Annual report 2024

Innovative solutions in plastics

SP Group A/S
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Denmark

CVR no. 15 70 13 15

SP Group

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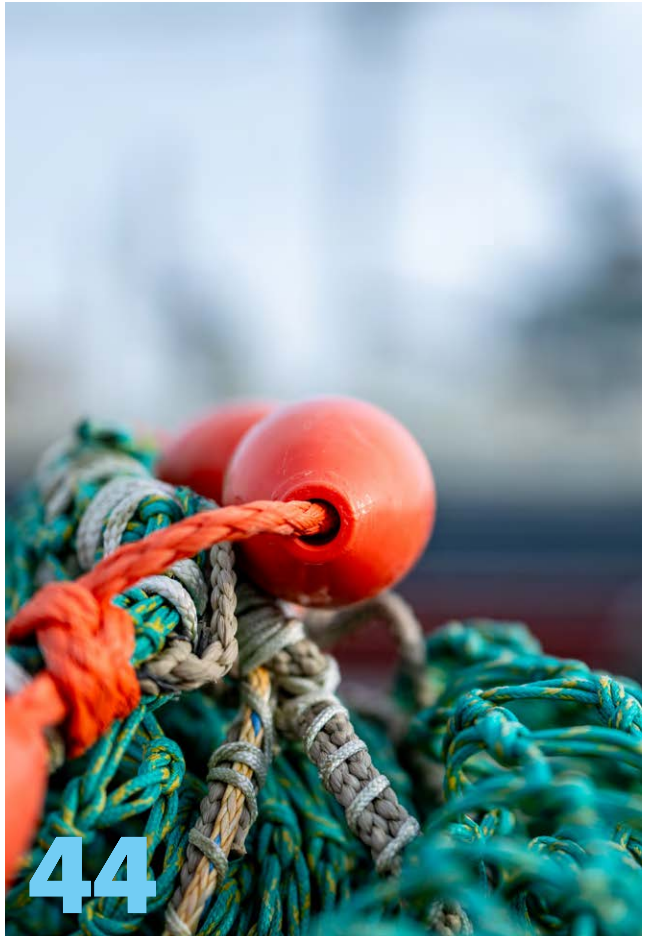


SP Group's Sustainability report describes the Group's ESG performance over the past few years

Read more

Group overview

SP Group develops and manufactures advanced solutions in plastics using multiple production technologies

SP Group is a leading supplier of manufactured plastic products for the manufacturing industries with growing sales and production from own factories in Denmark, China, the USA, Latvia, Slovakia, Sweden, Finland and Poland. In addition, SP Group has sales and service companies in Sweden, Norway, the Netherlands and Canada. SP Group is listed on NASDAQ Copenhagen and had 2,339 employees at year end 2024 and some 4,000 registered shareholders.

SP Group A/S

Advanced solutions in plastics

Coatings	3D printing and machining operations	Polyurethane (PUR) and composite	Vacuum forming and rotational moulding	Injection moulding and blow moulding
Accoat A/S	**DAVINCI 3D A/S**	**Tinby A/S** Tinby Sp. z o.o. Tinby Co., Ltd. Tinby Denmark A/S Tinby Inc. Tinby SIA	**Gibo Plast A/S** Gibo Danmark A/S Gibo Sp. z o.o. Gibo Inc. Gibo Plast Co., Ltd.	**SP Moulding A/S** SP Moulding Denmark A/S SP Moulding Poland Sp. z o.o. SP Moulding (Suzhou) Co., Ltd. Sander Tech ApS
Jollmax Coating Oy	**Bovil ApS**	**Ergomat A/S** Ergomat Sweden AB Ergomat Inc. Ergomat Canada Inc. Ergomat Sp. z o.o.	**Plexx AS Opido AB** PlexxOpido Sp. z o.o.	**Ulstrup Plast A/S** Ulstrup Plast s.r.o.
	Kodaň Plast s.r.o.	**TPI-Polytechniek B.V.** TPI Polytechnics Inc. TPI Polytechnics Co., Ltd.	**Dan-Hill-Plast A/S**	**Coreplast Laitila Oy**
		Bröderna Bourghardt AB Baltic Rim Ltd. SEA Radomes Company Ltd.	**Nycopac AB**	**SP Medical A/S** SP Medical Poland Sp. z o.o.
		MM Composite A/S MM Composite Inc.		**MedicoPack A/S**
				Neptun Plast A/S
				Atlantic Floats Denmark A/S
				SP Meditec A/S SP Meditec Inc.

SP Group focuses on advanced plastics solutions:

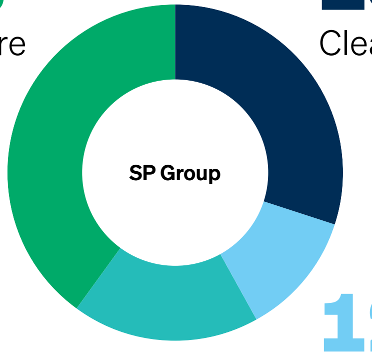
- **Injection moulding:**
  Injection-moulded plastic precision components for a wide range of industries. Manufacturing of products for customers in the medical device industry.
- **Blow moulding:**
  Blow-moulded plastic precision components for customers in the medical device industry. Manufacturing of packaging for the pharmaceutical industry.
- **Reaction injection moulding:**
  Moulded products in solid, foamed, flexible and light-foam polyurethane (PUR) for various industries, including Cleantech. Add to this ventilation equipment, ergonomic matting and striping products.
- **Vacuum forming:**
  Manufacturing of traditional vacuum forming, high-pressure and twin-sheet thermoformed plastic components. The components are used in refrigerators and freezers, cars, buses and other rolling stock (automotive) and in the Cleantech and the medical device industries, etc.
- **Rotational moulding:**
  Rotational-moulded precision components for a wide range of industries. Add to this fenders and buoys for the maritime industry.
- **Composite:**
  Advanced composite solutions for multiple industries based on glass fibre or carbon fibre combined with other materials.
- **3D printing:**
  An additive manufacturing technology used for building objects layer by layer from a digital 3D model. 3D printing is used for prototypes, manufacturing components and architectural models.
- **Machining:**
  CNC plastics machining, including milling and turning. Typically used for limited-quantity components.
- **Extrusion / pultrusion:**
  Manufacturing of plastic parts by forcing/pulling plastics through a die of a specific shape.
- **Coatings:**
  Surface treatment of plastic and metal parts, including hydrographic printing, electromagnetic shielding (EMS) and various other coatings.

At a glance

SP Group's sales for 2024 broken down by customer group

41% Healthcare

29% Cleantech

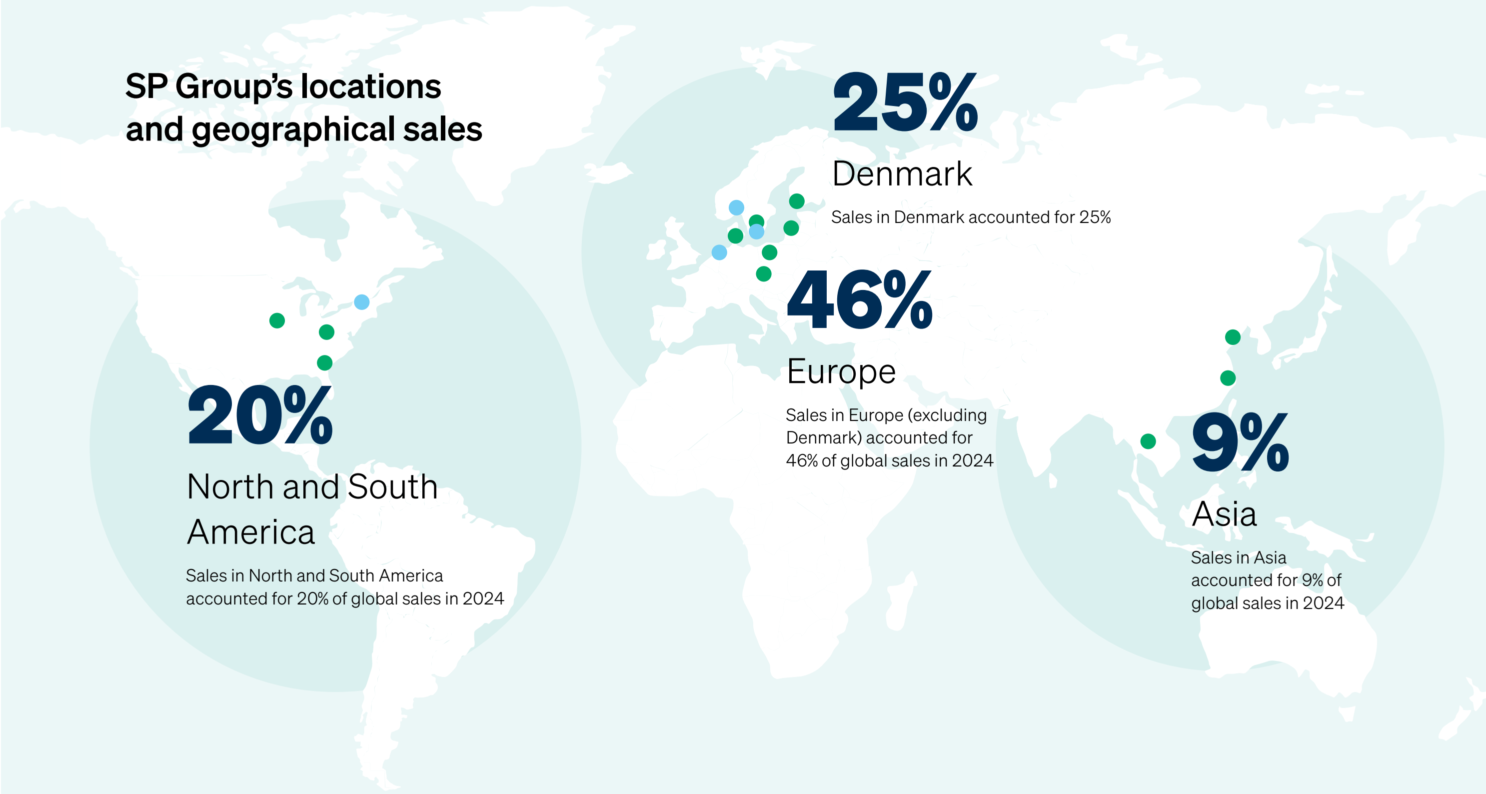


12% Foodtech

18% Other

- More than 1,000 customers in total
- The largest customer accounted for 13.9% (2023: 12.6%)
- The 10 largest customers accounted for 53.4% (2023: 46.3%)
- The 20 largest customers accounted for 60.6% (2023: 56.0%)

SP Group's locations and geographical sales



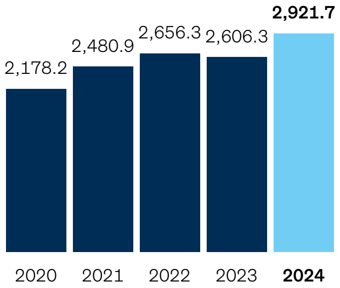
Sales and production
Denmark (13), Poland (6), China (2), USA (3), Latvia (1), Slovakia (2), Sweden (1), Finland (2), Thailand (1)

Sales and distribution
Netherlands (1), Sweden (3), Canada (1), Norway (1)

Selected results

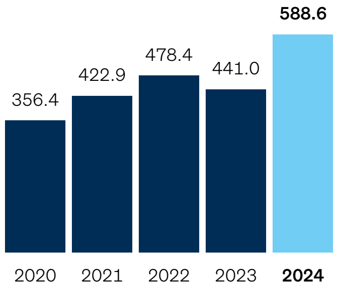
Revenue
DKKm

+12.1%



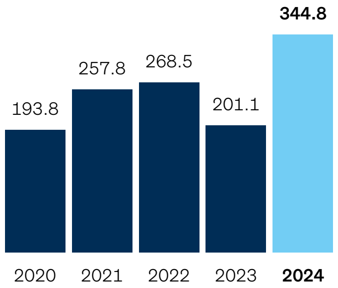
EBITDA
DKKm

+33.5%



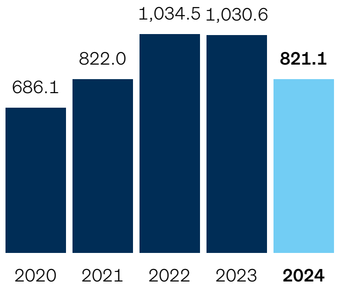
EBT
DKKm

+71.5%



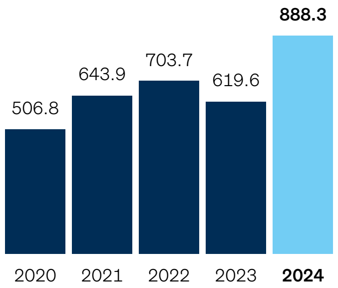
Net interest-bearing debt
DKKm

-20.3%



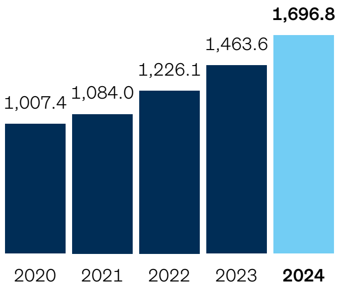
Revenue, own products
DKKm

+43.4%



Equity
DKKm

+15.9%



Letter to the shareholders

Growing and focusing the business

The strong performance in 2024 provides a solid foundation for continued profitable growth towards 2030. We will achieve this rate of growth by intensifying our focus on strong customer groups showing considerable growth potential and by making significant investments in core activities

For SP Group, 2024 was an eventful year, marked by transformation and challenges, but also by renewed growth and momentum.

Revenue for 2024 grew by 12% to DKK 2.9 billion, and profit before tax (EBT) grew by 72% to DKK 345 million – the best performance ever reported by SP Group.

The improvement was driven by strong growth in sales of own products. Sales of ergonomic solutions, medical packaging, guide wires, farm ventilation equipment and standard industry components were up by 43%, to account for 30% of revenue – the highest level ever recorded. Revenue from subsupplier jobs, on the other hand, was more flat. However, we signed new customer agreements for large projects which we expect a lot from going forward, particularly within Healthcare.

We also reduced our debt and secured strong cash flows despite investing heavily in skills, technology, efficiencies and new production capacity to be able to serve our customers even better.

All in all, 2024 provides a strong foundation for setting new goals for the future.

A farewell to Frank Gad
On 1 September 2024, we said goodbye to Frank Gad who retired after his exceptional contribution as our CEO through 20 years. Under Frank's leadership, SP Group evolved into a global group with significant profitability improvements. Frank's vision for SP Group has left a lasting legacy, and we thank him for his dedication.

> *We will continuously explore opportunities for making things simpler and better*
>
> **Lars Bering**, CEO

The Executive Board now consists of myself, CFO Tilde Kejlhof and EVP Søren Ulstrup, who is responsible for our largest activity – injection moulding. Together with Frank Gad, the three of us have made up the group management for a period of five years, so we have ensured continuity in the overall direction while bringing in a fresh perspective on goals and means.

New goals going forward to 2030
Together with our team and the Board of Directors, we have spent the past few months setting new goals for SP Group towards 2030, which are presented in this annual report.

Our goal is for SP Group to continue to grow profitably towards 2030. It is our ambition to lift revenue to the level of DKK 4.5 billion, but we must allow for fluctuations from year to year, depending on market conditions and acquisition opportunities. We aim to lift earnings (EBT) to a level of 12-14% by 2030.

We will focus even more consistently on customers in the Healthcare, Cleantech and Foodtech industries. While we have a good grip on these areas already, they still hold considerable potential. We will offer our customers technical plastic components for all essential technologies as well as engineering and advisory services in connection with the design and development of plastic parts. We know that it is important for our customers that SP Group is able to offer almost all types of plastics production, and we must extend our lead by creating even more coherent technologies.

We will increase the share of own products further, both through own development and through acquisitions. At the same time, we will expand our position as subsuppliers through organic growth as well as through acquisitions.

We will also maintain investments in machinery, equipment, software, energy efficiency and buildings at a high level and work to create larger and more efficient factories.

Focus on core activities

One such factory is the new facility in Atlanta, USA, which we commissioned in 2024. At this factory, our new company SP Meditec Inc. manufactures injection-moulded components, primarily for customers in the medical device industry. Production has come off to a good start, and the factory has received many orders. So many, in fact, that we expect to be two years ahead of plan. The American market is a key growth area, and we have high expectations for this market.

In 2024, we decided to close down two small factories in Denmark:

To improve operational efficiency, Neptun Plast's factory in Vordingborg was closed down and its production transferred to SP Moulding's facilities at Juelsminde, Denmark, and in Poland. The sale of Neptun Plast's products is now handled by Dan-Hill-Plast in Hornsyld, Denmark, so we now have a single dedicated team serving all our maritime customers.

We have decided to phase out Accoat's production at Kvistgård during 2025 due to uncertainty about future regulation on the use of PFTE materials and because of the unsuitable location of the plant in relation to a residential area. Moreover, the plant was due for significant investments in new furnaces. We are helping customers find other solutions and seek to accommodate the employees in the best possible way during the phase-out.

We will focus on what we do best. We will continuously explore opportunities for making things simpler and better. And we will adapt to what creates the most value for customers and business partners – and in turn for SP Group. This is the mindset we will bring with us to work every single day towards 2030.

We will also step up our sustainability efforts. This year, for the first time, our annual report includes sustainability reporting in accordance with the CSRD Directive and the ESRS standards. In the coming years, we will collaborate more closely with the entire value chain to achieve our goals in the areas that are material to us and our business.

Outlook for 2025

In 2025, we expect revenue growth in the range of 3-10% and an EBT margin of 11-13%.

Finally, I would like to extend a thank you to our many loyal customers and other business partners. We are proud to be serving a wide range of customers – from major, global groups to innovative start-ups – with the same commitment and expertise. And we remain committed to creating value.

We will adapt to what creates the most value for customers and business partners

Lars Bering, CEO

I also want to thank our shareholders and lenders for supporting us. Last, but not least: Thank you to all our employees. Our greatest strength lies in the multitude of skills and qualifications across our workforce – a strength that is best exploited through a true team effort.

Plastics are the material of the future, and we will continue to use all our creativity and know-how to create even better solutions for the benefit of customers, shareholders, employees and other stakeholders.

Lars Bering
CEO

Financial highlights

DKKm	2024	2023	2022	2021	2020
Income statement					
Revenue	2,922	2,606	2,656	2,481	2,178
Profit before depreciation and amortisation (EBITDA)	589	441	478	423	356
Depreciation, amortisation and impairment losses	-203	-200	-182	-154	-142
Profit before net financials (EBIT)	386	241	296	269	215
Net financials	-41	-40	-28	-11	-21
Profit before tax (EBT)	345	201	269	258	194
Profit for the year	262	159	213	203	151
Balance sheet					
Non-current assets	1,877	1,840	1,763	1,471	1,332
Total assets	3,162	3,020	2,962	2,530	2,265
Equity, including non-controlling interests	1,697	1,464	1,266	1,084	1,007
Net interest-bearing debt (NIBD)	821	1,031	1,035	822	686
Net working capital (NWC)	739	786	696	546	454
Investments in property, plant and equipment, excluding acquisitions	212	235	279	203	168
Cash flow statement					
Cash flows from operating activities	510	360	264	238	320
Cash flows from investing activities including acquisitions	-197	-188	-321	-222	-203
Cash flows from financing activities	-212	-216	68	-56	-43
Changes in cash and cash equivalents	100	-43	11	-41	74

	2024	2023	2022	2021	2020
Share ratios (DKK)					
Number of shares at year end (1,000)	12,490	12,490	12,490	12,490	12,490
Of which treasury shares at year end (1,000)	432	378	333	311	286
Earnings per share (EPS)	21.6	13.0	17.5	16.6	12.9
Earnings per share, diluted (EPS diluted)	21.6	13.0	17.5	16.4	12.8
Cash flow per share	42.1	29.6	21.7	19.3	27.1
Total dividend for the year per share (DKK)	4.0	3.0	3.0	3.0	5.0
Market price per share at year end	307.5	218.5	256.5	441.0	271.0
Employees					
Average number of employees	2,360	2,351	2,485	2,380	2,214
Financial ratios					
NIBD/EBITDA	1.4	2.3	2.2	1.9	1.9
EBITDA margin	20.1%	16.9%	18.0%	17.0%	16.4%
EBIT margin	13.2%	9.3%	11.1%	10.8%	9.9%
EBT margin	11.8%	7.7%	10.1%	10.4%	8.9%
Return on invested capital (ROIC), including goodwill	14.8%	9.5%	13.3%	14.2%	12.3%
Return on invested capital (ROIC), excluding goodwill	16.9%	10.9%	15.2%	16.1%	14.0%
Return on equity (ROE), excluding non-controlling interests	16.6%	11.6%	18.2%	19.4%	17.6%
Equity ratio, excluding non-controlling interests	53.5%	48.3%	42.6%	42.7%	44.4%
Equity ratio, including non-controlling interests	53.7%	48.5%	42.7%	42.8%	44.5%
Financial gearing	0.5	0.7	0.8	0.8	0.7
Book value per share, DKK per share, end of year	140.3	120.5	103.8	88.8	82.4

The financial ratios are calculated in accordance with the accounting policies on page 135

Outlook for 2025

SP Group is in a strong position to grow the business, and we are expanding capacity in the USA and signing agreements with customers for new orders

2024 was a strong year after a flat 2023. We are pleased to report strong positive growth and a gradually increasing order intake.

However, we do not expect growth to be at the same level in 2025. Europe's industrial production has stagnated, and this has short-term implications. Similarly, the slowdown in European industry will lead to more idle capacity among Europe's plastics manufacturers, which makes greater demands on competitiveness and may in turn put pressure on earnings.

However, we expect to be able to continue the strong commercial execution for our own products and thereby grow sales and sell more products in 2025.

We will focus on new products and solutions for our customers, particularly in the Healthcare, Cleantech, and Foodtech industries. These new solutions are expected to contribute to growth and earnings.

