´s liquidity management, including capital procurement and placement of surplus funds.

It is the Group´s policy not to make any speculation in financial risks.

The Group manages the financial risks through the use of three different tools for cash flow budgeting; a model covering a rolling three-month period, a model that covers a period of one year, and a model covering a period of three years.

Currency risks

The Group´s currency risks are primarily hedged by matching payments received and made in the same currency. The difference between ingoing and outgoing payments denominated in the same currency is a measure of currency risk.

Notes to consolidated financial statements

27. Financial risks

Interest risks

Both corporate bonds and bank debt has a variable interest rate, and therefore the Group has a significant interest rate risk. Other payables have a short repayment profile, and the Group only has a low interest rate risk on those payables.

Liquidity risks

The Group aims to have adequate cash resources to continuously carry out transactions appropriately as regards operations and investments. The Group´s cash reserve consists of cash and cash equivalents as well as undrawn credit facilities. The Group´s liquidity is mainly based on operating profits and the difference between the time of payment and the time of settlement.

Credit risks

The Group is not exposed to significant credit risks. Customers must pay in advance if they are considered to have any increased risk in relation to other accounts receivables.

Credit risks on going contract work for the account of a third party is limited. Invoices on account are thus agreed to follow minimum the cost of incurred on contract work, Furthermore, all contract customers must pay a part of the total consideration at placing the order, which in itself reduces the credit risk substantially.

Currency risks

The Group has not entered into any derivatives financial instruments to hedge recognized financial assets and liabilities. The Group´s currency exposure is specified below.

Notes to consolidated financial statements

27. Financial risks

2024	Cash and cash equiva. DKK'000	Recei-vables DKK'000	Bond debt DKK'000	Other Liabilities DKK'000	Unsecured net position DKK'000
EUR	1.198	20.622	(488.908)	(6.187)	(473.275)
USD	3.001	14.367	0	(2.399)	14.969
JPY	1.328	851	0	(1.036)	1.143
	5.527	**35.840**	**(488.908)**	**(9.622)**	**(457.163)**

2023	Cash and cash equiva. DKK'000	Recei-vables DKK'000	Bond debt DKK'000	Other Liabilities DKK'000	Unsecured net position DKK'000
EUR	1.949	28.797	(445.196)	(11.923)	(426.373)
USD	1.055	15.281	0	(3.680)	12.656
JPY	617	958	0	(548)	1.027
	3.621	**45.036**	**(445.196)**	**(16.151)**	**(412.690)**

Sensitivity analysis regarding currency risks

The Group´s main currency exposure relates to debt in EUR. The following shows the net impact on equity and profit for the year if the exchange rate of the currencies in question had been 1% lower at the end of the year than the actual rate used. If the rate had been 1% higher priced than the actual exchange rate, then it would have had a corresponding net negative impact on equity and profit for the year.

Notes to consolidated financial statements

27. Financial risks

Equity sensitivity to exchange rate fluctuations	2024 DKK'000	2023 DKK'000
Impact if EUR-rate was 1% lower than actual rate	4.733	4.264
	4.733	**4.264**

Sensitivity of the result to exchange rate fluctuations	2024 DKK'000	2023 DKK'000
Impact if EUR-rate was 1% lower than actual rate	4.733	4.264
	4.733	**4.264**

The Corporate bonds are issued in EUR and the principal amount is subject to exchange rate fluctuations between the Company´s functional currency (DKK) and EUR. A 1% change in the EUR rate at 31st December 2024 would have affected comprehensive income and equity by approximately DKK 4,7m.

Interest rate risks

The Group has a significant degree of interest-bearing financial liabilities and as a consequence is exposed to interest rate risks. In regard to the Group´s financial assets and financial liabilities, the following contractual interest rate adjustment dates or maturity date can be specified, depending which date is the earlier, and how much of the interest-bearing assets and liabilities are at a fixed-rate. Variable rate loans are deemed to have interest rate adjustment dates that fall within one year.

Sensitivity to interest rate fluctuations	2024 DKK'000	2023 DKK'000
Impact if interest rate was 1% higher than actual rate	(4.889)	(4.452)
	(4.889)	**(4.452)**

Sensitivity to interest rate fluctuations	2024 DKK'000	2023 DKK'000
Impact if interest rate was 1% lower than actual rate	4.889	4.452
	4.889	**4.452**

Notes to consolidated financial statements

27. Financial risks

Liquidity risks

Due dates for financial liabilities are specified below, broken down by the time interval used in the Group´s liquidity management. The specified amounts represent the amounts that fall due for payment, including interest, etc.

2024	**Less than 6 months DKK'000**	**6-12 months DKK'000**	**1-5 years DKK'000**	**After 5 years DKK'000**	**Total DKK'000**
Non-derivative financial liabilities					
Bank debt	0	0	74.625	0	74.625
Corporate bonds	0	0	560.713	0	560.713
Payable to group entreprises	248	0	85.013	0	85.261
Lease debts	5.628	5.629	41.281	33.919	86.457
Trade payables	27.045	0	0	0	27.045
Other payables	24.389	0	839	10.055	35.283
	57.310	**5.629**	**762.471**	**43.974**	**869.384**

2023	**Less than 6 months DKK'000**	**6-12 months DKK'000**	**1-5 years DKK'000**	**After 5 years DKK'000**	**Total DKK'000**
Non-derivative financial liabilities					
Bank debt	0	0	40.926	0	40.926
Corporate bonds	0	0	556.840	0	556.840
Payable to group entreprises	248	0	85.825	0	86.073
Lease debts	5.364	5.365	40.303	41.896	92.928
Trade payables	43.776	0	0	0	43.776
Other payables	28.031	0	786	7.995	36.812
	77.419	**5.365**	**724.680**	**49.891**	**857.355**

The financial impact from, and uncertainty created by the fact that the cash flow is subject to additional contracts on big machines not placed yet means that the timing of a refinancing at par is difficult to assess. The future calculation of interest for the bonds is done based on the EUR exchange rate end 2024 and the actual interest rate for the bonds in Q4 2024.