We will continue our strict cost control but are committed to maintaining a high level of investments in 2025.

The largest investments are expected to be made in Healthcare, where several new agreements have been signed with existing and new customers.

We will continue to invest heavily in our new factory in Atlanta, USA, where we are building cleanrooms and establishing additional production facilities faster than expected.

Turning to the world stage, the global unrest has not diminished during the opening months of 2025. Changing political agendas, geopolitical tensions, and trade wars may have an adverse impact on the global economy and, by extension, on SP Group's performance.

Interest rates in Europe and the USA remain at a high level, significantly impacting the global economy and our customers and suppliers – and in turn SP Group's performance. However, interest rates are coming down and will hopefully fall even further.

On the basis of the above, we expect revenue growth of 3-10% in 2025, for an EBITDA margin of 19-21% and an EBT margin of 11-13%.

TPI-Polytechniek BV develops and sells components for ventilation, e.g. for pig and poultry houses.

Performance in 2024

2024 in outline
Consolidated revenue grew by 12.1% to DKK 2,921.7 million (from DKK 2,606.3 million in 2023). The increase was primarily driven by increased sales of own products. Organic growth in local currencies was 12.2%. Changes in foreign exchange rates (depreciation of RMB and appreciation of USD) reduced revenue by about DKK 3 million. The currency effect accounted for about 0.1% of the 12.1% increase in revenue.

Foreign sales increased by 18.5% to account for 75.2% (71.2% in 2023). Sales increased in Europe, Africa, Australia, Asia and North and South America. Sales outside Europe were up from 22.6% to 29.1% of revenue.

Sales to our Danish customers were down by 3.7%.

Sales to the Healthcare industry increased by 36.5% to account for 40.5% of total sales (33.3% in 2023).

Sales of own products rose by 43.4%, driven by sales of ventilation components, guide wires, medical packaging and ergonomic products. The increase in sales of own products contributed to the increase in earnings. Own products now account for 30.4% of consolidated sales.

Consolidated EBITDA grew by 33.5% to DKK 588.6 million, for an EBITDA margin of 20.1%, a 3.2 percentage point increase over 2023. The increased sales of own products and the related improved capacity utilisation rate had a favourable effect on EBITDA.

At 31 December 2024, the Group had 2,339 employees. Investments in property, plant and equipment amounted to a net DKK 212 million, including leased assets.

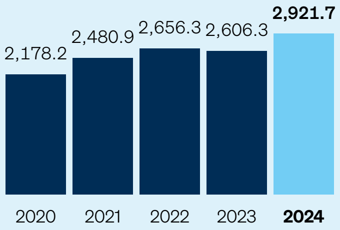
Depreciation, amortisation and impairment losses amounted to DKK 203.1 million, a DKK 3.3 million increase relative to 2023.

EBIT rose by DKK 144.3 million year on year to DKK 385.5 million, equal to 13.2% of revenue.

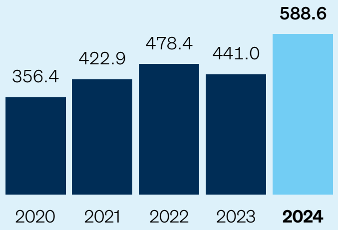
The Group's net financial expenses amounted to DKK 40.8 million, largely unchanged relative to 2023. The net expenses were affected by exchange rate adjustments, forward transactions, higher interest rates and earn-out adjustment. The lending margin was largely unchanged. Debts were reduced relative to 2023.

EBT amounted to DKK 344.8 million, an increase of 71.5% from DKK 201.1 million in 2023. This equalled 11.8% of revenue.

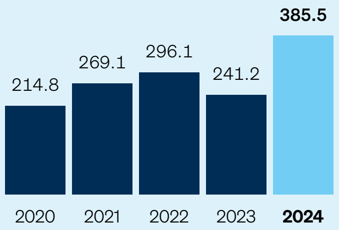
Revenue
DKKm



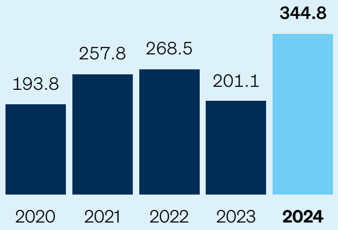
EBITDA
DKKm



EBIT
DKKm



EBT
DKKm



Diluted earnings per share amounted to DKK 21.6, up DKK 13.0 relative to 2023.

Cash flows
Cash flows from operating activities increased to DKK 509.9 million (from DKK 360.4 million in 2023), primarily due to an improved profit for the year and reduced funds tied up in net working capital.

Cash flows from investing activities amounted to DKK 197.4 million, which related to capacity and competency development, machinery and equipment (DKK 87 million) and investments in properties, cleanrooms, solar panels and solar parks (DKK 110 million).

A total amount of DKK 142.1 million was repaid in respect of non-current debt, while repayment of lease debt amounted to DKK 54.0 million. New loans were raised in an amount of DKK 80.0 million.

Dividend of DKK 36.3 million was paid to the shareholders, and treasury shares worth a net amount of DKK 17.4 million were acquired. No new shares were issued in 2024.

A change in current bank debt entailed a positive change in cash and cash equivalents of DKK 100.1 million.

Balance sheet
Total assets grew from DKK 3,019.6 million to DKK 3,161.8 million, which was attributable to purchases of new machinery, purchases of properties and land, increased cash funds and a reduction of gross working capital.

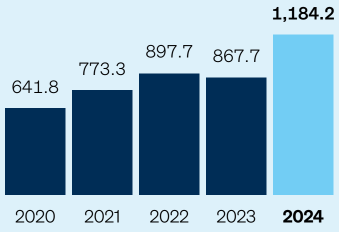
Equity increased from DKK 1,463.6 million to DKK 1,696.8 million.

Net interest-bearing debt (NIBD) fell to DKK 821.1 million (from DKK 1,030.6 million in 2023) to amount to 1.4 times EBITDA for the year.

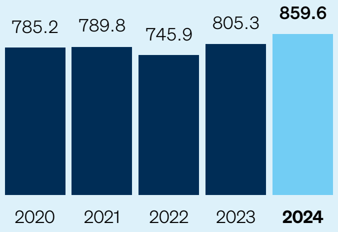
It is the Management's opinion that the Company still has reasonable capital resources and sufficient liquidity for the Company's plans and operations. The Company has strong, long-standing relationships with its financial cooperative partners, which is also expected to be the case going forward.

The capital structure was changed in 2024 in that the current interest-bearing debt was reduced from 16.2% to 13.5% of the balance sheet total, while the non-current interest-bearing debt was reduced from 19.6% to 17.3% of the balance sheet total. The equity ratio increased from 48.5% to 53.7%, and the proportion of non-interest- bearing debt of the balance sheet total fell from 15.7% to 15.6%.

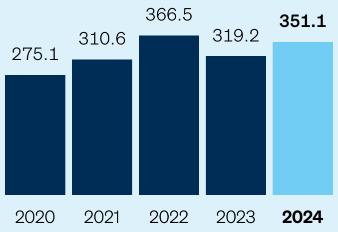
Revenue, Healthcare
DKKm



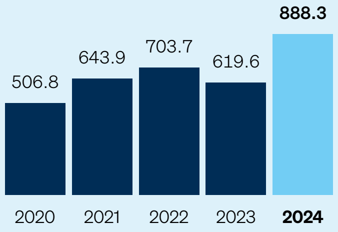
Revenue, Cleantech
DKKm



Revenue, Foodtech
DKKm



Revenue, own products
DKKm



Net interest-bearing debt fell from 34.1% to 26.0% of the balance sheet total.

In 2024, equity was adversely affected by the purchase of treasury shares worth a net amount of DKK 17.4 million. Value adjustments of financial instruments entered into to hedge future cash flows, primarily forward contracts (PLN against EUR), affected comprehensive income and, by extension, equity adversely in the amount of DKK 7.2 million.

Exchange rate adjustments of foreign entities had a positive effect on equity in the amount of DKK 30.3 million, while the distribution of dividends had a negative effect of DKK 36.3 million.

Other value adjustments affected equity negatively in the amount of DKK 3.1 million.

For 2024, a dividend of DKK 4.0 per share is proposed (DKK 3.0 in 2023), equal to 19.1% of the profit after tax.

Follow-up on previously announced guidance

At DKK 2,921.7 million and DKK 344.8 million, respectively, revenue for the year and profit before tax were in line with the most recent guidance of 15 November 2024 of revenue growth in the range of 10-16% (realised 12.1% growth), an EBITDA margin of 19-21% (realised 20.1%) and an EBT margin of 11-13% (realised 11.8%).

Previous guidance announcements in 2024

21 March
Due to inflation, higher interest rates, volatile energy prices and the wars in Ukraine and Gaza, our levels of activity and cash flows over the coming months are subject to considerable uncertainty. SP Group presently expects FY 2024 revenue to grow by 5-15% for an EBITDA margin of 16-19% and an EBT margin of 9-12%.

27 May
No changes relative to 21 March.

23 August
SP Group now expects FY 2024 revenue to grow by 8-18% for an EBITDA margin of 19-21% and an EBT margin of 11-13%.

15 November
SP Group now expects FY 2024 revenue to grow by 10-16% for an EBITDA margin of 19-21% and an EBT margin of 11-13%.

Events after the balance sheet date

From the balance sheet date until the date of publication of this annual report, no significant events have occurred that are not already incorporated in this annual report and that would materially alter the assessment of the Group's and the Company's financial position.

Q4 performance

In Q4 2024, SP Group generated sales of DKK 726.9 million, which corresponds to a year-on-year increase of 11.3%. Of this growth, 11.0% was organic measured in local currencies. Adverse currency movements reduced sales by DKK 1.7 million.

EBITDA came to DKK 141.2 million, a year-on-year increase of 20.7%. EBIT amounted to DKK 89.7 million, up DKK 20.3 million on the same period the year before.

Profit before tax was DKK 90.5 million, up DKK 28.5 million on the same period the year before. The Q4 EBITDA margin was 19.4%, and the profit before tax equalled 12.5% of revenue.

Depreciation, amortisation and impairment losses amounted to DKK 51.5 million, up DKK 3.8 million on the same period the year before.

In Q4, cash flows from operating activities amounted to DKK 108.4 million (2023: DKK 71.8 million). Cash flows from investing activities were a net outflow of DKK 71.9 million (2023: net outflow of DKK 67.3 million). Cash flows from financing activities were a net inflow of DKK 32.9 million (2023: net outflow of DKK 27.1 million). Accordingly, the change in liquidity was a positive DKK 69.3 million (2023: negative at DKK 22.6 million).

The positive trend in Q1-Q3 continued into Q4. However, growth was slightly lower than in the preceding three quarters, which was primarily due to the fact that the positive trend started in Q4 2023. Again in Q4, growth was primarily driven by sales of own products.

With DAVINCI 3D's latest 3D printing technology, we are able to manufacture acrylic items in up to 600,000 different colours and 14 different hardness levels. Moreover, we are able to deliver transparent items as well as a combination of all of the above.

Our business

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25 Vacuum forming, rotational moulding and extrusion
27 3D printing and machining operations

Group strategy

1 Strong subsidiaries

The cornerstone of SP Group's strategy is our strong subsidiaries that are close to customers with strong mandates and responsibility and can develop the business quickly according to customers' requirements and wishes and thus are constantly committed to being the customers' preferred suppliers. The individual subsidiaries have great autonomy, while SP Group ensures the exploitation of synergies across the Group.

2 Clear positioning

SP Group has a clear market position and is focused on three clearly defined customer groups: Healthcare, Cleantech and Foodtech – all of which are growing business areas in which we can grow with our customers and ensure that plastics make a positive difference in society. We offer advanced solutions in plastics and participate in our customer's entire product cycle, right from development, over testing to final delivery of the finished product from our global production setup.

3 One-stop shop

Plastics are a versatile material, and products and components can be manufactured using several different production technologies. The choice of the right technology and material to meet specific expectations for the final product is essential for a successful result. To this end, SP Group offers all relevant production technologies within plastics and will continuously expand its areas of expertise. This makes SP Group a one-stop shop for its customers.

4 Own products

In tandem with serving our customers as a subsupplier, we have a strategic focus on own products. SP Group has products in a range of profitable niches in which a large part of the value chain is located in SP Group. Our own products raise the average margin, which is why we will continue to expand our portfolio and sales of own products. It is also a strategic focus to strengthen the area through future acquisitions.

5 More acquisitions

Our subsidiaries are the cornerstone of SP Group – therefore, we will continue to explore opportunities for more acquisitions in the future. Our strategic focus will be on identifying companies that fit into our overall strategy, including strengthening our existing customer groups and offering our customers more technological options. We also aim to increase the proportion of our own products and to attract more customers to SP Group.

6 Focus on sustainability

Plastics are an amazing material that can be used over and over again if recycling is taken into account right from the development of new plastic parts. At SP Group, we see sustainability as a competitive edge. Therefore, we aim to increase the proportion of recycled plastics, thereby minimising our environmental footprint. Moreover, we are determined to increase the share of renewable energy in our energy consumption.

Towards 2030

Over the past 20 years, we have successfully worked to create a larger, better and more profitable SP Group by maintaining a strong focus on our customers and ensuring solid organic growth supplemented by acquisitions.

We will remain strategically focused on advanced technical plastics solutions for the Healthcare, Cleantech and Foodtech industries where we see strong potential for continued growth and for developing plastics solutions that make a difference for our customers. We intend to continue using this formula, and our ambition is to grow by an average of 6-9% annually by means of organic growth and minor acquisitions, corresponding to revenue in the range of DKK 4.5 billion by 2030 – perhaps even more if we succeed with major acquisitions.

We will continue to focus on our own products and will strive to grow the proportion of total sales accounted for by our own products. In 2024, own products accounted for 30.4% of total sales. We will continue to expand internationally and drive further efficiency improvements through massive investments in new plants, technologies and people. We are seeing fiercer competition, especially for our subsupplier activities, which is putting pressure on our margins. Overall, we aim for an EBITDA margin of 20-22% by 2030 and to increase the profit before tax to 12-14% of revenue, equal to about DKK 600 million.

SP Group is a dedicated subsupplier of plastic components, mastering a wide array of advanced plastics manufacturing technologies. This gives us a unique platform for serving our customers better than many of our competitors, who typically focus on only one technology.

We aim to achieve a ratio of net interest-bearing debt to EBITDA of 1-3.5. This goal leaves room for expanding our activities beyond what is originally planned as and when we spot attractive opportunities. SP Group will continue to reduce net interest-bearing debt by strengthening cash flows from operating activities and selling non-value-creating activities in order to release capital.

We seek to maintain the equity ratio – including minority interests' share of equity – at no less than 25%. If the equity ratio falls below that point due to major acquisitions, the Company will consider asking the shareholders to contribute additional capital.

In recent years, dividends distributed have totalled 15-20% of the profit after tax. Every year before the annual general meeting, Management assesses whether this level is adequate. The proposed dividend for 2024 corresponds to 19.1% of profit after tax.

Follow-up on our 2024 ambitions

In 2018, SP Group announced its financial ambitions for 2022. However, due to the slow rate of market growth during the Covid-19 pandemic, the deadline for these ambitions was postponed to 2024.

In 2024, SP Group had met most of these ambitions and had improved a number of key figures. However, we did not meet our targets for revenue growth and profit before tax. This was mainly due to the decrease in revenue in 2023, which could not be offset by growth in 2024, and the absence of attractive acquisition opportunities in the past few years.

	2024 ambition	Performance in 2024
Revenue	DKK 3.3-4.0 billion	DKK 2.9 billion
Own products' share of revenue	28-30%	30.4%
EBITDA margin	16-19%	20.1%
EBT margin (profit before tax as a percentage of revenue)	10-12%	11.8%
Profit before tax	DKK 400 million	DKK 345 million

Business model

Resources

Employees
Owing to their great commitment and strong competencies in the development and production of plastics solutions, our employees are the core of our business.

Polymers
We use many different types of raw materials and continuously test new materials with improved properties that can be used for new plastics solutions. The raw materials come in the form of plastic granules, powders, sheets and resins.

Suppliers
We rely on strong and long-standing relationships with skilled suppliers of materials, tools and machinery who contribute to innovative plastics solutions.

Our business

Design
Our customers' needs inspire us to develop new plastic parts manufactured as either subsupplier products or own products. This phase involves advice on design and the choice of production technology and raw materials. Finally, the manufacturing tools are made.

Manufacturing
Products are manufactured using one or more of our technologies: injection moulding, vacuum forming, reaction injection moulding, composite moulding, blow moulding, extrusion, 3D printing, rotational moulding, machining and coating.

Subsequent processes: labelling, welding, laser engraving, 3D scanning, surface treatment, hydrographic printing, assembly, packing, logistics and electromagnetic shielding (EMS).

Delivery and installation
We have a strong focus on high precision delivery at all of our factories. As a post-delivery service, we offer customers assistance with installation and/or setup of the finished product.

Recycling
We offer to collect end-of-life products so that they can again add value in the value chain

Value creation

Customer value
In 2024, we converted 27,758 tonnes of raw materials into high-quality finished products, typically designed for many years of use.

Sustainability
In production, 3,492 tonnes of regenerates were used in the manufacture of plastics solutions, a 41% increase on 2023.

The planet
- Scope 1 CO_2e emissions were reduced by 23% relative to 2023.
- Scope 2 CO_2e emissions (market-based) were reduced by 13% relative to 2023.

Jobs
2,339 employees in 13 countries at 31 December 2024

Shareholder value
EPS of DKK 21.6 in 2024
Share return of 45% in 2024

We strive to be an innovative, reliable and competitive business partner to our customers

Technologies

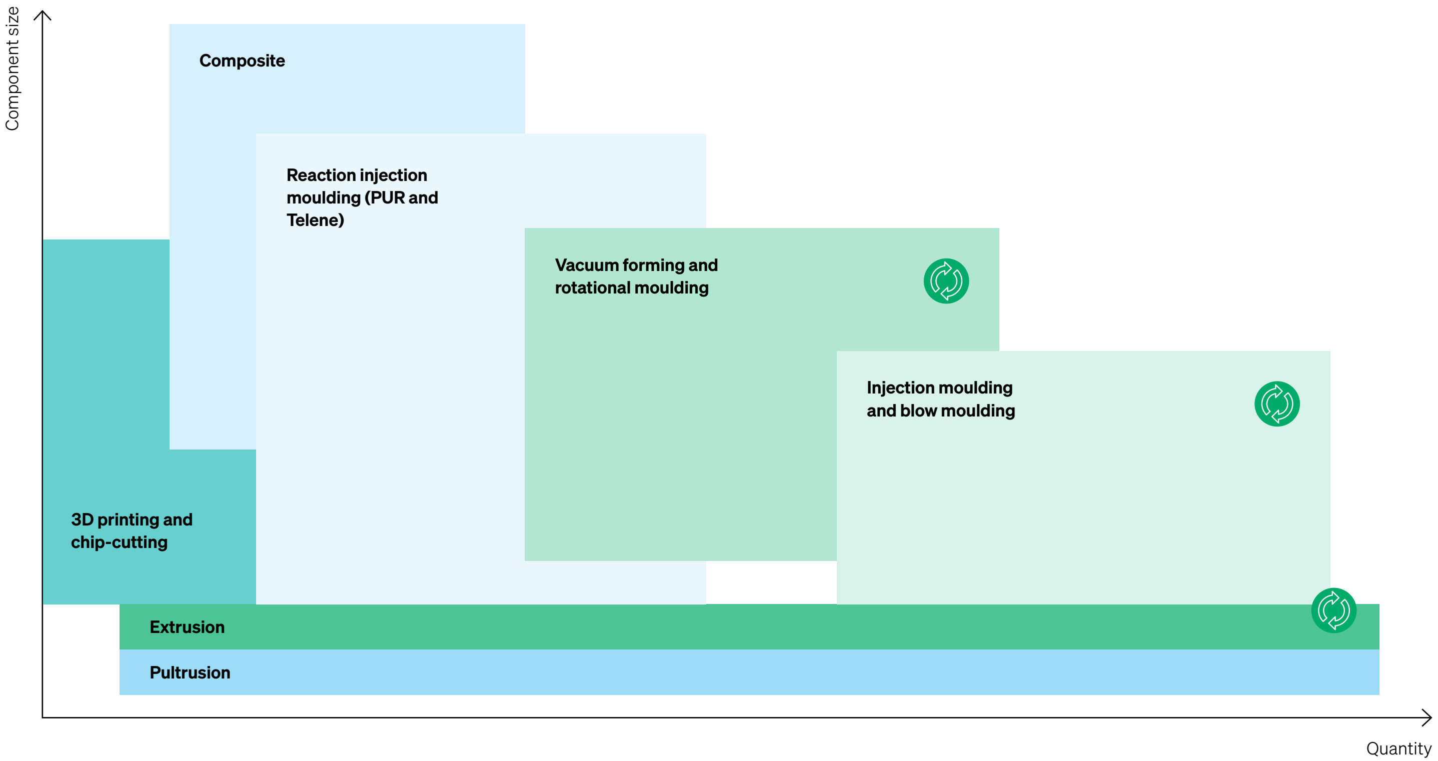
The choice of production technology depends, among other things, on the size of the component and the quantity to be produced

Many factors are at play when choosing production technology for a plastic component, including component size, quantity, criteria and specifications.

The choice of technology is not static. The right technology may change over the course of a product's life.

SP Group masters a wide array of advanced technologies and is able to advise customers and offer them optimal solutions.