Notes to consolidated financial statements

27. Financial risks

The Group liquidity reserve consists of liquid assets and unused credit facilities.

Management assesses the Group´s liquidity requirements on a regular basis.

	2024 DKK'000	2023 DKK'000
The liquidity reserve comprises of as follows:		
Cash	5.572	3.975
Unused credit facility	46.077	71.074
	51.649	**75.049**

Credit risks

The primary credit risk in the Group is related to trade receivables from the sale of goods and services and contract work in progress. The Group´s most significant credit risks related to the Group´s largest customers. Those customers are required to partly pay advance payments in order to reduce the credit risks.

The maximum credit risk related to trade receivables from the sale of goods and services and contract work in progress corresponds to their carrying amount. Information about detained payments for completed work can be found in note 16.

Default of loan agreement

The Group has not neglected or defaulted loan agreements, during the financial year or the comparative year.

Optimization of capital structure

The company´s management continuously assesses whether the Group´s capital structure is in line with the interests of the company and its owners. The overall objective is to secure a capital structure that supports long-term economic growth while maximizing returns to the Group´s stakeholders through an optimization of the equity/debt ratio. The Group´s overall strategy is that the Group´s capital structure shall consist of debt comprising financial liabilities in the form of corporate bonds, bank debt and financial leasing liabilities, cash equivalents and equity.

Notes to consolidated financial statements

27. Financial risks

Financial gearing

The company´s board of directors reviews the Group´s capital structure twice a year in connection with the presentation of half-yearly reports and annual reports. As part of this review, the board assesses the Group´s capital costs and the risk associated with the individual types of capital. The financial gearing as per 31st December 2024 is below zero which also was the case per 31st December 2023. Based on the latest review of the Group´s capital structure, the board expects the financial gearing in 2025 to remain at approximately the same level as 2024.

At balance sheet date the financial gearing can be calculated accordingly:

	2024 DKK'000	**2023 DKK'000**
Bank debt	65.923	40.926
Lease debts	78.076	82.925
Corporate bonds	485.765	444.750
Payable group company	71.588	65.222
Income tax payable.	368	1.431
Cash and cash equivalents	(5.572)	(3.975)
Net interest-bearing debt	**696.148**	**631.279**
Equity	**(490.742)**	**(344.765)**
Financial gearing	**-**	**-**

Notes to consolidated financial statements

28. Related parties with controlling interest

The following parties have a controlling interest:

- Altor Fund IV Holding AB, Stockholm, shareholder, ultimate owner (99,9% ownership)
- Tresu Group Holding A/S, CBR-no. 37752088, Kolding, shareholder (100% ownership), parent

Other related parties include the company's Board of Directors and Executive Board. There have been no transactions in the financial year with members of the Board of Directors and Executive Board other than those which appear from note 6.

Transactions with related parties

	2024 DKK'000	2023 DKK'000
Remuneration etc. of key management personnel, cf. note 6	17.581	15.780
Capital increase	0	19.321
Payable parent companies, non-current liability	71.340	64.974
Payable parent companies, current liability	248	(234)
Management fee from group subsidiaries	10.304	7.771
Management fee to related party	438	527
Interest on interim account	461	(56)

Transactions with subsidiaries are eliminated in the consolidated financial statement in accordance with accounting policies, note 33.

Notes to consolidated financial statements

29. Shareholder relations

The Company has registered the following shareholders, owning more than 5% of the share capital:

a. Altor Fund IV Holding AB, Stockholm, shareholder, ultimate owner
b. Tresu Group Holding A/S, CBR-no. 37752088, Kolding, shareholder

30. Consolidation

Name and registered office of the Parent preparing consolidated financial statement:

a. Tresu Group Holding A/S, CBR-no. 37752088, Venusvej 44, DK-6000 Kolding

31. Events after the balance sheet date

No event after the balance date has happened that will affect the matter of this report.

32. Adopting the annual report for publication

The board members have on the board meeting the 30.04.2025 approved present Annual Report for publication. The Annual Report will be submitted to the shareholders for approval at the Annual General Meeting the 30.04.2025.

Notes to consolidated financial statements

33. Accounting policies

The Annual Report of Tresu Investment Holding A/S and its subsidiary companies has been prepared in accordance with IFRS Accounting Standards, as adopted by the EU, and additional Danish requirements applicable to reporting class D enterprises.

The accounting policies applied to these Consolidated Financial Statements and Parent Financial Statements are consistent with those applied last year.

The Consolidated and Parent Company Financial Statements for 2024 are presented in TDKK.

Consolidated financial statements

The consolidated financial statements comprise the Parent (Tresu Investment Holding A/S) and the group subsidiaries that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possible or actually exercising controlling influence. See also Group chart under Management review, page 11.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the annual report of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated subsidiaries are eliminated. The financial statements used for consolidation have been prepared applying the Group´s accounting policies.

Subsidiaries´ financial statement items are recognized in full in the consolidated financial statements.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one on effect at the payment date, or the rate at the balance sheet date are recognized in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventory and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are entities with a functional currency different from the functional currency of the parent company, the income statements are translated at average exchange rates for the month that do not significantly deviate from rates at the transaction date. Balance sheet items are translated using the exchange rate at the balance sheet date. Exchange difference arising out of the translations of foreign subsidiaries´ equity at the beginning of the year at the balance sheet date exchange rates as well as out if the translation of income statements from average rates to the exchange rates at the balance sheet date are recognized in other comprehensive income.

Notes to consolidated financial statements

33. Accounting policies

Tax on profit/loss for the year

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

Current tax payable and tax receivables is recognized in the balance as calculated tax of the years´ taxable income, regulated with paid tax on account, using rates enacted at the balance sheet date.

Deferred tax on all temporary differences between the carrying amount and the tax base of assets and liabilities is measured using the balance sheet liability method. However, deferred tax is not recognized on temporary differences relating to goodwill. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on management´s planned use if the asset or settlement of the liability. If specific dividend plans exist for subsidiaries in countries levying withholding tax on distributions, deferred tax is recognized on expected dividend payments. Deferred tax assets, including the tax base of tax loss carry forward, are recognized under other non-current assets at the expected value of their utilization, either as a set-off against tax on future income or as a set-off against deferred tax liabilities in same legal tax entity and jurisdiction.

Deferred tax assets and tax liabilities are offset if the entity has a legally enforced right to offset current tax liabilities and tax assets or intends either to settle current tax liabilities and tax assets or to realize the assets and settle the liabilities simultaneously. Deferred tax assets are subject to annual impairment tests and reced only to the extent that it is probable that the assets will be utilized. Adjustments are made to deferred tax resulting from elimination of unrealized intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the end of the reporting period and when the deferred tax is expected to crystallize as current tax. The change in deferred tax as a result of changes in tax rates is recognized in the income statement. Changes to deferred tax on items recognized in other comprehensive income are, however, recognized in other comprehensive income.

Segment information

The reporting on business segments follows the structure of TRESU’s internal management reporting to internal stakeholders and the group Executive Board. The group Executive Board uses business segmentation when allocating resources and following up on results. The internal reporting does not allocate assets or liabilities to the segments.

Revenue

The Group recognized revenue from the following major sources:

- Sales of Machines and Units – mostly recognized as contract work in progress
- Sales of ancillary products

Revenue from sales of manufactured goods and goods for resale is recognized in the income statement when delivery is made, and control is transferred to the buyer, and the consideration agreed is expected to received. Control is generally deemed to be transferred upon delivery of the components in accordance with the agreed delivery plan.

Notes to consolidated financial statements

33. Accounting policies

Revenue from ancillary products is generally recognized upon shipment of products, provided there are no significant uncertainties regarding customer acceptance, persuasive evidence of an arrangement exists, the sales prices are fixed and determinable, and it is probable that the sales are collectible. Amounts billed to customers for shipping and handlings are included in net sales and are recorded upon shipment of goods to customers. Costs of providing these services are included in costs of sales.

Customized solutions, with a high degree of customisation, are recognized over time as machines are constructed based on the stage of completion of the individual contracts based on actual costs, as contract work in progress. The cost to cost as the method to calculate the stage of completion is due to the fact that both labour hours and materials are significant part of the costs. See also descriptions below regarding contract work in progress. Where the profit from a contract work cannot be estimated reliably, revenue is only recognized equalling the cost incurred to the extent that it is probable that the cost will be recovered. Revenue from sales of services is recognized in the income statement over the term if agreement as the services are provided. Revenue is recognized net of VAT, duties and sales discounts is measured at fair value if the consideration fixed. Payment for the service contract can be paid in advance or over the service period´s execution.

Contract work in progress

Revenue from project work in progress relates to production of assets without an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If the selling price of a project work in progress can be measured reliably, revenue and costs related to the contract is recognized according to the stage of completion on balance sheet date.

If the selling price of a project work in progress cannot be made up reliably, revenue is recognized according to costs, if these costs are likely to be regained.

Cost of sales work and contracting are recognized in the income statement as occurred.

Production costs

Production costs comprise expenses incurred to earn revenue for the financial period. Production costs comprise direct and indirect costs for raw materials and consumables, wages and salaries, rent and lease as well as amortization, depreciation and impairment losses relating to intangible assets and property, plant and equipment included in the production process. In addition, the item includes ordinary write-down of inventories.

Also, provisions for loss on contract work in progress are recognized under production costs.

Also, research and development costs include research costs, costs of development projects that do not meet the criteria for recognition in the balance sheet.

Notes to consolidated financial statements

33. Accounting policies

Distribution costs

Distribution costs comprise costs incurred for sale and distribution of products, including wages and salaries for sales staff, advertising costs, traveling and entertainment expenses, etc. as well as amortization, depreciations and impairment losses relating to intangible assets and property, plant and equipment attached to the distribution process.

Administrative costs

Administrative costs comprise costs incurred for administrative functions, including wages and salaries for administrative staff and Management, stationary and office supplies as well as amortization, depreciation and impairment losses relating to intangible assets and property, plant and equipment for administration of the entity.

Other operating income

Other operating income comprises gain on sale of fixed assets.

Other operating expenses

Other operating expenses comprises loss on sale of fixed assets.

Financial income

Financial income comprises interest income, net capital gains on securities, payables and transactions in foreign currencies, amortization of financial assets.

Financial expenses

Financial expenses comprise interest expenses, net capital losses on payables and transactions in foreign currencies, amortization of financial liabilities.

Notes to consolidated financial statements

33. Accounting policies

Balance Sheet

Goodwill and other intangible assets

On initial recognition, goodwill is recognized at cost in the balance sheet as described under “Business combinations”. Subsequently, goodwill is measured at cost any less accumulated impairment losses.

The carrying amount of goodwill is allocated to the Group´s cash-generating units at the time of acquisition. Determination of cash-generating units complies with the management structure and management control of the Group.