= Possibility of using regenerated (recycled) plastics



Injection moulding and blow moulding

Global progress, many new orders and a new US factory in 2024

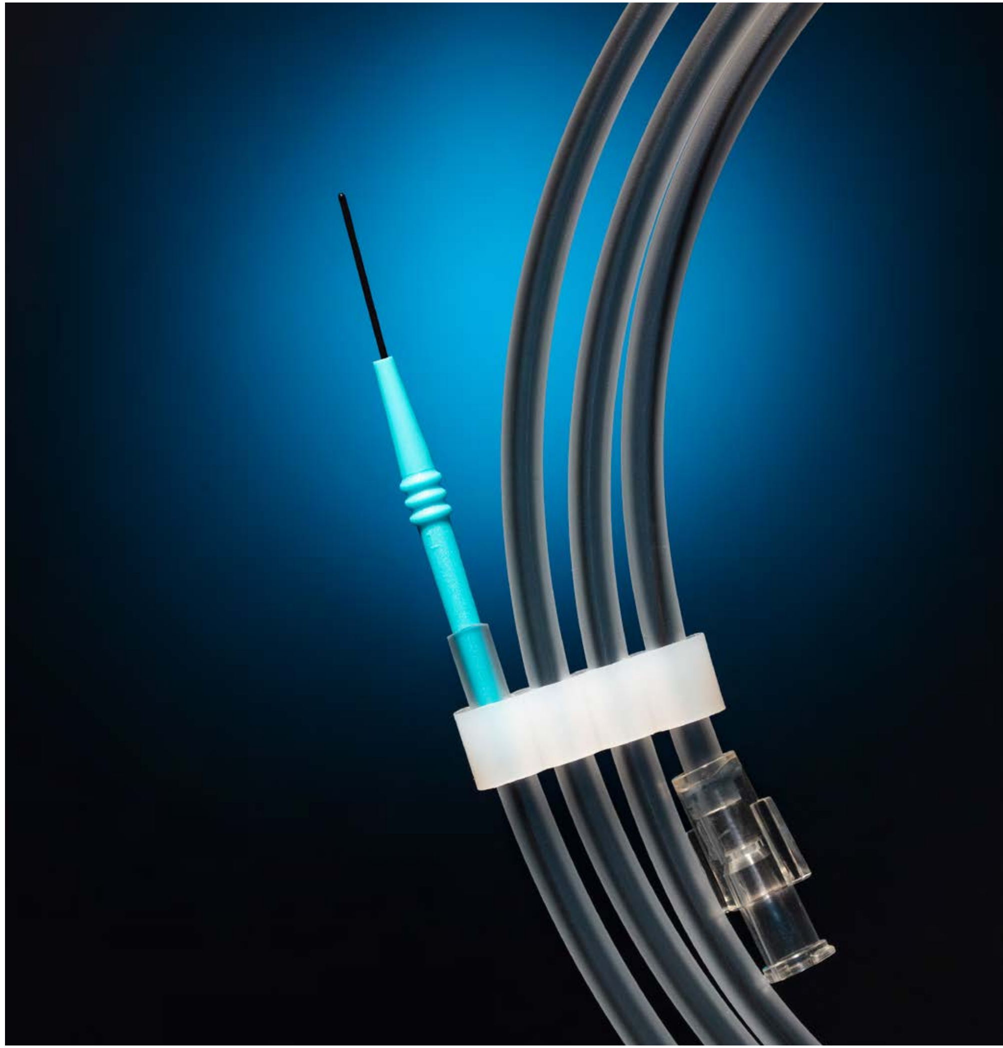
2024 in outline
We successfully secured many new projects, resulting in growing business activity. The companies saw a solid inflow of new customers in Europe, the US and Asia, and business with existing customers expanded in both Europe and Asia.

As part of a heightened focus on the Healthcare industry, we established the SP Meditec brand in 2024. This brand will focus on the development and production of customer-specific plastics solutions for the medical device industry, primarily manufactured by injection moulding.

Going forward, SP Medical will focus on the development, production and sale of its own products for the medical device industry with a particular focus on guide wire products. This change strengthens our focus on both areas, ensuring that customers for our subsupplier tasks and our own products get a better service.

The construction of the new factory in Atlanta, USA, is progressing according to plan, and we have established SP Meditec Inc. In 2024, we signed an agreement with a customer in the medical device industry to take over the customer's own injection moulding operations in the USA together with a number of assembly jobs. As a result, the factory will expand faster than expected.

The strong performance at MedicoPack continues with growing demand for clear vials, our own product. We are still investing heavily in MedicoPack, and in 2024 we launched a major expansion of the cleanroom facilities to keep up with developments.



SP Medical's unique Poseidon guide wire for cardiology, developed with a super-elastic core and surface coating with extremely low friction.

In 2024, we closed down production in Neptun Plast, consolidating production in SP Moulding in Poland and Denmark. Going forward, the team behind the Dan-Fender products will be in charge of sales of Neptun's maritime products. This will ensure stronger attention to our own products for the maritime industry.

Markets and products

With more than 480 injection-moulding machines (including more than 50 two- and three-component machines), SP Moulding, SP Medical, SP Meditec, Coreplast and Ulstrup Plast are, combined, the largest independent injection-moulding business in Denmark and rank among the largest of its kind in the Nordic region. The market is still characterised by many small suppliers and excess capacity in certain areas, and a number of customers are turning to low-wage areas. However, several groups with own production of injection-moulded plastics choose to outsource activities to specialists such as SP Moulding.

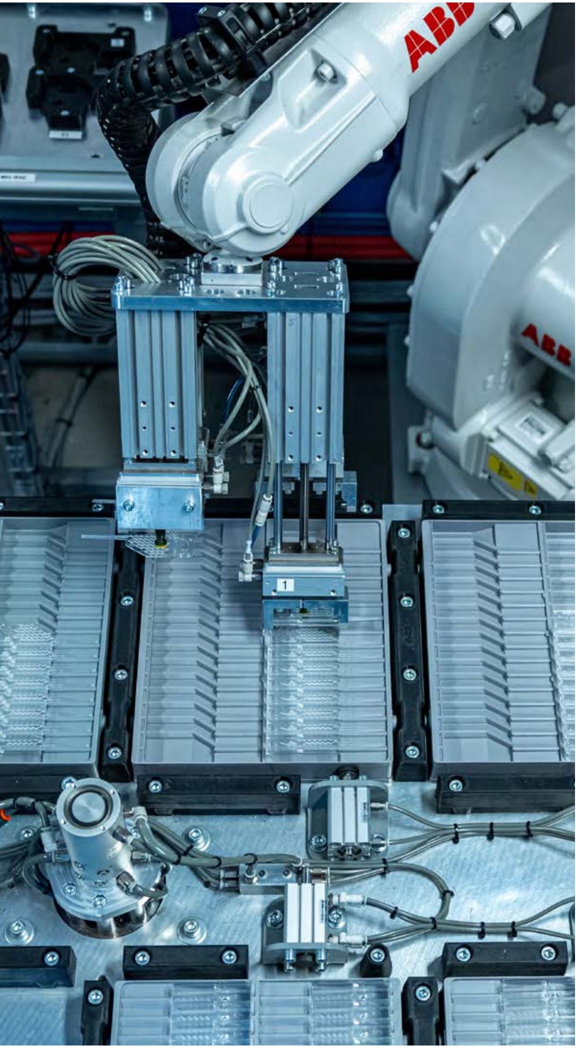
Moreover, the market is expanding due to substitution of plastics for other materials. SP Moulding, Coreplast and Ulstrup Plast have clear advantages in the Northern European market due to their size and expertise in injection moulding and design, product development, international sourcing of moulds and raw materials as well as add-on services including welding, laser engraving, printing, 3D printing, 3D scanning, full assembly and packaging. As price remains a decisive parameter, further production efficiencies are required. In Europe and China, we are a small supplier of technical plastics. However, both regions offer the potential for substantial growth due to the companies' extensive know-how and expertise.

SP Medical addresses a potential market of approximately DKK 15 billion that is growing at an annual rate of 5-7%. SP Meditec is one of the largest companies in the Nordic region in injection-moulded plastics for the medical device industry. SP Meditec is an innovative partner in the development, manufacture and assembly of injection- and blow-moulded plastic components. We are part of the entire process, from idea to finished product. We use a highly agile business model ensuring fast implementation so that our customers get their products on the market quickly.

SP Medical focuses on the development, production and distribution of guide wires for cardiology, radiology, urology and other applications, and is among the largest suppliers in Europe in its field. SP Medical is the only developer and manufacturer in the Nordic region of swabs for collecting clinical samples. Medical devices for the Healthcare industry are manufactured in cleanrooms and in hygienically-controlled conditions at the state-of-the-art factory in Poland. SP Medical's expertise and quality standards provide a strong potential for the company to grow its market share.

MedicoPack develops and manufactures plastic packaging for pharmaceutical use within injection and infusion therapy for the global medical device and healthcare industries. The packaging is manufactured in cleanrooms and in hygienically-controlled conditions, where quality assurance and documentation are key competences. The production technology is based on blow moulding, injection blow moulding (IBM) and extrusion blow moulding (EBM), and the company has a leading position in the manufacturing of pharmaceutical packaging.

SP Meditec A/S manufactures these swab kits for bacteriological analysis.



Production at the SP Moulding injection moulding site.

Strategy
SP Moulding, Coreplast and Ulstrup Plast will increase exports to neighbouring markets from the three Danish factories and the Finnish factory. Our Polish and Slovakian factories will strengthen the marketing of technical plastics and assembly activities in the growth markets in Eastern and Western Europe.

We will continue to move labour-intensive production tasks from Western Europe to Poland and Slovakia and invest heavily in technology and people. In 2025, SP Moulding, in cooperation with SP Meditec, will set up injection moulding activities in the USA for industrial customers.

SP Moulding, Coreplast and Ulstrup Plast will work to capture market shares in all markets by offering improved customer services, intensifying their involvement in customers' product development and by targeting growth industries. Competencies will be strengthened continually to allow us to differentiate ourselves also in the future. The production efficiency programmes will continue at all facilities through lean projects, increased automation and emphasis on energy and raw materials consumption, disposals, switch-over times, to name a few measures. We will continue to take part in the consolidation in Northern Europe where relevant, and we will explore whether new technologies may complement our broad expertise and our aim to be a 'one-stop shop'.

SP Meditec's strategy is to accelerate revenue growth by becoming the preferred supplier of our key customers in Europe and the USA. SP Meditec also aims to ensure a continued strong emphasis on general project implementation productivity and efficiency. In addition, SP Meditec works to assist new innovative companies in the final development of their products for the medical device industry.

SP Medical will continue to strengthen the development of new products and step up marketing efforts towards new customer leads. SP Medical has upgraded its quality systems and product certificates to comply with the new Medical Device Regulation (MDR) thus ensuring continued patient safety and meeting the growing demand from customers for regulatory documentation.

MedicoPack will continue to strengthen and expand its collaboration with existing and new customers at a global level. Development activities will centre on close collaboration with customers to continuously improve and optimise existing packaging solutions and develop new, cutting-edge packaging concepts. The most recently launched product ranges are Clear Vial, DivibaX and RTU Sterile Vials.

Read more about SP Moulding A/S →
Read more about Sander Tech ApS →
Read more about Coreplast Laitila Oy →
Read more about Ulstrup Plast A/S →
Read more about SP Medical A/S →
Read more about SP Meditec A/S →
Read more about MedicoPack A/S →

Polyurethane and composite

Higher activity levels and new products

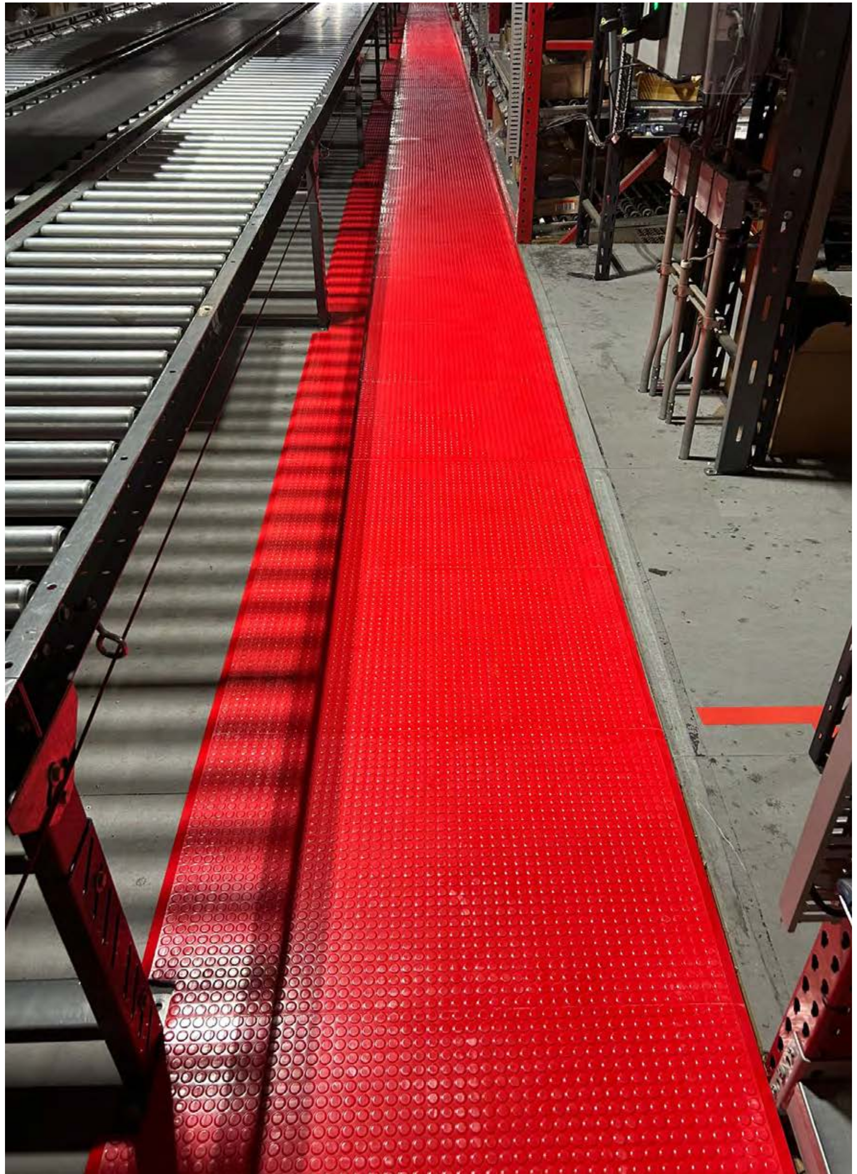
2024 in outline
Ergomat had a strong year in 2024 with growth in primary markets and sales improving to companies that want safe and ergonomic workplaces for their employees. Ergomat's customers include retail chains, car factories and distribution warehouses. Ergomat launched several unique products, including intelligent products to protect against collision accidents in industrial environments. Also, the first products were sold under Ergomat's recycling programme, which consists in taking back end-of-life products and converting them into new products while utilising production waste. Ergomat remains the world's largest manufacturer of ergonomic matting and a leader in 5S and Lean solutions.

TPI-Polytechniek saw growing demand in 2024, especially for products for the poultry industry. A new egg protection product (Egg Belt Cover) for the food industry was well received. Sales saw a positive trend in Europe, North America, Asia and the Middle East.

Tinby, with its four global manufacturing sites, saw strong progress in 2024. We still manufacture products for the Cleantech industry in China and Latvia, while PUR components and PUR in the form of blocks made up for customer-specific solutions are manufactured in Denmark and Poland.

MM Composite had a strong year in 2024 with growing demand. With own products and processes on a positive trend, MM Composite also succeeded in adding several new customers to its portfolio. Part of production was relocated from Denmark to Latvia.

Bröderna Bourghardt experienced a setback in sales in 2024, which was attributable to reduced customer demand, but still launched a number of exciting projects that will contribute to revenue in the coming years.



Ergomat develops and sells ergonomic matting that helps improve the level of health and safety for our customers' employees.

Insulation caps, Tinby's own product, reduce heat loss.

During the year, we verified new RF-transparent materials and recyclable DCPD, which is also in production. As a result of the declining customer demand, we have started the process to phase out the factory in Thailand and expect it to close down in the first half of 2025. The lease has been terminated, and the production equipment will be shipped to the factory in Latvia.

Markets and products

Ergomat's 2025 pipeline is larger than ever. We still have high expectations for the recycling concept for mats, integrating end-of-life products in new products and thereby reducing carbon emissions by more than half. Using this concept, a product's service life is significantly increased, and the mats offer the same ergonomic properties as new mats.

Our focus on distribution warehouses and the transition of the automotive industry to manufacturing of electric cars will continue in 2025. The factory in Poland still facilitates capacity expansion, supporting the increased activity levels expected for 2025 and 2026.

Tinby is Scandinavia's leading sub-supplier of moulded components in solid, foamed, flexible polyurethane and combinations of these. Tinby's components are used for Cleantech orders, in medical device products, instruments, furniture, graphic machines, ventilation, coatings, window and construction profiles, insulation caps, panels, sheets, fillets and cabinets.

Tinby develops special raw materials aimed at narrow and broad product solutions and masters a number of technologies for product refinement, including combination technologies, in-mould coating, varnishing and coatings. In addition to PUR activities, Tinby offers a wide range of special products aimed at the Cleantech industry.

With the development of raw materials and technologies, Tinby has succeeded in attracting a large number of orders, particularly within Cleantech, and the geographical focus has also been a driver of growth.

TPI-Polytechniek is the leading supplier of light-foamed chimneys, air intake valves and ventilation components for the agricultural and industrial sectors. PUR is particularly suitable for these purposes because of its light weight and highly insulating properties combined with its non-condensing properties at temperature changes.

The European market is expected to be challenging, while the Middle Eastern, Asian and North American markets are expected to show a positive trend in the coming years. With the launch of new products, TPI will be able to expand its position in the global market for ventilation equipment in pig and poultry houses.

Bröderna Bourghardt develops and manufactures large composite components with advanced features for satellite communication, among other uses. Bröderna Bourghardt is also one of Scandinavia's largest manufacturers of components in DCPD (Telene), a material often used for construction and agricultural machinery bodywork. The properties of the material also make it suitable for ventilation consoles, and it has several different applications in wind turbines.

MM Composite is one of Scandinavia's leading suppliers of state-of-the-art composite components for the Cleantech and other industries and serves customers in Europe and the USA. The North American market is served from our production facilities in the USA.

In autumn 2024, TPI-Polytechniek launched their ECC500 food belt conveyor that protects against temperature fluctuations and other environmental impacts. ECC500 is made from polyurethane.

Strategy

Ergomat remains the world's largest and leading manufacturer of solutions for ensuring a healthy physical working environment in industrial workplaces. Ergomat offers a wide range of products, including ergonomic mats, floor striping, etc., designed to protect employees in industrial environments while enhancing efficiency through our Lean Manufacturing Tools at customers.

In Søndersø, Denmark, Tinby manufactures moulded components and block-foam solutions. In Poland, activities are being expanded by pentane and water blowing systems for the Cleantech industry, flexible foam systems and new formulas for optimum insulation. At Tinby's factory in China, the positive trend continues with the production of light-foam products expected to increase in 2025. In China and the USA, a growing number of production orders are performed for neighbouring markets, primarily within the Cleantech industry.

TPI-Polytechniek expects to expand further in 2025, particularly in Asia and North America, which remain its focus areas. New markets will also be cultivated, and special efforts will be aimed at South America. New and innovative products will also be a focal point in the coming years.

MM Composite remains focused on its international presence, adding new customers within Cleantech and developing customised products and production processes. MM Composite will continue to raise awareness of the excellent properties of composites to drive the substitution of composites for metal and steel.

Read more about Ergomat A/S →
Read more about Tinby A/S →
Read more about TPI-Polytechniek B.V. →
Read more about Bröderna Bourghardt AB →
Read more about MM Composite A/S →

Vacuum forming, rotational moulding and extrusion

Several new orders for the train industry, launch of new products for the maritime industry and production expansion in Poland

2024 in outline
Activity levels were high in 2024, and Gibo Plast successfully won a range of new projects. For Gibo Plast, 2024 was an eventful year as the company worked intensively with efficiencies in Denmark, Sweden, the USA, China and Poland.

The company saw a continued rise in the use of recycled plastics, both for Nycopac’s unique packaging solutions and for customer-specific solutions focused on a reduced environmental footprint.

Nycopac has stepped up the development, design and sale of packaging solutions for industrial transport. Most of these solutions are made from recycled plastics through vacuum forming.

Gibo Plast is one of Europe’s largest suppliers of large plastic components for many different industries and has the expertise to solve complex tasks by means of vacuum forming, rotational moulding and extrusion.

In addition, Gibo has strong competencies in prototypes and tools and develops and manufactures production tools for vacuum forming and rotational moulding for the purpose of enhancing its competitive strength through a very fast time-to-market for new products.

Dan-Hill-Plast develops, manufactures and sells own-brand products, such as fenders and buoys, which are sold globally.

Dan-Fender – which is part of Dan-Hill-Plast and develops and sells its own products for the maritime industry in the form of fenders and buoys – was challenged by a slowdown in activity in 2024, primarily due to lower activity in the yachts segment and increasing competition from cheap Chinese products. In response to this, Dan-Fender launched a new competitive fender series, 'Competition', to supplement Dan-Fender's popular Heavy-Duty range.

Markets and products

Combined, Gibo Plast, Plexx and Opido are market leaders in Scandinavia, ranking among the largest manufacturers in Europe of large plastic components based on vacuum forming and rotational moulding. The location of the factories ensures a short distance to customers' factories. This reduces time, transportation and the environmental impact.

The factories can handle components of many different sizes and both large-scale production and minor batches with customised, logo-embossed components. The offering to customers is completed by 3D CAD/CAM design, CNC milling, decoration, surface treatment, 3D scanning, assembly, gluing and packing.

Gibo Plast, Dan-Hill-Plast, Plexx, Opido and Nycopac have a well-balanced customer portfolio and strong exposure to multiple industries. The companies are making targeted efforts to attract new, interesting customers while strengthening relations with existing customers.

Strategy

The companies of the Gibo group focus on plastic components in thermoplastics, typically consisting of large components in relatively small batch sizes. Being committed to becoming a 'one-stop shop' for plastic components, we also offer customers products from our other group companies. Moreover, we also focus on increasing the proportion of recycled plastics (regenerates) in products, where possible. The companies offer plastic products manufactured by extrusion, vacuum forming, rotational moulding, milling, laser cutting, bending and gluing. Often, plastic components are combined with PUR, e.g. in the form of the ORS technology whereby properties are further enhanced.