Goodwill is recognized as an asset and is tested for impairment annually, or on such other occasions that events or changes in circumstances indicate that it might be impaired. On disposal of a subsidiary, the amount attributable of unamortized goodwill that has not been subject to impairment is included in the determination of the gain or loss on disposal.

Intangible assets other than goodwill are valued at cost less accumulated amortization and any impairment losses. Brands have been assigned an indefinite useful life. “TRESU" brand has been in existence since 1981 and given the strength of the brand, it is likely to continue in the future. Capitalized development costs are amortized on a straight-line basis over a 3-12 useful life. Customer relationships, patens and other intangibles are amortized on a straight-line basis over a 3-14-year useful life. Costs for acquired assets represent the purchase price acquisition.

Intangible assets with indefinite useful lives are not depreciated but are annually tested for impairments. If the carrying amount of the assets exceeds the recoverable value, it will be written down to lower value, see the section below regarding impairment.

Development projects on clearly defined and identifiable products and process, for which the technical rate of utilization, adequate resources and potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognized as intangible assets. Other development costs are recognized as costs in the income statement as incurred.

The cost of development projects comprises costs such as salaries and amortization that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirect attributable staff costs and amortization of intangible assets and depreciation on property, plant and equipment used in the development process are recognized in costs based on time spent on each project.

Profit and losses from sales of other intangible assets are calculated as the difference between selling price less selling costs and the carrying amount at the time of the sale. Profits or losses are recognized in the income statement under other operating income/-expenses.

Estimated useful lives and residual values are reassessed annually.

Notes to consolidated financial statements

33. Accounting policies

Property, plant and equipment

Land and buildings are measured at costs less accumulated and impairment losses. Land is not depreciated. Plan and machinery as well as other fixtures, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the assets until the time when it is ready to be put into operation. For company-manufactures assets, costs comprise direct and indirect costs of materials, components, sub suppliers and labor costs.

For assets held under leases, cost is the lower of the asset´s fair value and present value of future lease payments.

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

Buildings	33 years
Plant and machinery	3-20 years
Other fixtures and fittings, tools and equipment	3-20 years
Leasehold improvements	3-20 years

Estimated useful lives and residual values are reassessed annually.

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

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price less selling costs and carrying amount at the time of sale. Profit or losses are recognized in the income statement under the operating income/-expenses.

Impairment of intangible and tangible assets

The carrying amount of both intangible and tangible assets and items of property, plant and equipment are reviewed annually for indicators of impairment in addition to that reflected through amortization and depreciation. However, goodwill and intangible assets with indefinite useful lives are tested annually.

If any such indication exist, impairment tests are made of each assets and group of assets, respectively. Write-down is made to the lower of recoverable amount and carrying amount.

The recoverable amount is the higher of net selling price and value in use. Value in use is the present value of the estimated net income from using the assets or the group of assets.

Notes to consolidated financial statements

33. Accounting policies

Leases

Leased assets and lease liabilities are recognized in the balance sheet when the leased asset under a lease entered into regarding a specific identifiable asset is made available to the Group in the lease term, and when the Group obtains the right to substantially all economic benefits from the use of the identified asset and the right to control the use of the identified asset.

On initial recognition, lease liabilities are measured at the present value of the future lease payments discounted by an incremental borrowing rate. The following lease payments are recognized as part of the lease liabilities:

- Fixed payments
- Variable payments that change concurrently with changes to an index and an interest rate based on said index or interest rate
- Exercise price of call options that it is reasonably certain that management will exercise
- Payments subject to an extension option that it is reasonably certain that the Group will exercise
- Penalty related to a termination option unless it is reasonably certain that the Group will not exercise the option.

The lease liabilities is measured at amortized cost according to the effective interest method. The lease liabilities is recalculated when the underlying contractual cash flows change due to changes in an index or an interest rate if the Group's estimate of a residual value guarantee changes or if the Group changes its assessment of whether call options, extension options or termination option can reasonably be expected to be exercised.

On initial recognition, the leased asset is measured at cost, corresponding to the value of the lease liabilities adjusted for prepaid lease payments plus directly related costs and estimated costs for demolition, repairs or the like and less discounts or other types of incentive payments received from the lessor.

Subsequently, the asset is measured at cost less accumulated depreciations and impairment losses. The leased asset is depreciated over the shorter of the lease term and the useful life of the leased asset. Depreciations changes are recognized on a straight-line bass in the income statement.

The leased asset is adjusted for changes to the lease liabilities due to changes to the term of the lease or changes to the cash flows of the lease concurrently with changes to an index or an interest rate.

Leased assets are depreciated on a straight-line basis over the expected lease term, which is:

Property	10-15 years
Cars	3-5 years
Other assets	3-5 years

The Group presents the leased asset and the lease liabilities separately in the balance sheet.

The Group has chosen not to recognize leased assets of a low value and short-term leases in the balance sheet. Instead related payments are recognized on a straight-line basis in the income statement.

The related lease liability is disclosed in the current and non-current other liabilities in the financial statement.

Notes to consolidated financial statements

33. Accounting policies

Inventories

Inventories are measured at the lower of the cost using the FIFO method and net realizable value. Costs consists of purchase price. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labor costs and indirect productions costs.

Indirect production costs comprise indirect materials and labor costs, costs of maintenance, of depreciations on and impairment losses relating to machinery, factory buildings and equipment applied for the manufacturing process as well as costs of factory administration and management. Financing costs are not included.

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

Receivables

Receivables are measured at amortized cost, usually equaling nominal value less write-downs for bad and doubtful debts.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of cost. The cost elements in projects are internal and external hours as well as the purchase of materials from subcontractors, and it is estimated that the total costs best reflect the progress of the projects. For some projects where the consumption of resources cannot be applied as a basis, the ratio between completed and total sub activities of the individual projects has been applied.