The Dan-Fender brand will be further expanded with more products for the maritime industry.

Nycopac will also expand its product portfolio with more of its own products, focusing on secure and less environmentally harmful transport of goods.

We make ongoing investments in new production machinery, including robots. The production lines can manufacture plastic components of up to 4.5 x 2.5 x 0.7 metres, making Gibo Plast a market leader in Northern Europe and China in large-component forming. The components replace metal and glass fibre components in wind turbines, vehicles and trains. High-volume plastic components that are subject to high quality standards are manufactured on automated production lines with production machinery being operated by robots. This ensures a high and uniform quality.

The factories in Denmark, Sweden, Poland, China and the USA are full-function sales and manufacturing entities offering a very high level of service and quality. We continuously work to improve productivity, and these efforts contributed to lifting Gibo Plast's profitability in 2024.

Gibo Plast will be even more involved in its customers' development phases so that new projects and solutions can be designed and implemented in collaboration with customers. We have developed new projects for customers in various industries, which are expected to contribute positively to sales and earnings in 2025.

A global production platform will offer production close to customers to minimise the environmental impact of transporting plastic components over long distances. This is why Gibo Plast is also exploring the possibilities of adding production technologies that will enhance our existing product offering. At the same time, we focus on increasing the volume of recycled plastics in products and establishing closed-loop flows, which means that our customers return components after use for subsequent grinding and repurposing in new products.

Our marketing aimed at existing and new markets centres on boosting the awareness of plastics in sectors that have traditionally used glass fibre, metals and wood, and especially on marketing the high-pressure and twin sheet technologies that offer greater design freedom and facilitate flexible production of complex large-sized components. The ORS system contributes with reinforced and sound-absorbing vacuum-formed components.

Read more about Gibo Plast A/S →
Read more about Dan-Hill-Plast A/S →
Read more about Plexx AS →
Read more about Opido AB →
Read more about Nycopac AB →

3D printing and machining operations

New customers and high activity levels

In 3D printing, the plastic components are built layer by layer based on a 3D model divided into very thin 'slices'. This allows for the manufacture of even very complex items which cannot be moulded in any other way. The process does not require any moulds and is therefore highly suited for very small batch sizes

DAVINCI 3D, Bovil and Kodaň Plast allow SP Group to help customers even more efficiently and competitively, right from development, prototype and low-volume manufacturing to high-volume manufacturing in plastics.

DAVINCI 3D, Bovil and Kodaň Plast have an extremely fast time to market, offering customers in Denmark and abroad 3D-printed or CNC-machined components for:

- Prototypes
- Display models
- 0 series
- Series production
- Spare parts
- Production equipment

DAVINCI 3D A/S
DAVINCI 3D is one of Denmark's leading companies within advanced additive manufacturing (3D printing). DAVINCI 3D has a development team who help develop, design and calculate our customers' products.

DAVINCI 3D performed well in 2024 and invested in new machinery capable of 3D printing components in a range of colours and varying levels of hardness. We hope that customers will discover these amazing new opportunities.

Bovil ApS
Bovil is a leader in CNC processing of plastics, including turning, milling and simultaneous five-axis milling.

Bovil is a recognised sub-supplier in a wide range of industries. Our constant investment in automation and employees ensures high reliability of supply for our customers.

Kodaň Plast s.r.o.
Kodaň Plast in Slovakia is specialised in turning and milling of plastics as well as bending, gluing and welding of plastics. Kodaň Plast maintained its impressive growth rate in 2024.

Focus is on optimising the rate of utilisation of CNC processing facilities to remain able to offer attractive prices to current and new customers in all types of plastic materials. The company is furthermore focused on investing in automated solutions to support the global trend.

The company's growth is partially driven by complex and labour-intensive processed, welded and glued plastic components, primarily for the foodtech, medical device and graphic industries.

Read more about Davinci 3D A/S →
Read more about Bovil ApS →
Read more about Kodaň Plast s.r.o. →

Component for the oil and gas industry processed on Bovil's five-axis simultaneous milling machine.

Governance

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Our new factory
in Atlanta, USA

Risk management

An important part of SP Group's strategic work is to identify potential business risks, assess which ones pose a threat and take the necessary measures to mitigate potential negative impacts – thereby reducing the overall level of risk

Risk management is included in SP Group's annual strategic plan, which is approved by the Board of Directors. Furthermore, at least once annually, the Board of Directors lays down the framework for managing interest rate, credit and currency risks as well as risks related to raw materials and energy prices.

Risk management

Each of the identified risks is assessed on the basis of the probability that it will occur and its potential impacts. This allows us to mitigate the negative impacts through a number of measures:

- **Prevent**: take steps to prevent a risk from occurring
- **Eliminate**: modify plans or processes to eliminate a risk
- **Mitigate**: reduce the probability of a risk occurring or reduce its impact
- **Transfer**: share or transfer the risk with or to other parties through insurance or partnerships
- **Monitor**: continuous monitoring and assessment
- **Accept**: accept the risk and its impacts without further action

Risk matrix

The risk matrix illustrates the positioning of individual risks in relation to probability and impact and thus provides an overview of the overall threat level.

Commercial risks

	A The market	B Customers	C Supply chain	D Production systems
Description	The risk of SP Group's sales and earnings being affected by increased competition, falling demand for certain products or low GDP growth.	The risk associated with a significant part of SP Group's income stemming from a few large customers. If these customers buy less, change suppliers or go bankrupt, this could negatively impact our financial stability and growth opportunities. Customer dependency can also weaken our negotiating power.	The risk of short or long-term changes in the supply chain making it difficult for SP Group to procure the necessary raw materials and machinery, or of the prices of raw materials, transport or energy increasing disproportionately. This may also affect our production and supplies to customers.	The risk of SP Group's factories being affected by equipment failure, quality problems, interruptions or work-related accidents, both in connection with worn-down equipment and the process of installing new production systems.
Risk assessment	We operate in a market characterised by overcapacity, many small providers, price pressure and ever-increasing demands from customers for smaller production batches and greater flexibility. In addition, we are experiencing increasing competition from low-cost manufacturers in Eastern Europe and Asia. Against this background, we focus on reducing costs and leveraging the Group's size and competencies to improve our competitiveness.	We have more than 1,000 active customers, of whom the ten largest account for 53.4% of revenue (46.3% in 2023) and the 20 largest for 60.6% of revenue (56% in 2023). Our 20 largest customers are large, well-capitalised, international industrial groups. In 2024, two customers accounted for more than 10% of the Group's revenue. The largest customer accounted for 13.9% of total revenue, while the second largest accounted for 12.8%. At factory level, the dependence on individual customers is higher as a result of the individual factories' specialisation and focus on specific industries.	Our earnings depend on the prices of raw materials, energy and other materials for the production. If we cannot deliver to our customers as agreed, there is a risk that they will choose other suppliers.	We continuously improve our production systems, partly by investing in new production equipment and partly by changing systems and the distribution of responsibilities. This way, we gradually achieve a greater degree of production specialisation at the individual factories, while at the same time increasing efficiency. However, there is a risk that implementing these changes causes delays and disruptions and thus inflicts additional costs on the Group or affects the business volume.
Risk management	To mitigate risks and strengthen our market position, we work on several fronts: (1) We increase sales outside Denmark with a focus on Northern Europe and the USA, while selected niche products and own brands are sold globally. (2) We continuously expand our factories in Poland, Slovakia, Latvia and the USA in order to maintain our ability to serve customers moving production to these areas. At the same time, this allows us to cultivate new markets. (3) We are suppliers to several industries and are not dependent on one specific industry. (4) We consolidate parts of the Scandinavian industry through mergers and acquisitions or by insourcing customers' own production.	In order to mitigate the risk of dwindling sales to individual customers, we seek to enter into multi-year customer and cooperation agreements that lay down the terms of future orders. Moreover, we engage in our customers' product development projects in order to build close and trusting partnerships.	We transfer risks to other parties by continuously entering into hedges relating to electricity, gas and raw materials. In addition, we have agreements with a number of customers for sales prices to be adjusted in the event of changes in the prices of energy or raw materials. We have centralised our purchases of critical raw materials to ensure a higher level of reliability of supply and to strengthen our bargaining position by purchasing larger volumes. At the same time, we continuously examine the possibilities of sourcing critical raw materials globally. Our vulnerability to changes in raw materials prices can be reduced, but is fundamentally a condition that we must accept.	We minimise costs and time spend by thoroughly carrying out a risk assessment and planning the reorganisation of production systems and implementing changes quickly and smoothly. In a number of areas, we have factories that can take over production from another factory if the latter is temporarily at standstill due to a pandemic, fire, a cyber-attack, a natural disaster, etc. In addition, we transfer part of the risk through a comprehensive insurance programme, which is adjusted annually.
Impact	High	Medium	Low	Medium
Probability	Medium	Low	High	Low

Commercial risks, continued

	E Environment	F Employees	G IT and personal data security	H Political and macroeconomic uncertainty
Description	The risk of accidents or breaches of safety procedures at SP Group's factories due to a lack of training, insufficient knowledge or errors, which may affect both employees and the environment negatively.	The risk of SP Group not being able to attract or retain the necessary professionals, specialists and managers, which may lead to a loss of know-how and experience, increased recruitment costs, a decrease in productivity, a deterioration of quality, delays and a loss of competitiveness.	The risk of SP Group's IT systems and data suffering damage or interruption due to hacker attacks, malware, system failure, human errors, power outages or natural disasters, or of personal data security being breached.	The risk of SP Group's operations and financial stability being affected by external political and macroeconomic conditions, e.g. geopolitical tensions, regulatory changes, economic crises or war, as well as pandemics or natural disasters.
Risk assessment	We comply with current local and national environmental requirements and have implemented a number of environmental and quality management systems, including ISO 9001 (quality management), ISO 14001 (environmental management) and ISO 45001 (health and safety management). We are aware that, despite extensive safety procedures, accidents or breaches of safety procedures may occur, adversely affecting our employees or the environment.	We rely on being able to attract and retain employees, in particular specialists and key managers. While we have a high level of employee seniority, skilled professionals and a very experienced management team, we are facing a generational change over the course of the next ten years.	We have a decentralised IT structure, in which each company has its own network. This minimises the risk of breakdowns and disruptions affecting the entire Group at the same time. Our production facilities are largely unconnected to the internet, making them less vulnerable.	We sell our products in 98 countries, have companies and employees in 13 countries and purchase raw materials from all over the world. This makes us dependent on a well-functioning global infrastructure and unhindered access to markets.
Risk management	We prevent environmental risks by ensuring that our production facilities comply with current regulatory requirements and a number of voluntary environmental and quality management systems that are inspected and checked annually by external auditors. Our goal is for 100% of our manufacturing entities to have implemented the environmental and quality management systems by 2028 or, at the latest, three years after takeover.	We prevent the risk by offering our employees attractive working conditions with fair pay, professional development and a healthy workplace culture. We also use incentive programmes to reward special efforts. In the coming years, we will focus on cultivating new leadership talent across the companies, so that we can complete a generational shift in the management team in due time.	To prevent damage to systems and limit access to critical parts, we have established a central IT department that has developed policies for IT security and personal data protection. All IT networks are checked at least once annually by the IT manager to ensure that the policies have been properly implemented. Moreover, our employees undergo regular IT security training to avoid security breaches and human errors.	We accept that a range of global conditions are beyond our control, but we continuously monitor and assess risks to be able to mitigate impacts. Our organisation is decentralised, and we have local production in Europe, the USA and China. This makes us less vulnerable to, for example, new national legislation or trade wars.
Impact	Low	Medium	Low	Medium
Probability	Low	Low	Medium	Medium

Financial risks

	I Interest rates	J Credit risk	K Exchange rate fluctuations	L Financing and liquidity
Description	The risk of changes in the market interest rate affecting SP Group's floating-rate loans or investments that are sensitive to interest rate changes.	The risk of one or more of SP Group's major customers becoming insolvent and unable to pay for orders placed.	The risk of SP Group incurring financial losses due to changes in foreign exchange rates.	The risk of SP Group being unable to raise sufficient capital to finance activities or meet financial liabilities, as well as the risk of not having sufficient cash funds to cover short-term liabilities.
Risk assessment	Interest rate risks relate to the net interest-bearing debt, i.e. mortgage debt, lease liabilities and bank debt less cash funds. At year end, the net interest-bearing debt amounted to DKK 821.1 million, of which approximately 55% carried a fixed interest rate until maturity. A one percentage point increase in the general level of interest rates would result in an increase in our annual interest expenses before tax of approximately DKK 3.7 million.	We have not incurred any significant credit losses in the past five years. We have strong and long-standing relationships with our customers and business partners, who are well-reputed companies from many different industries. This reduces our overall credit risk. At year end 2024, we had sold non-recourse invoices in an amount of DKK 145 million (2023: DKK 148 million) in order to reduce our credit risks.	In general, our income and expenses are balanced, as the bulk of sales is settled in DKK or EUR and fixed group costs are largely settled in DKK or EUR. The currency risk between PLN and EUR is partially hedged.	We have adequate capital resources considering the Group's operations and sufficient liquidity to meet current and future liabilities.
Risk management	We monitor interest rate developments and focus on increasing cash flows from operating activities so that the net interest-bearing debt can be reduced and the Group can finance investments via its own operating activities. We aim to reduce the debt by selling non-value-creating assets and activities.	We monitor the credit ratings of our customers and business partners and make use of credit insurance and factoring to partially hedge credit risks. No single customer or business partner poses an unusual credit risk to the Group.	We monitor exchange rate fluctuations and make foreign exchange transactions in accordance with the Board's policies for hedging commercial agreements. Hedging is effected by means of borrowing, forward exchange contracts or option contracts, and Management continuously assesses the need to hedge each individual transaction.	Our objective is to have sufficient cash resources to be able to continuously make appropriate arrangements in case of unforeseen fluctuations in liquidity outflows. We have strong, long-standing and constructive relationships with our financial business partners and did not neglect or default on any loan agreements during the financial year.
Impact	Low	Low	Low	High
Probability	Medium	Low	Medium	Low

Governance

Proper and honest management is a precondition for SP Group being able to create long-term value for our customers, shareholders, employees and other stakeholders

Corporate governance
SP Group's Management sets clear strategic and financial goals and provides regular updates on goal achievement for all stakeholders to be able to evaluate the Group's performance and future. It is essential to Management that SP Group meets its stakeholders at eye level and allows its shareholders to exercise their rights freely and without any restrictions.

SP Group's Management is committed to transparency in its work and management approach. Accordingly, Management complies with the Recommendations on Corporate Governance issued by the Danish Committee on Corporate Governance in December 2020, based on the "comply or explain" principle. Our Corporate Governance Report for the financial year 2024 reviews Management's approach to the recommendations as well as current practices. We comply with the majority of the recommendations but have chosen a different approach in a few areas that is more aligned with our structure and needs.

Policies and reports
All SP Group's policies and reports are available at https://sp-group.com/investor-relations/

Read more

- Recommendations on Corporate Governance 2024
- Remuneration Policy
- Remuneration report 2024
- Tax Policy
- ESG Policy
- Whistleblower programme

The Board of Directors' work
The strategy for SP Group and its business areas is discussed and defined once annually or as required. The Board of Directors regularly follows up on the strategic and financial targets, which are reported on in interim and full-year reports and at the annual general meeting.

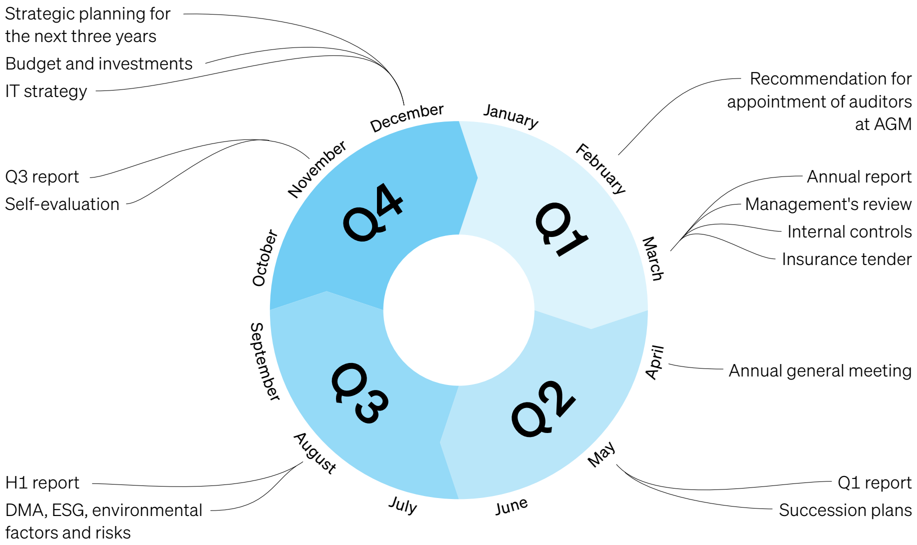
In 2024, the Board of Directors held nine meetings, two of which focused on strategy and budgets, respectively. At the strategy meeting in December, the Board of Directors also discussed business risks and the management of such risks at group level. Once a year, the Board of Directors lays down the framework for managing interest rate, credit and currency risks and risks related to raw materials and energy prices. The Board follows up on the implementation of this framework on an ongoing basis. The rules of procedure are discussed and reviewed as a matter of routine at the board meeting held in June.

The Board of Directors receives a weekly report from the Executive Board on a number of recurring topics,

SP Meditec at the MD&M West medical device expo in Los Angeles in February 2025.

SP Group's annual wheel[1]

The Board of Directors of SP Group A/S is in charge of strategic management with a focus on creating value for the Company.



[1] The activity described under 'August' on the page SP Group's annual wheel refers to ESRS 2 GOV-2, paragraph 26 b

including the Group's cash position and the performance of the individual business areas. Additionally, the Board of Directors receives detailed financial follow-up through quarterly and monthly reports.

The Board of Directors regularly assesses the Group's financial position, goals, dividend policy and share structure. The Board of Directors believes that the financial structure is well aligned with SP Group's current scale and challenges, and the Board targets an equity ratio of at least 25% to ensure an efficient capital structure. If major acquisitions bring the equity ratio below 25%, the Company will consider asking the shareholders for additional capital.

Composition of the Board of Directors

The members of the Board of Directors are elected at the annual general meeting of SP Group. Following the annual general meeting held on 25 April 2024, the Board of Directors appointed Hans W. Schur as its Chairman and Erik P. Holm as its Deputy Chairman. Hans-Henrik Eriksen was re-appointed as Chairman of the Audit Committee.

Hans W. Schur is associated with a major shareholder in SP Group but cannot be deemed to be a majority shareholder. Hence, no member of the Board of Directors has any interest in the Group other than to safeguard the interests of the shareholders.

Among the members of the Board of Directors, Hans-Henrik Eriksen, Bente Overgaard and Marie Bakholdt Lund are deemed to be independent (according to the criteria defined by the Committee on Corporate Governance) as at 31 December 2024, while Hans W. Schur and Erik P. Holm have served on the Board for more than 12 years and cannot therefore be deemed to be independent. 60% of the members of the Board of Directors are thus independent.

The Board of Directors consists of individuals with relevant insight into the plastics industry and with management experience from positions with international manufacturing companies. The current Board of Directors is believed to possess the skills and expertise required for managing the Group and being an effective sounding board for the Executive Board. Four to five board members is an appropriate number, as this allows the Board of Directors to work efficiently and convene quickly, while at the same time being large enough to represent different backgrounds.

All five board members stand for re-election at the annual general meeting to be held on 24 April 2025. Provided that the Board of Directors is re-elected, its Chairman and Deputy Chairman will be re-appointed.