If the selling price of a contract work in progress cannot be made up reliably, it is measured at the lower of cost incurred and net realizable value.

Each contract work in progress is recognized in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayment received, is positive or negative.

Cost of sales work and of securing contracts as well as financing costs are recognized in the income statement as incurred.

Prepayments

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

Notes to consolidated financial statements

33. Accounting policies

Other provisions

Other provisions comprise anticipated cost of non-recourse guarantee commitments, loss on contract work in progress, decided and published restructurings, etc.

Other provisions are recognized and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Once it is likely that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Notes to consolidated financial statements

33. Accounting policies

Liabilities

Corporate bonds and bank debt are recognized at the time of borrowing at fair value less transaction costs incurred, equivalent to the proceeds received. Subsequently, corporate bonds and bank debt are recognized at amortized cost equal to the capitalized value using the effective interest method to the effect that the difference between the proceeds and nominal amount is recognized in the statement of comprehensive income over the term of the loan.

If corporate bonds are redeemed, this is done at fair value and any gain or loss is recognized through the income statement.

Other liabilities including debt to suppliers as well as other payables are measured at amortized cost which usually correspond to nominal value.

Lease liabilities

Lease liabilities relating to assets held under leases are recognized in the balance sheet as liabilities other than provisions, and at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortized costs.

The difference between present value and nominal amount of the lease payment is recognized in the income statement as financial expense over term of the leases.

Contract liabilities

Prepayments received from customers comprise amounts from customers prior to recognition of revenue, cf. section on contract work in progress.

Prepayments received from customers

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

Cash flow statement

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

The cash flow from acquisition and disposal of entities comprises the cash consideration paid/received net of cash and cash equivalents acquired /disposed of with the entities.

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

Cash flows from investing activities comprise payments in connection with acquisition and divestment of subsidiaries, activities and fixed asset investment as well as purchase, development, improvement and sale etc. of intangible assets and property, plant equipment, including acquisition of assets held under leases.

Cash flow from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of lease debt, instalments on interest-bearing debt, and purchase of treasury shares and payment of dividend.

Notes to consolidated financial statements

33. Accounting policies

Cash flows in other currencies than basic currency is translated at average exchange rates for the months that do not significantly deviate from the rates at the transactions date. In the latter case is used the actual exchange rate for a specific date.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.

Tax exempt contribution

Tax exempt contribution consist of cash and debt conversion. Cash is recognized at nominal value and debt conversions are recognized at fair value.

Parent statement of comprehensive income

	Notes	1/1 - 31/12 2024 DKK'000	1/1 - 31/12 2023 DKK'000
Management fee		10.304	7.771
Administration costs	3,4	(12.110)	(10.674)
Operating profit/loss		**(1.806)**	**(2.903)**
Profit/loss in group subsidaries		(101.517)	(180.000)
Financial income	5	2	3.477
Financial expense	6	(41.970)	(41.595)
Profit/loss before tax		**(145.291)**	**(221.021)**
Tax on profit/loss for the year	7	(702)	4.996
Profit for the year		**(145.993)**	**(216.025)**
Total comprehensive income		**(145.993)**	**(216.025)**

Parent balance sheet

	Notes	31.12.2024 DKK'000	31.12.2023 DKK'000
Investments in group subsidiary	8, 9	1.691	103.208
Financial assets		**1.691**	**103.208**
Deferred tax asset	11	6.673	5.154
Other non-current assets		**6.673**	**5.154**
Non-current assets		**8.364**	**108.362**
Prepayments		309	332
Receivables		**309**	**332**
Cash		**41**	**363**
Current assets		**350**	**695**
Assets		**8.714**	**109.057**

Parent balance sheet

	Notes	31.12.2024 DKK'000	31.12.2023 DKK'000
Contributed capital	10	2.925	2.925
Retained earnings		(493.667)	(347.674)
Equity		**(490.742)**	**(344.749)**
Corporate bonds	12	485.765	444.750
Non-current liabilities		**485.765**	**444.750**
Income tax payable		199	978
Trade payables		491	4.314
Payables group companies		11.600	948
Other payables	13	1.401	2.816
Current liabilities		**13.691**	**9.056**
Total liabilities		**499.456**	**453.806**
Equity and liabilities		**8.714**	**109.057**

Parent statement of changes in equity

	Contri-buted capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity at 1 January 2024	2.925	(347.674)	(344.749)
Profit for the period	0	(145.993)	(145.993)
Equity at 31 December 2024	**2.925**	**(493.667)**	**(490.742)**
Equity at 1 January 2023	2.923	(150.968)	(148.045)
Capital increase	2	19.319	19.321
Profit for the period	0	(216.025)	(216.025)
Equity at 31 December 2023	**2.925**	**(347.674)**	**(344.749)**

Parent cash flow statement

	Notes	1/1 - 31/12 2024 DKK'000	1/1 - 31/12 2023 DKK'000
Operating profit/loss		(1.806)	(2.903)
Working capital changes	16	(6.168)	1.623
Cash flows from ordinary operating activities		**(7.974)**	**(1.280)**
Financial income received		2	56
Financial expenses paid		(1)	(27.635)
Income taxes refunded/(paid)		(3.001)	(3.638)
Cash flow from operating activities		**(10.974)**	**(32.497)**
Capital increase		0	19.321
Group receivables / payables		10.652	(2.822)
Cash flows from financing activities		**10.652**	**16.499**
Increase/decrease in cash and cash equivalents		**(322)**	**(15.998)**
Cash and cash equivalents at 1 January		363	16.361
Cash and cash equivalents end of year		**41**	**363**
Cash and cash equivalents at year end are composed of:			
Cash		41	363
Cash and cash equivalents end of year	17	**41**	**363**

Notes to the parent financial statement

Overview notes

0. Accounting policies and material accounting policy information
1. Going concern
2. Use of estimates and judgement
3. Fees to auditors appointed at the Annual General Meeting
4. Staff costs
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23. Adopting the annual report for publication

Notes to parent financial statement

0. Accounting policies and material accounting policy information

The Annual Report of Tresu Investment Holding A/S, a Danish company, has been prepared in accordance with IFRS Accounting Standards, as adopted by the EU, and additional Danish requirements applicable to reporting class D enterprises, including the statutory order on adoption of IFRS issued pursuant to the Danish Financial Statements Act.