Board of Directors





	Hans Wilhelm Schur	**Erik Preben Holm**	**Hans-Henrik Eriksen**	**Bente Overgaard**	**Marie Bakholdt Lund**
Title	CEO	MSc (Economics and Business Administration), CEO	MSc (Economics and Business Administration), CEO	MSc (Political Science)	MSc (Economics and Business Administration)
Board member	Member of the Board of Directors since 1999 and Chairman since April 2018	Member of the Board of Directors since 1997, Deputy Chairman	Member of the Board of Directors since 2013. Chairman of the Audit Committee	Member of the Board of Directors since 2017	Member of the Board of Directors since 2023
Residence and year of birth	Horsens, born 1951	Hellerup, born 1960	Risskov, born 1960	Hellerup, born 1964	Hellerup, born 1981
Independence	Not independent	Not independent	Independent	Independent	Independent
Other directorships (as at 1 March 2025)	Denmark’s Industrial Museum (C), Konsul Axel Schur og Hustrus Fond (C), Konsul Axel Schur og Hustrus Mindefond (C), Schurs Støttefond (C), Schur Finance a/s (D and C), AXRU Invest a/s (C), Schur International Holding a/s (C), Schur International a/s (C), Schur Pack Denmark a/s (C), Schur Pack Sweden AB (C), Schur Pack Norway AS (C), Schur Pack Germany GmbH (C), Schur Technology a/s (C), Schur Star Systems GmbH (C), Schur Star Systems Inc. (C), Schur Star Systems Australia Pty. Ltd. (C), Schur Conference Center (D and C), Schur Labels a/s (C), Sarepta a/s (C).	Hotel Koldingfjord A/S (C), Norr11 International ApS (C), Norr11 Holding ApS (C), CR EL & TEKNIK A/S (C), Arvid Nielssons Fond (DC), AO Invest A/S (DC), Brødrene A & O Johansen A/S (DC), Miluda Invest ApS (BM), Dragsholm Slot P/S (BM), Hotelselskabet af 8. februar 2018 K/S (BM), Tokyo Topco Ltd. (BM), Erik Holm Holding ApS (D), JU-CH Holding ApS (D).	Bagger-Sørensen & Co. A/S (D), Bagger-Sørensen Fonden (D + BM), Bagger-Sørensen Real Estate A/S (D), Vecata Ejendomme A/S (D), BSF Ejendomme ApS (D), Ovenvande Skanderborg ApS (C), Dandy Business Park ApS (C), Arcedi Biotech ApS (BM), Claonaig Estate Ltd. (BM), Liplasome Pharma ApS (D + BM), Gumlink A/S (D + BM), Okono A/S (D + BM), Okono Holding ApS (D), Chew Invest ApS (D), CCC3 Holding (D), Bagger-Sørensen Equity A/S (BM), Tablet 3 ApS (BM), Tablet 7 ApS (BM), Idecra ApS (D), SoLoCa ApS (D), Vissing Fonden (C), Vissing Holding A/S (C), Vikan A/S (DC), Bohnsen Ejendomme A/S (BM), Jabo Development A/S (BM), Strandpromenaden A/S (BM), Ejendomsselskabet Vermlandsgade 24 ApS (BM), KPV Århus A/S (BM), Ejendomsselskabet SF44 A/S (BM), Frederikshus ApS (BM), Nicolinehus A/S (BM), Jamabi ApS (BM), Anpartsselskabet af 11/1 2024 ApS (C).	Board Leadership Society of Denmark (D), Jyske Bank A/S (BM), Labour Market Insurance (C), 7N (BM), Johannes Fogs Fond (BM), Fellowmind AB (BM), Programme Director (CBS Bestyrelsesuddannelserne).	Vice President, International Sales, Demant A/S.
Special skills [1]	Significant management and board experience from international businesses within the plastics and packaging industries.	Significant management and board experience from international businesses within various industries and from listed Danish companies. Significant M&A experience.	Significant expertise in finance and accounting as well as auditing and investment. State-authorised public accountant.	Managerial background and significant experience from the financial sector in relation to financial, HR, IT and ESG-related matters.	Significant international management experience and expertise in sales, marketing and organisational development. Industry experience from the MedTech industry and other industries.
Attendance rate	100%	100%	100%	100%	100%

C = Chairman D = Director DC = Deputy Chairman BM = Board Member

[1] The 'Board of Directors' overview refers to ESRS 2 GOV-1, paragraph 22 a, and the 'Special skills' section refers to ESRS 2 GOV-1, paragraph 23

Executive Board[5]

On 31 August 2024, Frank Gad stepped down after 20 years as CEO, and Lars Bering was appointed new CEO. Lars Bering has been employed with SP Group since 2008 and has skilfully filled many different roles, most recently as Director of SP Group from 2020. At the same time, Tilde Kejlhof, Group Financial Manager since 2020, was appointed a member of the Executive Board with the title of CFO. Since 1 September 2024, the Executive Board has thus consisted of Lars Bering, Søren Ulstrup, and Tilde Kejlhof.



	Lars Bering	Søren Ulstrup	Tilde Kejlhof
Title	CEO (as of 1 Sep. 2024)	Executive Vice President	CFO (as of 1 Sep. 2024)
Education	MSc (Engineering) and BCom (Supply Chain)	Plastics engineer	MSc (Economics)
Employed since	2008 – was appointed to the Executive Board in 2020. CEO of Gibo Plast A/S and Dan-Hill-Plast A/S (until 1 Sep. 2024) and is also Chairman of the Boards of the most significant subsidiaries of SP Group A/S.	2015 – was appointed to the Executive Board in 2020. CEO of SP Moulding A/S, Ulstrup Plast A/S and Atlantic Floats Denmark A/S. Chairman of the Boards of Directors of Coreplast Laitila Oy and SP Meditec A/S. Member of the Boards of a number of subsidiaries.	2016 – was appointed to the Executive Board in 2024. Group Financial Manager from 2020. Financial Manager of the subsidiary MedicoPack A/S from 2009 to 2019.
Residence and year of birth	Silkeborg, born 1976	Holte, born 1966	Odense, born 1978
External directorships	None	The Danish Plastics Federation (C), Ad-Client A/S (C), Ulstrup Invest ApS (C), DI Danish Manufacturers (BM), Roll-o-matic A/S (BM), Bactiquant A/S (BM), LBT ejen-domme (BM), Lynge Uggeløse Brugsforening (BM), Søren Ulstrup Invest ApS (D).	None
Previous employment	Dansac A/S (2004-2007), Gibo Plast A/S (2007-2011), Vestas (2011), Gibo Plast A/S (2011-2016), Nilfisk A/S (2016-2017).	CEO of Ulstrup Plast A/S since 1993.	Harald Halberg Holding A/S (2006-2009). Financial Manager of the subsidiary MedicoPack A/S from 2009 to 2019.

C = Chairman D = Director DC = Deputy Chairman BM = Board Member

[5] The 'Executive Board' overview refers to ESRS 2 GOV-1, paragraph 22 a

Other executives and senior managers of SP Group in 2024[1]

Claus Lendal, CEO, Ergomat A/S
Susie-Ann Spiegelhauer, CEO, Accoat A/S
Michael Vinbech Therkelsen, CEO, Tinby A/S and MM Composite A/S
Loïc van der Heijden, Managing Director, TPI Polytechniek B.V., the Netherlands
David Bourghardt, CEO, Brödarna Bourghardt AB and Gibo Plast A/S (as of 1 Sep. 2024)
Torben Bruhn, CEO, MedicoPack A/S
Arild S. Johnsen, CEO of Plexx AS, Norway
Andreas Lagestig, CEO of Opido AB and Nycopac AB, Sweden
Anders Vestermark Hansen, Group Chief Accountant, SP Group A/S
Mia Mørk, Executive Assistant, SP Group A/S
Mogens Laigaard, Director, SP Medical A/S
Jan R. Sørensen, Managing Director, SP Group's Chinese companies in Suzhou
Jens Birklund Andersen, Director, SP Moulding A/S and Sander Tech ApS
Rafal Szefer, Managing Director, SP Medical Sp. z o.o., Poland
Anie Simard, Vice President, Ergomat Inc., USA
Monika Karczewska, Managing Director, SP Moulding Sp. z o.o., Poland
April Zhu, Supply Chain Manager, Tinby Co. Ltd., China
Vichy Dong, Supply Chain Manager, SP Moulding Co. Ltd., China
John Gu, Finance Manager, SP Group's Chinese companies
Martin Baca, Managing Director, Ulstrup Plast s.r.o., Slovakia
Jussi Niemi, CEO, Coreplast Laitila Oy, Finland (as of 1 March 2024)
Anna Szymczak, CFO, SP Group's Polish companies
Izabela Filipiak, Plant Director, Ergomat Sp. z o.o., Poland
Peter Fejfer, Managing Director, SP Meditec Inc., USA
Peder Hyldegaard, Director, Kodaň Plast s.r.o., Slovakia
Jens Møller, Managing Director, Kodaň Plast s.r.o., Slovakia
Li Chao, Plant Manager, Gibo Plast Co., Ltd., China
Heine Andersen, IT Manager, SP Group A/S
Lotte Burmølle Andersen, ESG Manager, SP Group A/S
Markus Olshin, CEO, Jollmax Coating Oy, Finland
Ole Lykke Jensen, CEO, DAVINCI 3D A/S
Steen Vilsøe Nielsen, CEO, Bovil ApS
Thomas Bo Iversen, CEO, SP Meditec A/S
Ugis Eihvalds, Production Manager, Baltic Rim SIA, Latvia

[1] The 'Other executives and senior managers' section refers to ESRS 2 GOV-1, paragraph 22 a

Shareholdings of the Board of Directors and the Executive Board

The number of SP Group shares held by members of the Board of Directors, members of the Executive Board and their related parties.

Name and position	Private	Own undertaking	Related parties	Holding mid-Feb. 2025	% of capital
Board of Directors					
Hans Wilhelm Schur, Chairman of the Board of Directors	0	0	2,134,773	2,134,773	17.1
Erik Preben Holm, Deputy Chairman of the Board of Directors	64,160	17,220	0	81,380	0.7
Hans-Henrik Eriksen, Board member	17,500	4,279	0	21,779	0.2
Bente Overgaard, Board member	6,465	2,323	113	8,901	0.1
Marie Bakholdt Lund, Board member	0	0	0	0	0.0
Executive Board					
Frank Gad, CEO (until 31 Aug. 2024)	170,325	279	1,329,081	1,499,685	12.0
Lars Bering, CEO (as of 1 Sep. 2024)	16,725	0	5,405	22,130	0.2
Søren Ulstrup, Executive Vice President	24,831	175,094	0	199,925	1.6
Tilde Kejlhof, CFO (as of 1 Sep. 2024)	6,500	0	0	6,500	0.1
Total	**306,506**	**199,195**	**3,469,372**	**3,975,073**	**32.0**

Internal controls and risk management in relation to financial reporting

The overall responsibility for the Group's internal controls and risk management in relation to the financial reporting process, including compliance with applicable legislation and other financial reporting regulation, rests with the Board of Directors and the Executive Board of SP Group

The Group's control and risk management systems can provide reasonable but not absolute assurance that misappropriation of assets, losses and/or significant errors and omissions in the financial reporting are prevented.

Control environment
At least once a year, the Board of Directors considers the Group's organisational structure, the risk of fraud and the existence of internal rules and guidelines.

The Board of Directors and the Executive Board lay down and approve overall policies, procedures and controls in significant areas in relation to the financial reporting process, including business procedures and internal controls, budget and budget follow-up procedures, procedures for the preparation of monthly financial statements and related controlling and procedures for reporting to the Board of Directors.

On an ongoing basis, the Executive Board monitors compliance with relevant legislation and other financial reporting regulations and provisions, and reports its findings to the Board of Directors.

The Board of Directors may set up special-purpose committees but, given the size of the Group, has so far not found it necessary to set up committees other than the Audit Committee.

Audit Committee
The duties of the Audit Committee are carried out by the combined members of the Board of Directors. The Audit Committee has its own rules of procedure and holds separate meetings in connection with board meetings.

Hans-Henrik Eriksen is Chairman of the Audit Committee. Given his background as a state-authorised public accountant, he has extensive expertise in accounting and auditing. Hans-Henrik Eriksen, Bente Overgaard and Marie Bakholdt Lund are deemed to be independent members of the Audit Committee as at 31 December 2024.

Whistleblower programme
SP Group strives to create a business environment that promotes and upholds a high degree of integrity and responsibility. Our whistleblower programme allows any person associated with the Group to report in confidence any suspected non-compliance with our policies and guidelines, laws and regulations as well as any other serious concerns.

The whistleblower programme is described in more detail in the sustainability report under 'G1 Business conduct'.

Risk assessment
At least once a year, the Board of Directors makes an overall assessment of risks relating to the financial reporting process. As part of its risk assessment, the Board of Directors considers the risk of fraud and the measures to be taken to reduce and/or eliminate such risks. In this connection, the Board discusses any incentives/motives Management may have to commit fraudulent financial reporting or other types of fraud.

Audit
The Board of Directors recommends an audit firm of state-authorised public accountants to perform the financial audit and the sustainability audit, respectively. The audit firm is appointed at the annual general meeting. The auditor is the representative of the public.

Our auditors submit a long-form audit report to the full Board of Directors once a year and immediately upon identifying any matters to be considered by the Board of Directors. The auditors participate in the meetings of the Board of Directors in connection with the presentation of long-form audit reports. Prior to the recommendation for appointment at the annual general meeting, the Board of Directors makes an assessment, in consultation with the Executive Board, of the audit firm's independence, competences, etc.

Most of the subsidiaries are audited by the parent company's auditors or the auditors' foreign business partners.

Shareholder information

SP Group seeks to communicate openly about our operations, performance, strategy and goals, the purpose being to ensure that the Company's shares are liquid and that the share price reflects actual results as well as the future earnings potential. Our goal is to generate positive returns for its shareholders through a rising share price and the payment of dividend

Share capital

SP Group's shares are listed on NASDAQ Copenhagen under the ticker symbol SPG, the ISIN code DK0061027356 and ID CSE3358. SP Group is part of the 'chemicals' sector and is included in the OMX Copenhagen Benchmark Index.

The share capital of DKK 24.98 million is divided into 12,490,000 shares of DKK 2 each. SP Group has only one share class, all shares are freely transferable, and there are no restrictions on ownership or voting rights. There were no changes to the share capital in 2024.

The Board of Directors is authorised to carry out a capital increase in accordance with the existing warrant programmes. Furthermore, the Board of Directors is authorised, during the period until 1 April 2029, to increase the share capital without pre-emption rights for the Company's existing shareholders by up to an additional DKK 2.5 million nominal value by issuing new shares at the market price, however not below DKK 2 per share.

The Board of Directors is authorised to allow the Company to acquire treasury shares having a nominal value of up to 10% of the share capital. The consideration must not deviate from the market price at the acquisition date.

Change of control

The Company's lenders are entitled to renegotiate their loan terms in case of a change of control. A number of customers are entitled to terminate their supply agreements in case of a change of control.

Shareholder returns

At present, the Board of Directors of SP Group intends to primarily apply profits to strengthen the Company's financial position and finance measures that can contribute to generating profitable growth.

During the year, the SPG share was traded at a price in the range between 172 and 339. At year end, the share was priced at 307.5, compared with 214 on 2 January 2024.

Including the dividend of DKK 3.0 per share, the return for the period 1 January 2024 to 31 December 2024 was 45%. The market cap at 31 December 2024 was DKK 3,841 million, an increase of DKK 1,106 million over the year. The shareholders received a total dividend of DKK 37.5 million.

Share buy-back programme

The Company still intends to fully or partially cover warrant programmes through share buy-backs.

In 2024, a total of 25,500 SPG shares, corresponding to DKK 7.4 million, were sold outside of Nasdaq in connection with the exercise of warrant programmes.

Share price at year end 2024

307.5

The share price opened at 214 on 2 January 2024

On 26 August 2024, SP Group A/S launched a share buy-back programme, see company announcement no. 12/2024. In connection with the share buy-back programme, which runs from 26 August 2024 up to and including 10 April 2025, SP Group will purchase shares up to a maximum consideration of DKK 40 million.

At year end 2024, the holding of treasury shares totalled 431,838 shares, corresponding to 3.46% of the share capital.

Ownership and liquidity

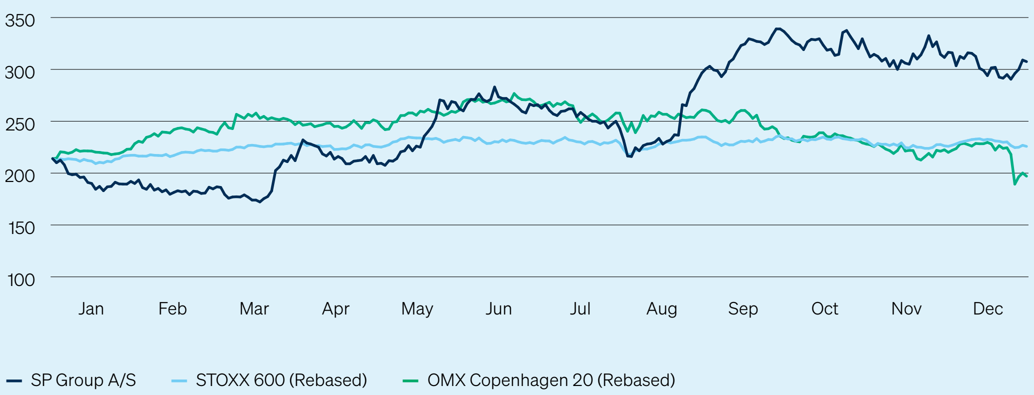
At mid-February 2025, five shareholders had reported holdings of more than 5% of the shares: Schur Finance a/s (including related parties), Odin Fund Management, the Danish Labour Market Supplementary Pension Fund (ATP), Lannebo Fonder AB and Frank Gad (including his related parties). Together, these shareholders held 48.7% of the share capital. During the past year, the number of registered shareholders fell from approximately 4,200 to approximately 4,000, and registered shareholders hold 96.7% of the share capital.

The known investor base outside Denmark is still modest, but growing. 167 international shareholders holding a total of 34% of the shares have had their shares registered (122 shareholders and 31% of the shares at 31 March 2024).

A total of 3,700,785 SPG shares were traded on Nasdaq during the year, which is 75% more than in 2023. Measured in DKK, share turnover increased to DKK 948.1 million in 2024 from DKK 482.7 million in 2023.

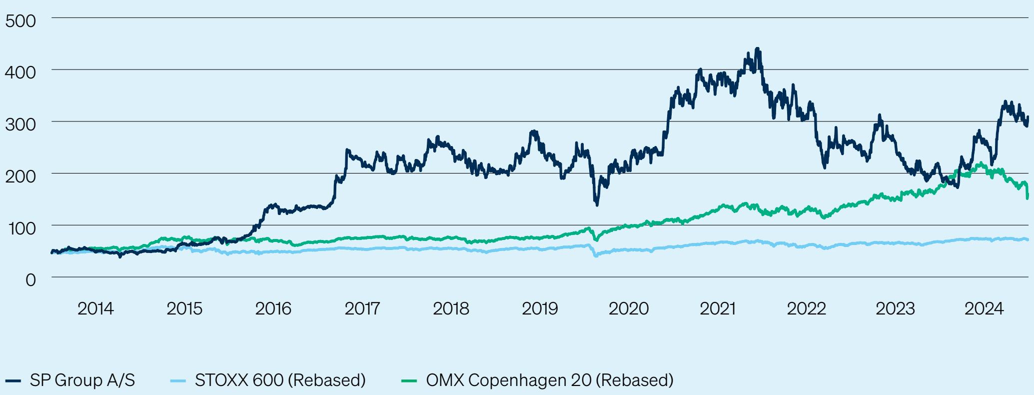
Share price performance, SP Group, 1 January – 31 December 2024

Index 1.1.2024 = 214.0



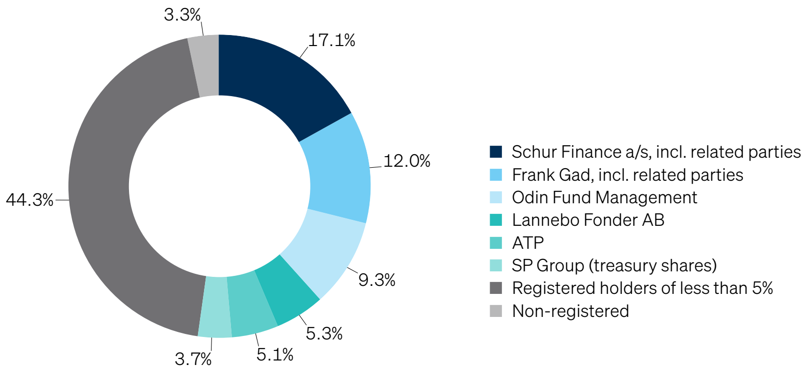
Share price performance, SP Group, 1 January 2014 – 31 December 2024

Index 1.1.2024 = 46.4



Breakdown of shareholders in 2024

%



Share information – SP Group A/S – mid-February 2025

Name	Registered office	Number of shares	Percentage
Schur Finance a/s, incl. related parties	Horsens	2,134,773	17.1
Frank Gad, incl. related parties	Frederiksberg	1,499,685	12.0
Odin Fund Management	Oslo	1,159,307	9.3
Lannebo Fonder AB	Stockholm	659,105	5.3
ATP	Hillerød	630,130	5.1
		6,083,000	**48.7**
Breakdown, other shareholdings			
SP Group (treasury shares)		466,389	3.7
Registered holders of less than 5%		5,533,344	44.3
Non-registered		407,267	3.3
Total		**12,490,000**	**100.0**

Information

SP Group generally seeks to maintain an ongoing, timely and balanced dialogue with existing and prospective shareholders, share analysts and other stakeholders. The Company's managers participate in meetings with both professional and private investors as well as analysts on an ongoing basis. Presentations from these meetings are made available on the website, where stakeholders can also find other relevant information and sign up to receive company news. Lastly, it is important to SP Group that all requests and enquiries from shareholders and other stakeholders are handled as quickly as possible.

SP Group maintains a silent period of three weeks up to the publication of scheduled interim and full-year reports in which the Group does not comment on financial results or expectations. Outside of these silent periods, the focal point of communications to the share market is the financial goals defined by the Group and regular follow-up on these goals.

In charge of investor and analyst relations
CEO Lars Bering
tel. (+45) 70 23 23 79
e-mail: info@sp-group.dk

Additional shareholder information
Available on the website www.sp-group.com.

Stock exchange announcements during the past five years
See SP Group's website: www.sp-group.com/

Financial calendar 2025

31 March	Annual report for 2024
24 April	Annual general meeting
22 May	Interim report, Q1 2025
19 August	Interim report, H1 2025
18 November	Interim report, Q3 2025

Management systems

The Group's production facilities have all implemented quality and management systems that ensure adequate focus on quality, the environment and health and safety. The majority of the facilities have been certified by a third party or have planned a certification of their systems.

Management systems
Most SP Group companies have systematised their management and control activities. Most of them base these activities on quality, environmental and/or health and safety management systems, collectively referred to as management systems.

The management systems are based on a mapping of the companies' stakeholders, internal and external factors and an assessment of related risks and opportunities.

In the context of their management systems, the companies prepare and adopt policies, define objectives, goals and action plans and introduce and maintain management systems comprising procedures and instructions regarding key activities.

The companies' management systems are checked and controlled annually by external auditors representing an independent body, accredited certification agencies, evaluating the companies' actual performance against the procedures set out in the management systems and the requirements of applicable ISO standards.

Quality management certified to the ISO 9001, 13485, 15378 and IAFT 16949 standards
Similar to environment and health and safety management systems, a quality system enables the companies to ensure, through procedures and instructions, that they work in a targeted and systematic manner to continuously improve the internal work processes intended to ensure appropriate management of resources, suppliers, lines of production and products for the purpose of meeting customer needs.

Environmental management certified to the ISO 14001 standard
An environmental management system enables the companies to document the mapping of environmental impacts, to address environmental impacts in a responsible manner and to comply with applicable environmental regulation.

The companies' adherence to procedures and instructions ensures that they work in a targeted and systematic manner to continuously improve their environmental performance, which is continuously monitored and measured.

Improved environmental performance is achieved by investing in processes, buildings and equipment aimed, within given financial limits, at applying cleaner technologies.