The Parent Company basically uses the same accounting policies as the Group. The cases where the Parent Company´s accounting policies differ from the Group are described below. For detailed description of the parent company´s use accounting policies are referred to note 33 of the consolidated financial statements.

Instances where the parent company´s accounting policies differ from the Group

Investment in group subsidiaries are measured at cost. If the acquisition cost exceeds the investments recoverable value, an impairment loss is recognized.

1. Going concern

The Group has in 2024 realized a loss of DKK 146.9m and equity of the Group amounts to DKK -490.7m on 31 December 2024.

The Group is financed by a bond-loan of DKK 485.8m on 31 December 2024 and an overdraft facility of DKK 112.0m, which expires January 2027 and November 2026 respectively. The bond-loan includes a roll-up of interest only being paid if the Group has a certain positive liquidity.

The budget for 2025 shows that there is sufficient liquidity available for continued operations, which is based, among other things, on the above, as well as a revenue growth in the area 0-10% derived from the current order book and additional customer contracts.

Tresu is a project company, where changes compared to what is expected can happen quickly, and the liquidity budget is subject to uncertainty, as it includes expected cash flow from recurring customers and additional customer contracts not placed yet. In recent years, the group has not met the budgeted expectations, which, combined with the fact that the Group and Company is generally in a liquidity-pressured situation, indicates that material uncertainty exists that may cast significant doubt on the Group’s and Company's ability to continue as a going concern. However, it is Management's view that the liquidity budget will be met, including additional customer contracts being placed, and the Financial Statements has therefore been prepared on a going concern basis.

2. Use of estimates and judgement

Recoverable amounts for capital participation in subsidiaries

On indication that the book value (cost) of investments in subsidiaries has fallen, any impairment requirement is determined based on the specification of the capital value of the subsidiary in question, cf. the section on intantible assets - impairment in the Consolidated financial statement note 2 and the section on impairment of intangible and tangible assets in note 33 of the Consolidated financial statements.

If dividends are distributed for more than the subsidiary´s total income during the period in which dividends are to be distributed, this is considered an indication of impairment loss. If an impairment of goodwill is recognized in the consolidated financial statements which can be attributed to a subsidiary, this is also considered as an indication of impairment loss.

Other significant estimates and judgement

For a description of other significant estimates and judgements refer to note 2 of the consolidated financial statement.

Notes to parent financial statement

3. Fees to auditors appointed at the Annual General Meeting

	2024 DKK'000	2023 DKK'000
Statutory audit	667	283
Other services	0	142
Total fees to auditors appointed at the Annual General Meeting	**667**	**425**

Other services in 2023 relate to extra work in relation to the capital situation.

4. Staff costs

	2024 DKK'000	2023 DKK'000
Board fees	1.260	1.151
Wages and salaries to the Executive Board	9.078	6.977
Pensions	170	356
Other social security costs	17	24
Total staff costs	**10.525**	**8.508**
Average number of employees	2	3

Staff costs are recognized in administration costs.

Remuneration of management

	Board of Directors		Executive Board	
	2024 DKK'000	2023 DKK'000	2024 DKK'000	2023 DKK'000
Board fees	1.260	1.151	0	0
Wages and salaries to the Executive Board	0	0	9.078	6.977
Pensions	0	0	170	356
Allocated to TRESU A/S	(1.197)	(1.093)	(8.786)	(6.966)
	63	**58**	**462**	**367**

Notes to parent financial statement

5. Financial income

	2024 DKK'000	2023 DKK'000
Financial income from group companies	0	56
Interest income	2	52
Other financial income	0	3.369
Total financial income	**2**	**3.477**

Other financial income in 2023 is effected by a modification gain linked to renewed bonds agreement.

6. Financial expenses

	2024 DKK'000	2023 DKK'000
Interest expense	37.738	36.027
Interest expenses group companies	461	0
Bond price adjustment	1.767	1.924
Loss on foreign exchange	432	1.014
Other financial expenses	1.572	2.630
Total financial expenses	**41.970**	**41.595**

Interest expense consist primarily of interest for the bond obligation.

Notes to parent financial statement

7. Income tax

	2024 DKK'000	2023 DKK'000
Current tax for the year	199	(2.664)
Deferred tax for the year	(1.519)	(263)
Adjustments recognized for current tax from prior periods	2.022	(1.646)
Adjustments recognized for deferred tax from prior periods	0	(423)
Corporation tax for the year	**702**	**(4.996)**

Income tax expense attributable to income before income taxes differed from the amounts computed applying the Danish income tax rate of 22,0%.

Tax on profit the year breaks down as follows:		
Calculated tax on profit for the year before tax	22,0%	22,0%
Tax effect of:		
Adjustment prior year	(1,4%)	0,9%
Non-deductible expenses/non-taxable income	(21,1%)	(20,6%)
Effective tax rate	**(0,5%)**	**2,3%**

8. Investments in group subsidiaries

	2024 DKK'000	2023 DKK'000
Cost at the beginning of the year	1.054.619	1.054.619
Cost at the end of the year	**1.054.619**	**1.054.619**
Impairment at the beginning of the year	(951.411)	(771.411)
Impairment for the year	(101.517)	(180.000)
Impairment end of the year	**(1.052.928)**	**(951.411)**
Carrying amount end of year	**1.691**	**103.208**

An impairment loss has been recognized in 2024 as the acquisition cost exceeds the investments recoverable value. The basis of the impairment test has been executed in line with steps outlined in note 11 to group financial statements and with respect of the net debt level in the group subsidiaries.

Notes to parent financial statement

9. Subsidiaries

	Registered in	Corporate form	Interest and share of voting rights, % 2024	Interest and share of voting rights, % 2023
TRESU A/S	Kolding, Denmark	A/S	100,0	100,0
TRESU Italia S.r.l.	Varese, Italy	S.r.l	100,0	100,0
TRESU Royse Inc.	Dallas, USA	Inc.	100,0	100,0
TRESU Japan Co. Ltd.	Osaka, Japan	Ltd.	100,0	100,0
TRESU Vertriebs GmbH	Celle, Germany	GmbH	100,0	100,0

10. Share capital

The share capital consists of shares with a nominal value of DKK 1 each. The shares have been paid in full. The shares have not been divided into classes and no special rights have been attached to the shares.

The share capital can be made up as follows:

	2024 DKK'000	2023 DKK'000
Number of shares 1st January	2.925	2.923
Capital increase by cash deposit	0	2
Number of shares 31st December	**2.925**	**2.925**

Notes to parent financial statement

11. Deferred tax

	2024 DKK'000	2023 DKK'000
Deferred tax assets	6.673	5.154
Total deferred tax	**6.673**	**5.154**

The deferred tax assets relate to the difference between the tax rules and accounting rule for amortized bond fees, and we expect to utilize the tax asset within the next 2 years as it links to the expiration of the bonds as well.

2024	**Deferred tax 01.01 DKK'000**	**Recognized in profit DKK'000**	**Recognized equity DKK'000**	**Recognized in other comp.inc. DKK'000**	**Total 31.12 DKK'000**
Liabilities and other provisions	(5.154)	(1.519)	0	0	(6.673)
Temporary differences	**(5.154)**	**(1.519)**	**0**	**0**	**(6.673)**

2023	**Deferred tax 01.01 DKK'000**	**Recognized in profit DKK'000**	**Recognized equity DKK'000**	**Recognized in other comp.inc. DKK'000**	**Total 31.12 DKK'000**
Liabilities and other provisions	(4.468)	(686)	0	0	(5.154)
Temporary differences	**(4.468)**	**(686)**	**0**	**0**	**(5.154)**

Notes to parent financial statement

12. Corporate bonds

	2024 DKK'000	2023 DKK'000
Corporate bonds	488.908	448.984
Corporate bonds fees, amortized	(3.143)	(4.234)
	485.765	**444.750**
Corporate bonds in the balance sheet:		
Non-current liabilities	485.765	444.750
	485.765	**444.750**

	Currency	Expires	Interest fixed or variabel	Amortized cost DKK'000	Nominal Value DKK'000	Fair Value DKK'000
Corporate bond, 3m Euribor + 500 bps	EUR	Jan. 2027	Variable	485.765	479.489	71.923
31st December 2024				**485.765**	**479.489**	**71.923**

	Currency	Expires	Interest fixed or variabel	Amortized cost DKK'000	Nominal Value DKK'000	Fair Value DKK'000
Corporate bond, 3m Euribor + 500 bps	EUR	Jan. 2027	Variable	444.750	441.340	64.561
31st December 2023				**444.750**	**441.340**	**64.561**

Since the issue in September 2017, the bonds have been adjusted with the exchange rate EUR/DKK at the end of the year. Level 2 from the fair value hierarchy has been used. Further information in consolidation note 19.

Borrowings are subject to standard trade covenants as well as certain financial leverage ratio covenants.

Notes to parent financial statement

13. Liabilities

	2024 DKK'000	2023 DKK'000
Payable staff costs	119	2.004
Other liabilities	1.282	812
	1.401	**2.816**

14. Contingent liabilities

The Group´s Danish companies are jointly and severally liable for tax on the Group´s jointly taxed income etc. Total corporation tax payable is stated in the Annual Report of Nortre Administration ApS, which is the management company in the joint taxation. The Group´s Danish companies are moreover jointly and severally liable for Danish withholding taxes in the form of dividend tax, royalty tax and tax on interest. Any subsequent adjustments to corporation taxes and withholding taxes may imply that the Company will be liable for a higher amount. Tresu Investment Holding has provided a self-debtor's guarantee in Nykredit Bank A/S for Tresu A/S.

15. Pledged assets etc.

There has been given a negative pledge in the entity´s assets.

16. Changes in working capital

	2024 DKK'000	2023 DKK'000
Increase/decrease in receivables	23	149
Increase/decrease in trade payables etc.	(6.191)	1.474
	(6.168)	**1.623**

Notes to parent financial statement

17. Cash and cash equivalents from financing activities

	2024 DKK'000	2023 DKK'000
Cash and cash equivalents	41	363
	41	**363**

18. Financial risks

Categories of financial instruments	2024 DKK'000	2023 DKK'000
Cash	41	363
	41	**363**
Corporate bonds	485.765	444.750
Trade payables	491	4.314
Payables to group companies	11.600	948
Other payables	1.401	2.816
Financial liabilities measured at amortized cost	**499.257**	**452.828**

Practice for controlling financial risks

Reference is made to note 27 of the consolidated financial statement for a description of the practice for controlling financial risks.

It is Parent´s policy not to make any speculation in financial risks.