Health and safety management certified to the ISO 45001 standard
A health and safety management system enables the companies to document the mapping of their health and safety conditions and to address these conditions in a responsible manner.

The Company's work to obtain and maintain health and safety certifications extends beyond compliance with national statutory requirements and international health and safety conventions. By complying with procedures and instructions, the companies ensure that they work in a targeted and systematic manner to continuously improve health and safety.

Through a continuous focus on employees' physical and psychological work environment, well-being and safety in the companies are ensured, aiming to reduce absence due to illness and workplace accidents while supporting the personal and professional development of each employee.

R&D
The development of plastics and plastics technologies continues to progress rapidly.

A case in point is the wind turbine industry, which uses composites that combine plastics and other materials.

At SP Group, we optimise production technologies for both high-volume and low- volume production to ensure we remain competitive globally.

Our R&D departments take part in this development together with our customers, universities and producers of raw materials.

IT, personal data security and data ethics
SP Group has established a central IT department tasked with ensuring a strong focus as regards SP Group's own subsidiaries and IT networks as well as future acquisitions.

General policies have been drawn up for how the subsidiaries must act in relation to IT security, personal data security and data ethics. SP Group ensures responsible use of IT systems and personal data through efficient personal data protection, robust IT systems and data ethics considerations regarding data use.

Our data ethics efforts are based on five data ethics principles according to which people must be the primary focus so they feel they are in control of their data, the use of personal data must be transparent, and data processing must be carried out in a responsible manner and promote dignity and equality.

All SP Group's subsidiaries and IT networks are reviewed at least once a year by the IT manager as regards these policies, and in the event of any transgression, action plans with specific deadlines are drawn up.

Certifications end-2024

Location	ISO 9001	ISO 14001	ISO 45001	Other
Gibo				
Denmark	X	X	X	
Poland	X	X	X	IATF 16949 planned
China	X	X	X	
USA	X	X	X	
Plexx Opido				
Sweden	X	X		
Norway	X	X		
SP Moulding				
Juelsminde, Denmark	X	X		FSC* ISO 45001 planned
Stoholm, Denmark	X	X		ISO 45001 planned
Poland	X	X		
China	X	X	X	
SP Medical				
Denmark		X	X	ISO 13485
Poland		X	X	ISO 13485
Bröderna Bourghardt				
Sweden	X	X		
Latvia	X	X		
Tinby				
Denmark	X	X	X	
Poland	X	X	X	
China	X	X	X	
Latvia	X	X		

Location	ISO 9001	ISO 14001	ISO 45001	Other
Ulstrup Plast				
Denmark	X	X		
Slovakia	X	X		
MedicoPack				
Denmark		X		ISO 15378
Ergomat				
Poland	X			
MM Composite				
Denmark	X	X	X	
USA	X	X		ISO 45001 planned
Coreplast				
Finland	X	X		ISO 13485 and IATF 16949
Dan-Hill-Plast				
Denmark	X	X	X	
Kodaň Plast				
Slovakia	X			ISO 14001 planned
Jollmax Coating				
Finland	X	X		
DAVINCI 3D				
Denmark	X			
SP Meditec				
Denmark	X			ISO 13485
Accoat				
Denmark	X	X		

* FSC = Forest Stewardship Council

Sustainability report

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General disclosures

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ESRS 2 – Basis for preparation

BP-1

General basis for preparation of the sustainability report

SP Group's sustainability report for the 12 months ended 31 December 2024 was prepared in accordance with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

The sustainability report was prepared by consolidating all SP Group companies and covers the full range of activities, resources and relations related to our business model and the external environment in which we operate.

The consolidation applied in this sustainability report is the same as that applied in the consolidated financial statements. Accordingly, all companies included in the consolidated financial statements are also included in the sustainability report. In this way, we ensure consistency between our financial and non-financial reporting.

Scope of materiality assessment

SP Group's materiality assessment covers impacts, risks and opportunities (IRO) throughout our value chain, from the upstream to the downstream value chain, as well as our own production.

Upstream value chain: We have assessed the impacts on the environment of the distribution and transportation of raw materials received from suppliers in the upstream value chain. This information is covered by the sections 'E1-5 Energy consumption and mix', 'E1-6 GHG emissions' and 'E5-4 Resource inflow'.

Downstream value chain: We have assessed the impacts of recycling and disposal of waste as well as the distribution and transportation of products, but we do not have any information on how customers handle products after use. Information about our environmental impact is found in 'E1-5 Energy consumption and mix', 'E1-6 Gross GHG emissions' and 'E5-5 Resource outflow'.

We report according to sections 99a and 107d of the Danish Financial Statements Act. No SP Group company is exempt from individual or consolidated sustainability reporting under section 99a(7) of the Danish Financial Statements Act.

We have not excluded information related to intellectual property rights, know-how or results of innovation.

BP-2

Disclosures in relation to specific circumstances

We use short-, medium- and long-term time horizons in our sustainability reporting. Time horizons are defined in accordance with the ESRS: short-term horizon: 1 year, medium-term horizon: 2-5 years and long-term horizon: 5+ years.

Estimation and outcome uncertainty
We endeavour to disclose data as accurately and directly as possible based on primary data and direct consumption readings, and we do not use sector average data or other proxies to estimate upstream and downstream value chain data. The following areas have been identified as sources of measurement uncertainty in the reporting:

- Scope 3 emissions are reported on the basis of ESRS and the Greenhouse Gas Protocol (the GHG Protocol) methodologies.

- For Category 4 upstream and downstream transportation, we primarily use supplier data and the distance-based method. The distance-based method involves estimating distances travelled and means of transportation used, which are then documented in a reporting template that has been prepared to support subsidiary reporting.

This sustainability report does not disclose monetary amounts that are subject to a high level of measurement uncertainty.

Changes in presentation of sustainability information
For this reporting year, we have applied a new reporting structure that is directly linked to the individual ESRS reporting requirements.

Historical reporting data are omitted if they are not significant in the context of the new reporting requirements, not comparable with new parameters or not relevant to our business activities. Historical data from 2023 are not covered by PwC's limited assurance report.

Reporting errors in prior periods
Compared with last year's reporting, errors have been identified in the calculation of total OpEx. The total amount of Taxonomy-eligible and non-Taxonomy-eligible activities reported was DKK 55 million too high.

Incorporation by reference
We have incorporated the following references to the sections in the annual report on 'Corporate governance', 'Management systems' and 'Financial statements':

- **GOV-1, 22a, 23:** Information on the identity and sustainability expertise of SP Group's Board of Directors, page 35.
- **GOV-1, 22a:** Information on the identity of SP Group's Executive Board, page 36.
- **GOV-1, 22a:** Information on the identity of other executives and senior managers, page 37.
- **GOV-2, 26b:** Information on SP Group's annual wheel, page 34.

Transitional provisions
We applied the transitional provisions set out in ESRS 1, Appendix C, to ensure a gradual implementation of the new requirements for sustainability reporting. These include:

- **SBM-3, paragraph 48e:** Anticipated financial effects from material impacts, risks and opportunities.
- **E1-9:** Anticipated financial effects from material physical and transition risks and potential climate-related opportunities.
- **E5-6:** Anticipated financial effects from resource use and circular economy-related risks and opportunities.
- **S1-7:** Characteristics of non-employee workers in the undertaking's own workforce.
- **S1-8:** Collective bargaining coverage and social dialogue (for non-EEA member states).
- **S1-13:** Training and skills development metrics.

ESRS 2 – Governance

GOV-1

Role of Management

Composition and competencies
SP Group has a two-tier management structure:

- The Board of Directors is responsible for monitoring and control
- The Executive Board is responsible for the day-to-day management of the Group

Board of Directors
The Board of Directors is made up of three male and two female board members. Accordingly, the female members represent 40% of the full Board of Directors, and the gender diversity ratio is 66.67%.

The Board of Directors has three independent members out of a total of five members, representing 60% of the full Board of Directors.

No employees or other workers are represented on SP Group's Board of Directors.

The skills and qualifications of the members of the Board of Directors are described in 'Corporate Governance' on page 35, in which it is described that one board member has special competencies within HR and ESG.

Executive Board
The Executive Board has one female member out of a total of three members.

The educational backgrounds and competencies of the Executive Board span a wide range of areas covering management, finance, production, supplier management and plastics. Two members of the Executive Board have in-depth knowledge of ESG factors and have taken active part in SP Group's double materiality assessment (DMA) process.

Other executives and senior managers
Nine of SP Group's other 34 executives and senior managers are women.

Our executives and senior managers are typically of local origin and possess the ESG capabilities required to address any material impacts, risks and opportunities (see 'SBM-3') and thus actively contribute to the optimisation of sustainability efforts in operations and driving the strategic focus areas.

The Governance section provides more information about SP Group's Executive Board on page 36 →

and about other executives and senior managers on page 37 →

Reporting principles

Gender diversity on the Board of Directors
The number of board members is reported according to the gender categories women and men (headcount (HC)) at the end of the year.

Female board members as a percentage of all members
Calculated as:

$$= \left(\frac{\text{Number of female board members}}{\text{Total number of board members}}\right) \times 100$$

Gender diversity ratio on the Board of Directors
Calculated as:

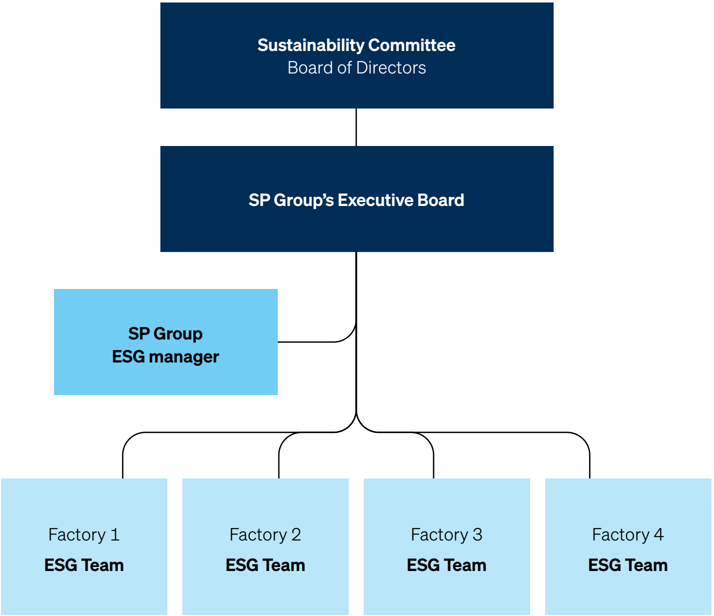
$$= \left(\frac{\text{Number of female board members}}{\text{Number of male board members}}\right) \times 100$$

No other diversity parameters than gender are assessed.

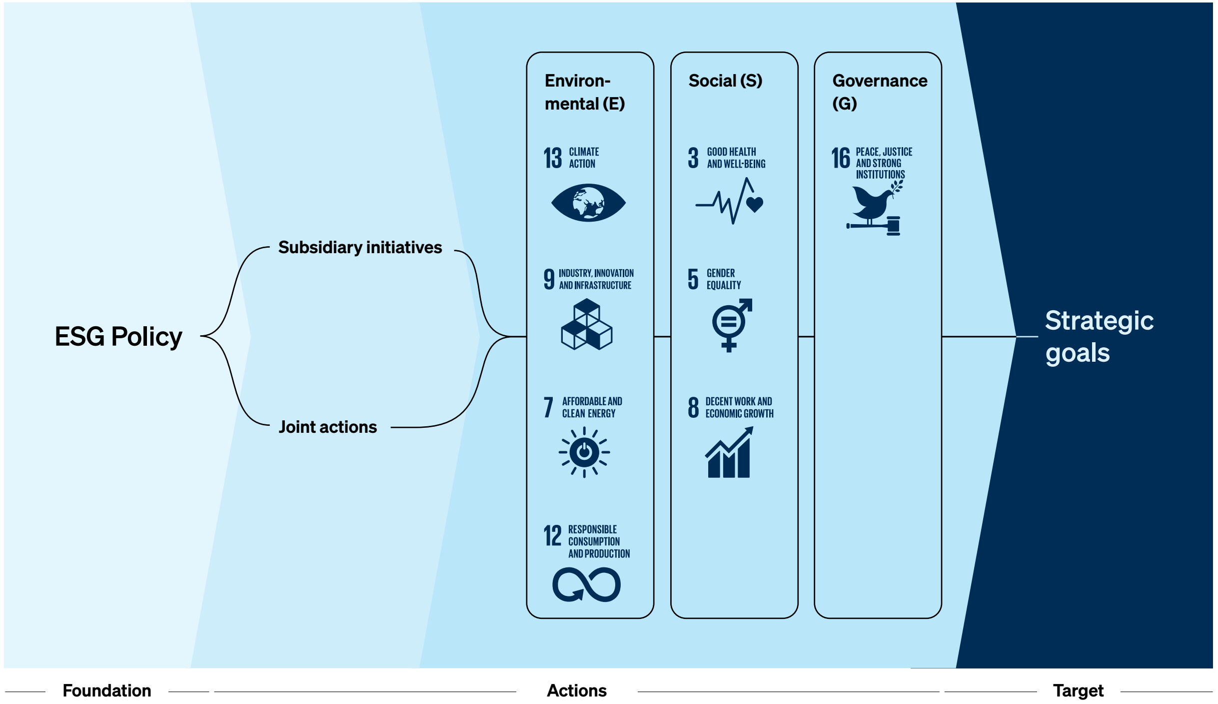
Roles and responsibilities

To ensure that we deliver on our ambition of corporate social responsibility and a sustainable business model, we have established a clear structure for managing our ESG efforts. This structure ensures a clear distribution of roles and responsibilities at all levels of the organisation.

SP Group's ESG organisation



SP Group's Sustainability Strategy



Roles and responsibilities of the Board of Directors
The Board of Directors has the overall responsibility for overseeing the Group's ESG efforts and for ensuring corporate governance, including processes for identifying, assessing and managing material sustainability impacts, risks and opportunities. The Board of Directors ensures that the ESG strategy is aligned with our overall business strategy, sets the targets and guidelines for the work and approves the ESG Policy.

The duties of the Board of Directors are established and formalised in SP Group's report on corporate governance, which is updated annually and available on our website. The report describes, among other things, the Board of Director's overall responsibility for the ESG work, including monitoring of the overall strategy and approval of relevant policies and reporting.

The Board of Directors is updated about the efforts to manage impacts, risks and opportunities at board meetings and provides support and guidance to the Executive Board. Any amendments to policies, goals and action plans are reported to and approved by the Board of Directors. Our annual sustainability reporting is also approved by the Board of Directors.

Roles and responsibilities of the Executive Board
The Executive Board continuously oversees the implementation of the ESG strategy, ensures the integration of sustainability into business processes and assesses risks and opportunities at group level. The Executive Board works closely with the Group's ESG manager, who is responsible for planning and coordinating sustainability actions across the Group and for updating the double materiality assessment (DMA). The Executive Board is responsible for reporting to the Board of Directors on the status of ESG data.

Operational responsibility
The managements of the subsidiaries are responsible for the day-to-day implementation of the ESG initiatives, which are rolled out systematically through our management systems and include ongoing dialogue and collaboration with environmental and health and safety organisations. Management is responsible for quarterly data collection and reporting to the Group's ESG manager on progress, results and potential challenges.

SP Group's Executive Board, (from the left) Søren Ulstrup, Lars Bering and Tilde Kejlhof

GOV-2

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The key risks and the management of the risks form an integral part of SP Group's annual strategy plans for the Group and its business areas. ESG is a recurring item on the agenda of the quarterly board meetings held in the subsidiaries, and SP Group's Board of Directors is regularly updated about sustainability-related topics.

We include assessments and decisions relating to sustainability impacts, risks and opportunities as described in our annual wheel on page 34. Our sustainability strategy and the DMA are updated in the third quarter of every year. Discussions and necessary changes are included together with results, actions and achievement of goals.

During the reporting period, the Board of Directors, the Executive Board and the subsidiaries and their managements discussed and/or addressed the following material topics:

Energy and environment

- Establishment of a solar park on the Juelsminde Peninsula
- Investments in new, more energy efficient production machinery
- Opportunities for electrification and use of biogas
- Mandatory energy audits in Denmark and possible improvements
- Environmental certifications

Circular economy

- Use of regenerated materials in own products and in customer-specific solutions
- Possibility of establishing 'take back' programmes
- Reporting of waste streams and reporting quality

Own workforce

- Health and safety in relation to accidents, safety improvements and absence due to illness
- Health and safety certifications
- Satisfaction surveys
- IT and personal data security

Supply chain

- Possible solutions for managing and monitoring ESG risks
- Supplier agreements focusing on maintaining the quality and efficiency of collaboration

Business conduct

- Strategy and strategy process
- Anti-corruption awareness and training in the organisation
- ESG Policy and its scope

GOV-3

Integration of sustainability-related performance in incentive schemes

SP Group has established an incentive programme that integrates sustainability targets for the Executive Board. Sustainability targets make up 10% of the short-term component of variable remuneration which is based on the Group's ability to reduce Scope 1 and 2 emissions. This is part of our long-term goal of being carbon neutral by 2030. The incentive programme is approved and updated by the Board of Directors of SP Group. No incentive programme has been established for the Board of Directors.

GOV-4

Statement on due diligence

In line with the growing focus on companies' impact on society and the environment, we recognise the importance of establishing and maintaining a sustainable business model at SP Group. For this purpose, we have established a due diligence process that supports our efforts to identify, prevent and mitigate the potential negative impacts our business operations may have on climate, the environment and people, while at the same time providing transparency on these efforts.

Our due diligence process covers the entire value chain (see Figure 2, SBM-1), and we are committed to maintaining sustainability standards across all our companies, suppliers and business partners. The performance of risk assessments and the work with risk management are based on a systematic approach to assessing and prioritising risks. The Executive Board regularly reviews the business activities to identify and assess sustainability risks. This assessment covers environmental impacts, social matters and economic factors. In addition, we collaborate with external experts, stakeholders and advisers to gain an understanding of sustainability impacts, risks and opportunities associated with our business activities.

Main features of due diligence process	Sections in the sustainability report
Embedding due diligence in governance, strategy and business model	• Statement on due diligence (GOV-4), page 51
Engagement with affected stakeholders in the due diligence process	• Interests and views of stakeholders (SBM-2), page 56
Identifying and assessing negative impacts	• Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3), page 58 • Result of identification phase, page 66 • Climate change (E1), page 71 • Energy consumption and mix (E1-5), page 77 • Gross GHG emissions (E1-6), page 79 • Resource use and circular economy (E5), page 83 • Workers in the value chain (S2), page 109
Taking actions to address those impacts	• Targets related to climate change mitigation and adaptation (E1-4), page 76 • Targets related to resource use and circular economy (E5-3), page 86 • Targets related to own workforce (S1-5), page 99 • Targets related to value chain workers (S2-5), page 110 • Prevention and detection of corruption and bribery (G1-3), page 113
Tracking the effectiveness of these efforts and communicating	• Targets related to climate change mitigation and adaptation (E1-4), page 76 • Targets related to resource use and circular economy (E5-3), page 86 • Targets related to own workforce (S1-5), page 99 • Targets related to value chain workers (S2-5), page 110 • Prevention and detection of corruption and bribery (G1-3), page 113

GOV-5

Risk management and internal sustainability reporting controls

SP Group applies a three-step risk assessment model based on the OECD guidelines for responsible business conduct to systematically identify, assess and prioritise risks.

Sustainability-related risks are mapped and classified according to their nature and potential impact. Risks are assessed on the basis of probability and impact against existing controls.

Then a score is given, on the basis of which priorities and actions are decided.

We have identified the following material risk areas in the context of sustainability reporting as well as a number of corrective actions which have been implemented to mitigate these risks.

Identified risks are handled locally by in-house functions and processes in the subsidiaries in consultation with our ESG manager.

The results of identified risks in the subsidiaries are reported annually to the Board of Directors and the Executive Board and, in concrete cases involving serious risks, on an ad hoc basis.

Risk areas	Corrective actions
Reporting tool	A digital software solution and a reporting portal to ensure efficient and reliable data collection.
Completeness of data	All subsidiaries report on all datapoints.
Reporting skills	Preparation of internal reporting guide, followed up by information sessions aimed at relevant employees. All employees who will be involved in reporting must be introduced to the reporting portal and the guide.
Internal controls	A two-step internal control process: • Step 1 is performed quarterly by a controller responsible for a number of companies. • Step 2 is carried out quarterly by the SP Group Management.
Management awareness	ESG has been introduced as a recurring agenda item at the companies' quarterly board meetings.
Double materiality assessment (DMA)	Updating of the DMA is a recurring constituent of our annual wheel and is performed at least once a year.
Compliance with legislation	Full reporting on Scope 3 is part of our action plan for sustainability activities. The action plan is regularly updated.

ESRS 2 – Strategy

SBM-1

Strategy, business model and value chain

Sustainability strategy
At SP Group, we are conscious of our joint responsibility to contribute to a more sustainable world and aim to do so through our day-to-day actions. Liaising with customers and other stakeholders, we aim to develop and manufacture products that promote quality of life and ensure a more efficient use of resources – for the benefit of the environment, climate, people and animals.

Our subsidiaries must be managed with a focus on innovation of operations and manufacturing processes to optimise resource consumption and promote sustainable practices. This will contribute to a positive development both globally and locally and support the health and safety of our employees. To this end, we have a strategy for our subsidiaries to be ISO certified in the areas of quality, environment and health and safety. Our certification status is described in 'Management systems' on page 43.

We support the initiative behind the 17 UN Sustainable Development Goals, to which our actions contribute directly or indirectly. To underline our commitment to global sustainability, we have been a member of the UN Global Compact for 12 years now, its principles being the foundation for our sustainability activities.

Business model
SP Group develops and manufactures moulded plastic and composite components that include both own-brand products and customer-specific solutions.

Manufacturing processes are based on carefully selected raw materials combined with advanced technologies in a wide range of manufacturing processes, including injection moulding, reaction injection moulding, vacuum forming, blow moulding, rotational moulding, extrusion and 3D printing.