Notes to parent financial statement

18. Financial risks

Currency risks

The Parent has not entered into any derivative financial instruments to hedge recognized financial assets and liabilities. The Parent´s currency exposure is specified below:

2024	**Cash and cash equval. DKK'000**	**Recei-vables DKK'000**	**Bond debt DKK'000**	**Other Liabilities DKK'000**	**Unsecured Net position DKK'000**
EUR	5	0	(488.908)	0	(488.903)
31st December 2024	**5**	**0**	**(488.908)**	**0**	**(488.903)**

2023	**Cash and cash equval. DKK'000**	**Recei-vables DKK'000**	**Bond debt DKK'000**	**Other Liabilities DKK'000**	**Unsecured Net position DKK'000**
EUR	13	0	(448.984)	0	(448.971)
31st December 2023	**13**	**0**	**(448.984)**	**0**	**(448.971)**

Sensitivity analysis regarding currency risks

Equity sensitivity to exchange rate fluctuations	**2024 DKK'000**	**2023 DKK'000**
Impact if EUR-rate was 1% lower than actual rate	4.889	4.490
	4.889	**4.490**

Sensitivity of the result to exchange rate fluctuations	**2024 DKK'000**	**2023 DKK'000**
Impact if EUR-rate was 1% lower than actual rate	4.889	4.490
	4.889	**4.490**

The Corporate bonds are issued in EUR and the principal amount is subject to exchange rate fluctuations between the Company´s functional currency (DKK) and EUR. A 1% change in the EUR rate at 31st December 2024 would have affected comprehensive income and equity by approximately DKK 4,9m. The sensitivity analysis shows the difference between the 31st December 2024 fair value calculated for the Group´s assets and liabilities denominated in EUR.

Notes to parent financial statement

18. Financial risks

Interest rate risks

Both corporate bonds and bank debt has a variable interest rate, and therefore the company has a significant interest rate risk. Other payables have a short repayment profile, and the company only has a low interest rate risk.

The Parent has a significant degree of interest-bearing financial liabilities and as a consequence is exposed to interest rate risks. In regard to the Group´s financial assets and financial liabilities, the following contractual interest rate adjustment dates or maturity dates can be specified, depending which date is the earlier, and how much of the interest-bearing assets and liabilities are at a fixed-rate. Variable rate loans are deemed to have interest rate adjustment dates that fall within one year.

Sensitivity to interest rate fluctuations	2024 DKK'000	2023 DKK'000
Impact if interest rate was 1% higher than actual rate	(4.889)	(4.490)
	(4.889)	**(4.490)**

Sensitivity to interest rate fluctuations	2024 DKK'000	2023 DKK'000
Impact if interest rate was 1% lower than actual rate	4.889	4.490
	4.889	**4.490**

Notes to parent financial statement

18. Financial risks

Liquidity risks

Due dates for financial liabilities are specified below, broken down by the time intervals used in the Group´s liquidity management. The specified amounts represent the amounts that fall due for payment, including interest, etc.

2024	Less than 6 months DKK'000	6-12 months DKK'000	1-5 years DKK'000	After 5 years DKK'000	Total DKK'000
Non-derivative financial liabilities:					
Corporate bonds	0	0	560.713	0	560.713
Group payables	11.600	0	0	0	11.600
Other payables	1.401	0	0	0	1.401
	13.001	**0**	**560.713**	**0**	**573.714**

2023	Less than 6 months DKK'000	6-12 months DKK'000	1-5 years DKK'000	After 5 years DKK'000	Total DKK'000
Non-derivative financial liabilities:					
Corporate bonds	0	0	556.840	0	556.840
Group payables	948	0	0	0	948
Other payables	2.816	0	0	0	2.816
	3.764	**0**	**556.840**	**0**	**560.604**

The Parent liquidity reserve consists of cash.

Management assesses the Parent liquidity requirements on a regular basis.

	2024 DKK'000	2023 DKK'000
The liquidity reserve is compressed as follows:		
Cash	41	363
	41	**363**

Notes to parent financial statement

18. Financial risks

Credit risks

The Group is not exposed to significant credit risks.

Default of loan agreements

The Group has not neglected or defaulted loan agreements during the financial year or the comparative year.

Optimization of capital structure

Capital structure is managed for the Group as a whole, and there is no policy for the parent company, cf. note 27 in the consolidated financial statement.

19. Related parties with controlling interests

The following parties have a controlling interest:

- Altor Fund IV Holding AB, Stockholm, shareholder, ultimate owner (99,9% ownership)
- Tresu Group Holding A/S, CBR-no. 37752088, Kolding, shareholder (100% ownership), parent

Other related parties include the company's Board of Directors and Executive Board. There have been no transactions in the financial year with members of the Board of Directors and Executive Board other than those which appear from note 4.

Transactions with related parties	2024 DKK'000	2023 DKK'000
Remuneration etc. of key people cf. note 4	10.525	8.508
Management fee from group subsidiaries	10.304	7.771
Capital increase	0	19.321
Management fee to related party	438	527
Interest on interim account	461	(56)

20. Shareholder relations

The company has registered the following shareholders, owning more than 5% of the share capital:

- Altor Fund IV Holding AB, Stockholm, shareholder, ultimate owner
- Tresu Group Holding A/S, CBR-no. 37752088, Kolding, shareholder, parent

Notes to parent financial statement

21. Consolidation

Name and registered office of the Parent preparing consolidated financial statements:

- Tresu Group Holding A/S, CBR-no. 37752088, Venusvej 44, DK-6000 Kolding

22. Events after the balance sheet date

No event after the balance date has happened that will affect the matter of this report.

23. Adopting the annual report for publication

The board members have on the board meeting on the 30.04.2025 approved present Annual Report for publication. The Annual Report will be submitted to the shareholders for approval at the Annual General Meeting on 30.04.2025.