Our products have a wide range of applications in industries such as Healthcare, Cleantech and Foodtech, which have high demands for quality and precision. In recent years, we have strengthened our efforts to integrate sustainability into our business model. In particular, we have focused on value creation through recycling of plastics in our production and utilising own surplus materials from production as well as regenerated materials and raw materials from other players in the plastics industry.

Value chain
Our value chain is illustrated in Figure 2 and includes upstream, own processes and downstream.

Our subsidiaries collaborate and engage with stakeholders in the upstream value chain on know-how and development in relation to securing raw materials, products and services, to the benefit of our customers and investors.

Number of employees by geography
At 31 December 2024, we had a total of 2,339 employees in 13 countries and a total of 31 factories in Europe, Asia and the USA. The geographical distribution of employees is illustrated in Figure 1.

Figure 1
Number of employees at 31.12.2024
%

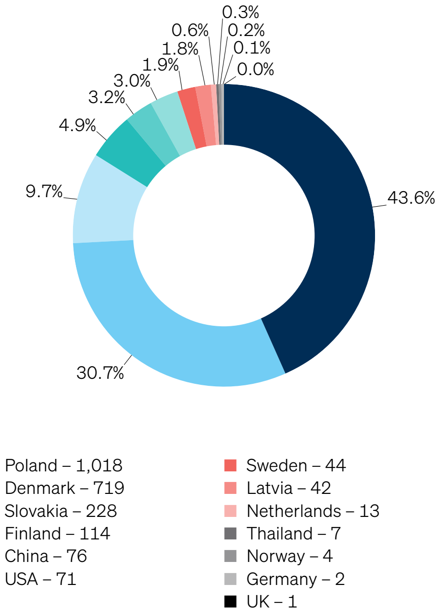
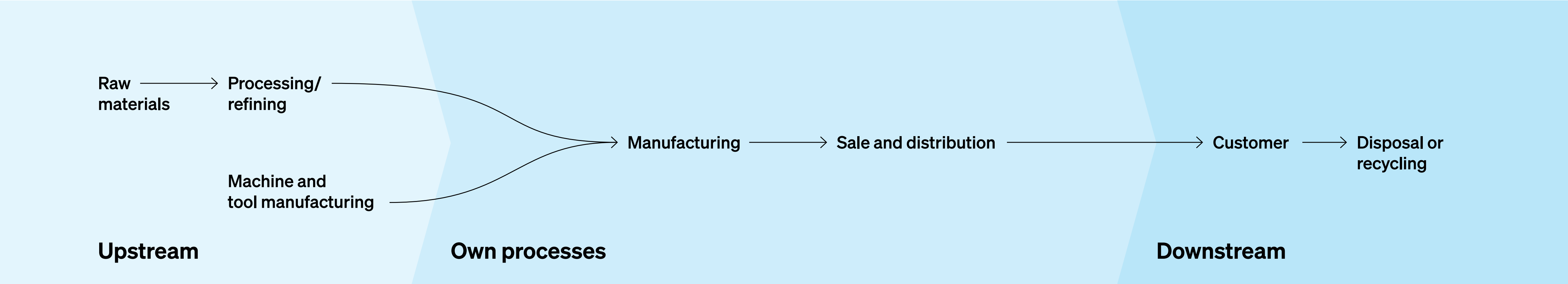


Figure 2

SP Group's value chain



Our upstream value chain includes:

- **Extraction:** Crude oil and gas are transported to refineries.
- **Manufacture of plastics in primary form:** Refined raw materials are transported on to manufacturers that manufacture plastics in primary form, such as powders, granules and resins. Some of our companies source plastics in primary form from which plastic and composite products are manufactured.
- **Manufacture of semi-manufactured products:** In other cases, plastics in primary form undergo further processing into semi-manufactured products in the form of sheets, rods and tubing before being used by our companies.
- **Transportation:** Plastics in primary form and as semi-manufactured products are delivered to our companies by lorry in approximately 90% of cases.
- **Production machinery, equipment and tools:** As a necessary resource, we receive new machinery, robots and tools from the upstream value chain for the manufacture of plastic and composite components.

Our processes ensure that our own-brand products and customer-specific components are manufactured efficiently with due regard for the environment and employee safety while at the same time meeting customer requirements and expectations. The processes include:

- **Tool design and construction:** The process begins with the design and construction of tools necessary for manufacturing. This involves a choice of materials and technologies that ensure high quality and efficiency.
- **Choice of manufacturing equipment for specific orders:** Production equipment is selected based on the specific requirements of each order. This includes machinery, robots and other equipment necessary for meeting the customer's needs.
- **Production of plastic and composite solutions:** In this phase, plastic and composite solutions are manufactured using energy in the form of electricity or gas. Employees, production equipment and robots work together to ensure efficient and high-precision manufacturing.
- **IT and other infrastructure:** IT systems and other infrastructure support the entire manufacturing process, from design to finishing. This includes software for design, production planning and control and quality control.
- **Finishing:** After production, some items undergo various finishing processes such as printing, surface coating, welding, laser engraving, assembly and packing. These processes ensure that the products meet the required specifications and are ready for delivery.
- **Handling of materials for recycling and waste:** During and after production, materials for recycling and waste are handled in an environmentally friendly way. This includes sorting, reuse and proper waste disposal.
- **Installation at customer locations:** In some cases, manufactured plastic products are installed at customer sites. This applies primarily to Ergomat.

Our downstream value chain includes:

- **Distribution:** Sold products are transported to customers.
- **Use:** Some products are used directly by customers, while others are integrated in larger structures before being put into use.
- **Disposal:** After use, products made of thermoplastics can undergo further waste sorting and be sent for recycling. A small part of these products is returned to SP Group. Some products can only be used once, especially products used in the healthcare sector. These products are disposed of as waste.

Strategic sustainability goals and market position

Since 2018, we have aimed to contribute to the UN Sustainable Development Goals (SDGs) through our products and operations, but also through concrete projects that make a difference for people and the environment, both locally and globally. Our strategic actions supplement the parameters that were assessed to be material in 2024.

Strategic actions

3 GOOD HEALTH AND WELL-BEING

Health and wellbeing

We manufacture a range of products for the Healthcare industry, including Ergomat's ergonomic matting, SP Medical's guide wires, MedicoPack's packaging for pharmaceuticals and SP Meditec's plastic components for medical device equipment. These products help prevent and cure diseases while increasing the quality of healthcare services to which everyone should have access. Healthcare products represent 41% of our total revenue.

We contribute to good health and wellbeing by securing and creating workplaces with a healthy dialogue, opportunities for personal development and a constant focus on safety, e.g. through the safe use and disposal of chemicals from our production.

We care that our subsidiaries are geographically located where people have the opportunity to thrive physically and mentally and have the opportunity to receive education and improve their standard of living.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Industry, innovation and infrastructure

Through the products we manufacture for the Cleantech industry, we have the opportunity to contribute to reduced energy consumption, production of renewable energy and efficient treatment of waste water. This represents 29% of our total revenue.

By using better equipment and machinery, we reduce raw materials waste, which in turn reduces our impact on the environment and climate. To this end, we require that investments are made in equipment and machinery with increased energy efficiency and less waste of raw materials.

SP Group is dependent on transportation of our products and on electricity, the internet and uninterrupted access to raw materials. We are keen to enter into partnerships that support the development of processes that can contribute to positive change and sustainable development.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Responsible consumption and production

We strive to reduce the Group's waste volumes through preventive measures, by sorting into waste fractions and recycling surplus material from our production. This is why we and our customers are strongly focused on manufacturing products from regenerated materials.

Our source sorting of waste supports global efforts on recycling and transition to a circular economy. Thermoplastic industrial scrap is thus part of a circular use flow, whereby waste of natural resources is reduced.

This is facilitated by systematic monitoring and reporting on our consumption of raw materials and by continuously seeking to increase our use of regenerated materials from our own production as well as industrial scrap in the manufacturing of new products.

Regenerated materials represented 19% of the total volume of plastic materials purchased in 2024.

Our sustainability strategy and related targets are communicated in our annual sustainability report. The targets cover all our activities and are therefore relevant to both customers and other stakeholders.

SBM-2

Interests and views of stakeholders

We have built our knowledge of our stakeholders through many years of interaction and dialogue. Our engagement with stakeholders is focused on their expectations of our strategy and business model and helps to uncover current and potential negative impacts. Internal and external stakeholders and a description of their primary interests and how we interact with them are shown here:

Stakeholders	Primary interests	How SP Group interacts with stakeholders
Customers	Sustainability, carbon footprint at product level, reduction of carbon emissions, use of renewable energy, sustainable products, recycling of materials, compliance with international standards.	We ensure that our customers' primary interests are in focus through committed efforts to become carbon neutral and use renewable energy. We are increasing the use of regenerated and surplus materials in the development of products. As a member of the UN Global Compact, we are committed to responsible business operations and sustainable development to meet our customers' demands for sustainable and transparent solutions.
Employees	Attractive working conditions, wellbeing and safety, wages and labour rights, education, training and development, sustainability in production, transparency and dialogue.	We maintain attractive working conditions by offering fair wages, professional development, ongoing dialogue and employee surveys. We involve our employees in reducing our environmental impact, and we are transparent about our expectations and results with respect to sustainability actions, ESG policy and environmental and health and safety certifications.
Workers in the value chain	Attractive working conditions, wellbeing and safety, wages and labour rights, education, training and development, sustainability in production, transparency and dialogue.	As part of our day-to-day operations, we engage with our contact persons in the value chain, and our ESG Policy sets the framework for the collaboration.
Suppliers	Trading and sound payment practices, labour rights, collaboration on choice of materials and innovative solutions.	We work closely with our suppliers to increase the use of recyclable raw materials. We are focused on environmental and health and safety certifications, the use of renewable energy and recycled materials. We expect our suppliers to comply with our Supplier Code of Conduct.
Local communities	Environmental impact, creation of local jobs, collaboration with the local community, transparency and communication, social responsibility.	We work to minimise our local environmental impacts, create local jobs and actively engage in local initiatives. We are transparent about our sustainability actions, and we take social responsibility and support local associations.
Educational institutions	Quality in teaching, research and innovation, sustainability, accessibility, inclusion and collaboration with businesses.	We collaborate with educational institutions on relevant education and training in the form of internships and apprenticeships. To support their education and development, we give pupils and students access to our knowledge and know-how through factory visits.

Stakeholders	Primary interests	How SP Group interacts with stakeholders
Investors and banks	Responsible business operations, risk management and financial performance, compliance with ESG standards, carbon neutrality, use of renewable energy, energy recovery, sustainable investments.	We ensure an open dialogue through company announcements via NASDAQ, annual and interim reports, general meetings and ESG reporting. We comply with ESG standards, work towards carbon neutrality, use renewable energy, invest in energy-efficient equipment and develop environment- and working environment-friendly solutions.
Insurance undertakings	Risk assessment and management.	We have risk assessment processes and systems in place focused on quality, environment, health and safety and IT, among other things.
Trade unions	Working conditions and safety, wages and labour rights, education, training and development, sustainability in production, transparency and dialogue.	We ensure healthy and safe working conditions, fair wages, opportunities for education, training and development, and we are transparent about our sustainability efforts.
Interest and trade organisations	Compliance with industry standards, promoting a circular economy, sustainable innovations, transparency and reporting, collaboration and knowledge sharing.	We adhere to industry standards, promote a circular economy, invest in sustainable solutions, report on our sustainability efforts and collaborate with other companies.
NGOs (non-governmental organisations)	Supporting the sustainability agenda, environmental protection, transparency and responsibility, compliance with international standards, promotion of a circular economy and social responsibility.	We reduce our environmental impact, are transparent about sustainability efforts, comply with international standards, contribute to a circular economy and take social responsibility. We have endorsed the UN Global Compact and report annually in accordance with its principles, and we participate actively in relevant webinars.
Authorities	Compliance with legislation and regulations, reducing environmental impacts, using renewable energy, reporting and transparency, promoting a circular economy and social responsibility.	We comply with environmental and sustainability legislation, reduce our environmental impact, use renewable energy, report on our sustainability efforts, contribute to a circular economy and create opportunities for workers at risk of dropping out of the labour market.

”We comply with environmental and sustainability legislation, reduce our environmental impact, use renewable energy, report on our sustainability efforts, contribute to a circular economy and create opportunities for workers at risk of dropping out of the labour market.

SBM-3

Material impacts, risks and opportunities and their interaction with strategy and business model

For purposes of this sustainability report, the material impacts, risks and opportunities (IRO) we have identified in our materiality assessment are presented together with the thematic areas E1 Climate change, E5 Resource use and circular economy, S1 Own employees, S2 Workers in the value chain and G1 Business conduct.

SP Group continuously focuses on the origin of identified risks and opportunities and how they can impact our business model and strategy. Concrete initiatives to reduce material negative impacts and risks and exploit opportunities will form part of the planning of our sustainability efforts going forward.

We have not performed a specific analysis of the resilience of our strategy and business model with respect to climate-related physical risks and transition risks. However, in our assessment, both strategy and business model have the necessary resilience.

Operator at Gibo Plast A/S standing on ergonomic matting from Ergomat with lifting equipment at his disposal in the manufacturing process.

IRO Description of impacts, risks and opportunities		Place in value chain			Time horizon		
		Upstream	Own processes	Downstream	Short-term	Medium-term	Long-term
E1 – Climate change							
Mitigating climate change Our business model and value chain contribute directly and indirectly to greenhouse gas (GHG) emissions through sourcing of materials, transportation in the value chain, operations and production facilities. The largest carbon emissions stem from the production and transportation of raw materials and machinery upstream and downstream in the value chain (Scope 3 – Indirect emissions). We use sea, road and air freight for transport (Category 4) and source from high climate impact sectors (Categories 1 + 2). Goods are transported across borders and on a global scale.	Currently negative impact	■			▲		
Mitigating climate change Our business model and value chain contribute directly and indirectly to greenhouse gas (GHG) emissions through sourcing of materials, transportation along the value chain, operations and production facilities. Our carbon emissions from Scope 1 (direct emissions) and Scope 2 (indirect emissions) primarily relate to district heating, electricity and gas purchased and used for heating and production activities.	Currently negative impact		■		▲		
Mitigating climate change Climate change can lead to extreme weather events such as hurricanes, floods and forest fires. These events can disrupt the supply chain by damaging transport infrastructure and production facilities, which in turn may cause delays in the delivery of raw materials, weaken the robustness of the supply chain and impact the availability of energy resources. This risk may potentially have a financial effect on SP Group's cash flows, performance and income statement.	Impact Physical risk	■			▲		
Mitigating climate change Climate change may exacerbate resource scarcity and increase the competition for raw materials. This can lead to higher prices and supply chain instability, making it more challenging for manufacturing businesses to secure the necessary inputs. This risk may potentially have a financial effect on SP Group's cash flows, performance, income statement, balance sheet and access to financing.	Impact Physical risk	■					▲
Climate change mitigation The transition to operations with reduced emission levels may have financial consequences in connection with the implementation and maintenance of mitigating measures. This risk may potentially have a financial effect on SP Group's cash flows, performance, income statement, balance sheet and access to financing.	Impact Transition risk		■		▲		

IRO Description of impacts, risks and opportunities		Place in value chain: Upstream	Own processes	Downstream	Time horizon: Short-term	Medium-term	Long-term
Energy The energy consumption in manufacturing processes is intensive. The energy consumption primarily relates to electricity and gas for machinery and robots, lighting and heating of facilities. Access to renewable energy sources may vary significantly on a regional scale and over time due to a lack of energy saving/storage options. Energy consumption and energy intensity are therefore considered important factors in the Group's operations. To address the negative impacts of fossil fuels, we have taken mitigating measures to ensure a more sustainable energy mix. This involves a transition to more renewable energy sources by installing solar parks and solar panels on roofs and in front of production facilities.	Currently negative impact		■		▲		
Energy Energy-saving initiatives within the Group's own activities may contribute to cost reductions. The procurement of new machinery offers a significant opportunity to lower operating costs through lower energy consumption. This opportunity may potentially have a financial effect on SP Group's cash flows, performance, balance sheet and access to financing.	Impact Opportunity		■		▲		

IRO Description of impacts, risks and opportunities		Place in value chain: Upstream	Own processes	Downstream	Time horizon: Short-term	Medium-term	Long-term
E5 – Resource use and circular economy							
Resource inflow, including resource use We source large quantities of raw materials that include many resources. Among these raw materials are plastics in the form of granules, resins, sheets and powders. Purchased machinery and robots also require resources in the form of metals.	Currently negative impact	■			▲		
Resource inflow, including resource use Plastic granules, plastic sheets and plastic powders are recycled and/or reused in products. Purchased raw materials are not always new raw materials, but may be derived from both own and other businesses' industrial waste.	Currently positive impact		■		▲		
Resource outflows related to products We sell a wide range of products, which primarily consist of plastic products. As we are subsuppliers, our plastic products are mainly used as components in customers' end-products. This results in large quantities of packaging (cardboard and plastics). We do not control what happens with the products and packaging after they leave our factories.	Currently negative impact		■		▲		
Waste We generate waste as a result of our production processes. The largest types of waste include foil, wood, cardboard and plastics.	Currently negative impact		■		▲		

IRO Description of impacts, risks and opportunities		Place in value chain: Upstream	Place in value chain: Own processes	Place in value chain: Downstream	Time horizon: Short-term	Time horizon: Medium-term	Time horizon: Long-term
S1 – Own workforce							
Working conditions: Social dialogue All employees have freedom of association and have the right to express their opinions and participate in or elect representatives to collective bodies.	Currently positive impact		■		▲		
Working conditions: Social dialogue The absence of official processes for engaging in social dialogue may have a significant negative impact on employees' working conditions and employment relationships.	Potentially negative impact		■				▲
Working conditions: Freedom of association, the existence of works councils and the information, consultation and participation rights of workers If employees are unable or not allowed to unionise and discuss their working conditions and employment relationships, it constitutes a breach of local rules and may lead to low employee satisfaction and a poor working environment.	Potentially negative impact		■				▲
Working conditions: Collective bargaining, including rate of workers covered by collective agreements Our ESG Policy states that employees are welcome to join a trade union.	Currently positive impact		■		▲		
Working conditions: Collective bargaining, including the number of workers covered by collective agreements If employees are unable or not allowed to unionise and negotiate collective terms, it will constitute a breach of local labour law rules, which has an adverse effect on the employees' ability to influence their own working conditions.	Potentially negative impact		■				▲
Working conditions: Work-life balance A workplace that focuses on employee involvement, meaningfulness and flexibility contributes positively to job satisfaction and the employees' ability to balance family life and other obligations.	Currently positive impact		■		▲		
Working conditions: Work-life balance Focus on a working life where employees experience influence, meaningfulness and flexibility, which is a strong driver for satisfaction and retention. We believe in continuity and that people should be treated the way you would want to be treated yourself. This opportunity may potentially have a financial effect on SP Group's cash flows and income statement.	Impact Opportunity		■		▲		
Working conditions: Health and safety A lack of focus on managing health and safety risks can lead to injuries or illness, long-term health effects, disability and psychological consequences among employees. These risks are particularly pronounced for skilled and unskilled workers at production sites.	Currently negative impact		■		▲		

IRO Description of impacts, risks and opportunities		Place in value chain: Upstream	Place in value chain: Own processes	Place in value chain: Downstream	Time horizon: Short-term	Time horizon: Medium-term	Time horizon: Long-term
Equal treatment and opportunities for all: Gender equality and equal pay for work of equal value A gender pay gap is unreasonable and unfair and has a negative impact on the underpaid gender.	Potentially negative impact		■				▲
Equal treatment and opportunities for all: Training and skills development We have a strategic focus on internal recruitment and career development.	Currently positive impact		■		▲		
Equal treatment and opportunities for all: Training and skills development Focusing on training, internal recruitment and career development may be a financial advantage thanks to the employees' knowledge of our corporate culture, values and operations. It also promotes interdisciplinary collaboration. This opportunity may potentially have a financial effect on SP Group's cash flows, performance and income statement.	Impact Opportunity		■			▲	
Equal treatment and opportunities for all: Employment and inclusion of people with disabilities The culture of flexibility and adaptation to meet the needs of employees is paramount. This is why we actively support efforts to help people outside the labour market return to employment. This creates a highly tolerant and inclusive workplace for the benefit of both existing and potential employees.	Currently positive impact		■		▲		
Equal treatment and opportunities for all: Measures against violence and harassment in the workplace A lack of initiative or commitment to creating a workplace free from harassment and bullying may have a negative impact on employees.	Potentially negative impact		■				▲
Equal treatment and opportunities for all: Diversity Being strongly focused on diversity and inclusion, on allowing employees to be their authentic selves and creating an inclusive culture contributes to promoting a sense of community and positively influencing the agenda and people. We have policies in place that support openness and diversity in the workplace.	Currently positive impact		■		▲		
Other work-related rights: Privacy A lack of procedures and guidelines for dealing with confidential employee data may lead to data privacy breaches, which constitute a violation of human rights.	Potentially negative impact		■				▲

IRO Description of impacts, risks and opportunities		Place in value chain: Upstream	Place in value chain: Own processes	Place in value chain: Downstream	Time horizon: Short-term	Time horizon: Medium-term	Time horizon: Long-term
S2 – Workers in the value chain							
Working conditions: Social dialogue If there is no opportunity for social dialogue, it is difficult to change working conditions for the benefit of employees and reduce the negative impact.	Potentially negative impact	■		■			▲
Working conditions: Freedom of association, including the existence of works councils If employees are not allowed or able to unionise, they may be held back in unfavourable working conditions.	Potentially negative impact	■		■			▲
Working conditions: Collective bargaining If there is an obvious risk in the industry that hires are not formally registered, there will also be no collective agreement, keeping employees at a disadvantage.	Potentially negative impact	■		■			▲
Working conditions: Work-life balance If employees do not have a formal contract and are not properly registered, there is a risk that they end up working too many hours, which negatively affects their health and work-life balance.	Potentially negative impact	■		■			▲
Other work-related rights: Child labour If we do not ensure that suppliers comply with our ethical standards, the suppliers may use child labour. This may have a material adverse impact on the working life and conditions of employees in the value chain.	Potentially negative impact	■		■			▲
Other work-related rights: Forced labour If we do not ensure that suppliers comply with our ethical standards, the suppliers may use forced labour. This may have a material adverse impact on the working conditions and quality of life of employees in the value chain.	Potentially negative impact	■		■			▲

IRO Description of impacts, risks and opportunities		Place in value chain: Upstream	Place in value chain: Own processes	Place in value chain: Downstream	Time horizon: Short-term	Time horizon: Medium-term	Time horizon: Long-term
G1 – Business conduct							
Corporate culture Failure to implement a sound corporate culture may have several negative consequences. For example, employees may feel disconnected, unmotivated and unappreciated, which may affect both their mental and physical health. This may lead to increased absenteeism and reduced overall productivity.	Potentially negative impact		■				▲
Corporate culture Failure to establish a positive corporate culture may expose us to significant financial risks. A negative culture may lead to higher employee turnover, which in turn leads to costs of recruiting, onboarding and training new employees. Also, it may harm our reputation, potentially affecting customer confidence and supplier cooperation adversely. This can lead to lost business opportunities and potentially lost earnings.	Potentially negative impact		■				▲

ESRS 2 – Impacts, risks and opportunities (IRO)

IRO-1

Description of the process to identify and assess material impacts, risks and opportunities

In autumn 2023, SP Group performed its first DMA according to the European Sustainability Reporting Standards (ESRS).

To facilitate this process, we engaged an external consultancy team. The DMA is regularly revisited and updated and at least once a year as a recurring part of our annual wheel, most recently in 2024.

Identification of impacts, risks and opportunities
The initial phase encompassed desk research, including an assessment of SASB standards, providing a sector-specific perspective and possible inclusion of entity-specific topics, which were then supplemented by interviews with the SP Group steering committee. The steering committee consisted of two members of the Executive Board and our ESG manager together with our Group CEO, who participated in the decision-making processes.

The understanding phase focused on mapping the Group's activities,, business relations, value chain and affected stakeholders to identify material ESRS standards.

In the identification phase, impacts, risks and opportunities were identified, and ESRS standards and subtopics that did not involve material impacts, risks and opportunities for our business model were excluded from the further process.

Following the initial phase, an additional three phases were carried out:

1.
Understanding phase:
Documentation of business model and value chain.

2.
Identification phase:
Impacts, risks and opportunities (IROs) were identified for the ESG areas Environment, Social and Governance.

3.
Assessment phase:
Scoring of identified impacts, risks and opportunities to identify material impacts, risks and opportunities.

Materiality assessment methodology
During the assessment phase, the materiality methodology defined in the CSRD and the underlying ESRS reporting standards was applied in the assessment, scoring and prioritising of impacts, risks and opportunities on a scale from 1 to 5, with 1 being the lowest score.

Societal materiality was assessed by the scale, scope, irremediability and likelihood of impacts (based on whether an impact is positive/negative and actual/potential) for the ESRS standards on Climate change, Resource use and circular economy, Own workers, Workers in the value chain and Governance.

Financial materiality was assessed according to the financial scope of risk/opportunities and the likelihood of the financial effect.

An impact, risk or opportunity is deemed to be material if it is assessed to be above the threshold.

The thresholds were set to reflect past practice and allow comparisons to be made with previous reporting.

Threshold for societal materiality of impacts

E and G ≥ 3

S ≥ 2.5

Threshold for financial materiality of risks and opportunities.

≥ 3

Areas of increased risk
We operate in several geographies associated with increased risk. However, all companies are under Danish management, which ensures the application of international standards for safety, quality and environment. Therefore, no special significance is assigned to these areas in relation to the risk of negative impacts.

Stakeholder involvement
No external stakeholders were involved in the initial DMA. The DMA was based solely on organisational knowledge from the day-to-day operations of our companies and the representation of the Executive Board in 100% of the boards of directors.

Handling and monitoring
Handling and subsequent monitoring of impacts, risks and opportunities are described in more detail in 'GOV-5'.

Result of the identification and assessment phase

As part of the DMA process, we identified impacts, risks and opportunities for all ESG areas defined by ESRS across the value chain (upstream, downstream and own operations). Consequently, SP Group has not implemented any further specific scenarios or analyses to identify and assess additional short-, medium- and long-term impacts, risk and opportunities in the areas mentioned. Material impacts, risks and opportunities are assessed to relate to E1 Climate change, E5 Resource use and circular economy, S1 Own workforce, S2 Workers in the value chain and G1 Governance.

E1 Climate change:
GHG emissions throughout the value chain from transport and operations at production facilities increase the risk of climate change. Extreme weather incidents may in the short term cause local transient disruptions in deliveries from the upstream value chain and thereby affect the Group's operations locally. In the long term, this scenario may cause a shortage of resources. The transition to operations with reduced emission levels may have financial consequences for SP Group in the short term. Access to renewable energy sources may vary significantly on a regional scale and over time and may therefore slow down the pace of implementation. Energy-saving initiatives in own activities may contribute to cost reductions.

E5 Resource use and circular economy:
SP Group relies on significant amounts of raw materials and packaging in our production. As we rely on stable supplies, shortages in the upstream value chain may result in resource constraints in our production. SP Group prioritises resource efficiency and works actively with sorting and recycling of plastics from our own production. However, the Group has no control over the further life cycle of packaging after the products have left our factories and move through the downstream value chain.

G1 Governance:
Our business practices and good business conduct affect our productivity, trust from the value chain and retention of our own employees. Corporate culture, corruption and bribery may have a negative impact on the value chain, with the risk of harming SP Group's reputation. We manage this risk by training all employees of the Group.

E2 Pollution and E3 Water were assessed to be non-material in the assessment phase, while E4 Biodiversity was already assessed to be non-material in the identification phase. It was emphasised that the Group complies with legal requirements, applies standards and has not had any incidents in the areas mentioned. Also, the level of cost risk is low.

E2 Pollution:
Our production and upstream value chain are associated with a risk of pollution of air, water and soil with, for example, microplastics and substances of very high concern (SVHC). Pollution is not assessed to be determined by physical or transitional conditions in the countries in which we have manufacturing activities, nor is it affected by external pollution incidents.

E3 Water and marine resources:
The Group's consumption of water is relatively low. Our consumption is related to some of our production processes in which water is used for cooling and to general sanitary purposes. Water is not extracted directly from local aquatic environments or marine resources but is supplied by external water suppliers in areas with no identified water scarcity. Water is discharged as waste water in the local sewage systems.

E4 Biodiversity and ecosystems:
We are aware that our activities and raw materials may affect biodiversity and ecosystems. However, we do not anticipate any biodiversity or ecosystem-related issues that will materially affect our production or financial position in the short or long term. We do not own, lease or manage land located in or near protected, biodiversity-sensitive areas, and our land use is relatively limited.

Double materiality matrix

Decision-making process and internal controls
SP Group's Board of Directors and Executive Board regularly assess material impacts, risks and opportunities in connection with strategic decisions. This work follows our annual wheel, which is described in 'Corporate governance' on page 34. In this way, we ensure that our work related to ESG risks is an integral part of the overall risk management.

The results of the DMA were approved by SP Group's CEO and Board of Directors. No other controls were performed.

Figure 3
Double materiality matrix

ESRS standards

E1	Climate change
E1a	Climate change mitigation
E1b	Energy
E2	Pollution
E3	Water and marine resources
E4	Biodiversity and ecosystems
E5	Resource use and circular economy
E5a	Resource inflow, including resource use
E5b	Resource outflows related to products
E5c	Waste
S1	Own workforce
S1a	Working conditions
S1b	Equal treatment and opportunities for all
S1c	Other work-related rights
S2	Workers in the value chain
S2a	Working conditions
S2b	Equal treatment and opportunities for all
S2c	Other work-related rights
S3	Affected communities
S4	Consumers and end-users
G1	Governance
G1a	Corporate culture
G1b	Protection of whistleblowers
G1c	Management of relationships with suppliers including payment practices
G1d	Corruption and bribery

IRO-2

ESRS disclosure requirements covered by the sustainability report

The determination of datapoints for reporting was generated based on the results of the DMA, which were processed in a CSRD reporting software solution and quality assured according to the EFRAG IG3 List of ESRS Datapoints (May 2024).

The table provides an overview of the disclosure requirements set out in the sustainability report and is based on the results of the DMA. The overview, presented as a content index, includes references to the relevant page numbers and/or sections of the report where the related information is found. All datapoints related to other EU legislation, see Appendix B to ESRS 2, are listed in the table in the appendix, indicating their location in the sustainability report. Datapoints that were considered to be non-material are listed as 'non-material'.

ESG Policy
SP Group's ESG-related policies have been combined into an ESG Policy.

A description of our ESG-related policies is contained in the report's thematic section on Environment, Social and Governance. These sections also describe goals and measures to contribute to the achievement of the goals.

ESRS	DR	DR title	Page
General disclosures			
ESRS 2	BP-1	General basis for preparation of the sustainability report	45
ESRS 2	BP-2	Disclosures in relation to specific circumstances	46
ESRS 2	GOV-1	Role of Management	47
ESRS 2	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	50
ESRS 2	GOV-3	Integration of sustainability-related performance in incentive schemes	51
ESRS 2	GOV-4	Statement on due diligence	51
ESRS 2	GOV-5	Risk management and internal sustainability reporting controls	52
ESRS 2	SBM-1	Strategy, business model and value chain	53
ESRS 2	SBM-2	Interests and views of stakeholders	56
ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	58
ESRS 2	IRO-1	Impacts, risks and opportunities (IRO)	64
ESRS 2	IRO-2	ESRS disclosure requirements covered by the sustainability report	68

ESRS	DR	DR title	Page
Environment			
Climate and environment			
ESRS 2	GOV-3-E1	Integration of sustainability-related performance in incentive schemes	51
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ESRS 2	IRO-1-E1	Description of the process to identify and assess material impacts, risks and opportunities	64
ESRS E1	E1-2	Policies related to climate change mitigation and adaptation	73
ESRS E1	E1-3	Actions and resources related to climate change policies	74
ESRS E1	E1-4	Targets related to climate change mitigation and adaptation	76
ESRS E1	E1-5	Energy consumption and mix	77
ESRS E1	E1-6	Gross GHG emissions	79
ESRS E1	E1-7	GHG removals and GHG mitigation projects financed through carbon credits	82
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Resource use and circular economy			
ESRS E5	E5-1	Policies related to resource use and circular economy	84
ESRS E5	E5-2	Actions and resources related to resource use and circular economy	84
ESRS E5	E5-3	Goals related to resource use and circular economy	86
ESRS E5	E5-4	Resource inflow	87
ESRS E5	E5-5	Resource outflow	88
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ESRS	DR	DR title	Page
Social			
Own workforce			
ESRS 2	SBM-2-S1	Interests and views of stakeholders	56
ESRS 2	SBM-3-S1	Material impacts, risks and opportunities and their interaction with strategy and business model	58
ESRS S1	S1-1	Policies related to own workforce	96
ESRS S1	S1-2	Processes for engaging with own workforce and workers' representatives	96
ESRS S1	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	96
ESRS S1	S1-4	Taking action on material impacts on own workforce	97
ESRS S1	S1-5	Goals related to own workforce	99
ESRS S1	S1-6	Characteristics of the undertaking's employees	100
ESRS S1	S1-8	Collective bargaining coverage and social dialogue	102
ESRS S1	S1-9	Diversity metrics	103
ESRS S1	S1-11	Social protection	104
ESRS S1	S1-12	Persons with disabilities	104
ESRS S1	S1-14	Health and safety	105
ESRS S1	S1-15	Work-life balance	106
ESRS S1	S1-16	Compensation metrics	107
ESRS S1	S1-17	Incidents, complaints and severe human rights impacts	108

ESRS	DR	DR title	Page
Workers in the value chain			
ESRS 2	SBM-2-S2	Interests and views of stakeholders	56
ESRS 2	SBM-3-S2	Material impacts, risks and opportunities and their interaction with strategy and business model	58
ESRS S2	S2-1	Policies related to value chain workers	109
ESRS S2	S2-2	Processes for engaging with value chain workers	109
ESRS S2	S2-3	Processes to remediate negative impacts	109
ESRS S2	S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	109
ESRS S2	S2-5	Targets related to value chain workers	110
Governance			
ESRS 2	GOV-1-G1	The role of the administrative, management and supervisory bodies	47
ESRS 2	IRO-1-G1	Description of the process to identify and assess material impacts, risks and opportunities	64
ESRS G1	G1-1	Corporate culture and business conduct policies	111
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Environmental (E)

ESRS E1 – Climate change

E1

Climate change

SP Group's business model incorporates sustainability considerations. It is important to SP Group that we can grow the Group's earnings and activities in a responsible manner. We are aware that our products increase the use of plastics. As a consequence, we take active responsibility for developing our business and production in a way that increasingly reduces negative environmental impacts and contributes to a sustainable development and the transition to a circular economy. Going forward, we will seek to use the screening criteria of the Taxonomy Regulation for input as far as possible before commencing activities. We do not have any activities that exclude us from the EU Paris-aligned benchmarks.

In recent years, we have intensified our efforts to integrate sustainability into our business model. In particular, we have focused on value creation through recycling of plastics in production and utilisation of our own surplus materials from production as well as regenerated materials and raw materials from other players in the plastics industry.

Our efforts should be viewed in light of the global climate challenges and the goal of the Paris Agreement to limit global warming to 1.5°C. This scenario forms the background for the climate risks of relevance to SP Group discussed below.

Physical climate risks
Physical climate risks relate to acute risk scenarios in areas in which we operate. These scenarios involve changes in temperature, wind and water conditions leading to a risk of forest fires and floods.

Climate-related transition risks
Climate-related transition risks relate to the transition to operations with reduced emission levels, which in the short term may have financial consequences in connection with the implementation and maintenance of mitigating measures.

"We are aware that our products increase the use of plastics. As a consequence, we take active responsibility for developing our business and production in a way that increasingly reduces negative environmental impacts and contributes to a sustainable development and the transition to a circular economy.

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E1-1

Transition plan for climate change mitigation

SP Group's climate change mitigation plan has been adopted by the Executive Board and includes strategic goals for 2030 that support the transition to a sustainable economy and are inspired by the Paris Agreement's goal of limiting global warming to 1.5°C.

The ability to transition to renewable energy depends on available energy sources or energy supply over which we have no influence, as well as financial resources for replacing machinery and equipment. At SP Group, we do not yet have an overview of the amount of locked-in GHG emissions and therefore no overview of the scope of CapEx for implementing the transition plans. Implementation of plans is a natural part of the companies' day-to-day operations and is secured through ongoing investments as and when needed, giving high priority to sustainable perspectives in the chosen solutions. For 2025, we expect total investments of approximately DKK 200 million in buildings, machinery and equipment. Our CapEx for 2024 amounted to DKK 218 million, no amount of which was applied towards gas-consuming activities.

The transition plan forms an integral part of our strategic sustainability goals, which are based on SDG 9 – Industry, innovation and infrastructure and SDG 12 – Responsible consumption and production. These are described in 'SBM-1'.

Ambitions and plans

- **Transitioning to renewable energy:** By 2030, our entire production will switch to renewable energy sources, thereby reducing the reliance on fossil fuels and making a direct contribution to global climate goals.
- **Carbon neutrality in Scope 1 and Scope 2:** We aim to be carbon neutral with respect to both direct and indirect emissions from energy consumption.
- **Contribution to energy optimisation and sustainable solutions:** We are committed to supporting the green transition by offering state-of-the-art plastics solutions that contribute to energy optimisation, insulation, clean water and clean air. In this way, we help customers and society reduce energy consumption and greenhouse gas emissions.

To achieve these goals, SP Group is implementing several initiatives:

- **Transitioning to renewable energy:** Establishment of solar panel systems at factories and a local solar park, purchase of certificates, signing of power purchase agreements and conversion of car fleet.
- **Investments in energy-efficient equipment:** Ongoing investments in new equipment to reduce energy consumption and increase efficiency, including reduction of gas-consuming activities.
- **Materials and process optimisation:** Substitution of regenerated materials for primary materials and optimisation of internal production processes to save energy.
- **Design for circularity:** Engaging with customers about the design of products and packaging that can be included in a circular process after end of use and reduction of the volume of raw materials used.
- **Climate-friendly corporate culture:** The corporate culture supports the commitment to sustainable production and management through incentive programmes, employee involvement in reporting and training.
- **Partnerships:** Participation in industry-wide initiatives and partnerships where sustainable production and management experience is shared.

E1-2

Policies related to climate change mitigation and adaptation

SP Group has drafted an ESG Policy with a separate section on environment and climate that addresses climate change.

The section is inserted below and indicates which areas are covered by the policy and how the selected areas are addressed.

Key stakeholders in relation to the ESG Policy's provisions on climate change include customers, investors and banks.

The ESG Policy embraces the identified IROs and is available on our website. The Policy applies to all parts of the Group, including both employees and suppliers, regardless of geography. The ESG Policy is approved by the Board of Directors.

Excerpts from our ESG Policy: Environment and climate

Climate change is a reality, and at SP Group we aim to continuously adapt our business and activities to these changes, and we will seek to mitigate climate change through a number of initiatives to reduce our greenhouse gas emissions. The transition to the use and production of renewable energy, energy efficiency improvements and the development of environmentally friendly production technologies will contribute to mitigation.

Through the companies' ISO 14001-certified environmental management systems, we will systematically work to reduce our impact on the environment and promote greater environmental responsibility. To this end, we aim to limit our consumption of heating, water and energy as well as noise, odour and dust nuisance. We aim to reuse materials and products, optimise the consumption of raw materials and use environmentally friendly materials in production and development processes.

Solar panels on the facade of one of our factory buildings in Poland.

E1-3

Actions and resources related to climate change policies

In 2024, as part of SP Group's efforts to reduce direct and indirect greenhouse gas emissions, we continued to invest in solar panel systems, expanded our electric vehicle fleet and invested in new and more efficient production machinery. For taxonomy purposes, solar panels are reported under CM 4.1 Electricity generation using solar photovoltaic technology, and electric cars are reported under CM 6.5 Transport by motorbikes, passenger cars and light commercial vehicles. Single purchases of new machinery are reported under CE 1.1 Manufacture of plastic packaging goods. No action was taken for transport in the upstream value chain with regard to the IROs identified.

Actions going forward rely on the availability of renewable energy and allocation of financial resources to investments in machinery and equipment. The actions are implemented at the initiative of the companies and reflect local needs.

SP Group's key actions are shown in the table on page 76. The following examples are of particular interest to our customers, employees, local communities, investors and banks.

Electric vehicles

We expanded our fleet of electric and hybrid cars from 33[2] to 40 in 2024.

We have installed charging points at our factories so that guests and employees with an electric car can charge their vehicles.

Charging points for electric and hybrid cars at Gibo Plast A/S.

New machinery

Ulstrup Plast A/S received a new, modern injection moulding machine in 2024 as part of the initiatives to improve production capacity and reduce the environmental impact.

The injection moulding machine is fitted with state-of-the-art energy efficiency and process optimisation technology. The machine is designed to use significantly less energy compared with previous generations, thanks to advanced servomotors and an optimised thermal treatment process. The injection moulding machine also facilitates high-precision manufacturing, thereby reducing materials waste.

The investment is a key element of our long-term sustainability strategy, which focuses on minimising the Group's carbon footprint, optimising resource consumption and promoting circular production methods.

[2] Historical data are not covered by PwC's limited assurance report on the sustainability reporting.

Solar park in Juelsminde

On 28 February 2024, the City Council of Hedensted Municipality approved a local development plan for the contemplated solar park near Glud on the Juelsminde Peninsula in Denmark. The solar park project will be implemented through Juelsmindehalvøens Solar A/S, a company established by SP Group A/S in collaboration with Palsgaard A/S and Jual Group A/S.

The plant will be able to deliver about 60 GWh annually, corresponding to the power consumption of more than 15,000 households, or the three companies' total power consumption in Denmark. Once completed, the project will make a large proportion of the local private businesses carbon neutral as they will use locally produced green power.

Solar park in Juelsminde in the process of being established

Solar panel systems at the factories

An important part of the transition is the use of renewable energy, which we achieve partly through the establishment of solar panel systems at our factories, partly through the purchase of certificates. By investing in solar panel systems at our factories in Finland, Slovakia and Poland, we have maintained the share of solar energy of our total energy consumption.

In 2023, we expanded our production facilities in Finland, as Coreplast Laitila Oy acquired 18,200 sqm of land in front of the factory. Here, a solar panel system has contributed to the production of green electricity since July 2023.

A solar panel system was installed on the roof of Ulstrup Plast s.r.o. in Slovakia in September 2023. This system, consisting of 848 solar panels with a total capacity of 300 kW, was put into operation in early 2024.

In its first year of operation, the system produced 220,000 kWh, an annual carbon emission reduction corresponding to the average energy consumption of approximately 55 households. The solar panels now generate a substantial share of the company's total energy consumption and support more sustainable operations.

The utilisation of solar resources represents a long-term investment. These projects mark an important step towards reducing the dependency on fossil fuels and contribute to our goal of minimising environmental impacts.

Solar panel system and installation on roof at Coreplast Laitila Oy in Finland.

Solar panel installation at Ulstrup Plast s.r.o. in Slovakia

E1-4

Targets related to climate change mitigation and adaptation

SP Group has defined a number of strategic objectives as part of its climate change work. The objective are not scientifically based, but are set on the basis of our current level and experience. The Executive Board and senior employees have initiated a number of actions and KPIs for Scope 1 and 2 to reduce CO_2 emissions through optimisation of energy consumption and electrification. The actions encompass the identified IROs, for which we expect a derived impact for Scope 3 through the subsidiaries' environmental certifications. Goals and actions are aligned with the 'Environment and climate' section of our ESG Policy, and the progress of efforts and the achievement of goals are monitored on an ongoing basis by the companies and on a quarterly basis by their boards of directors. We do not yet focus on actions for transportation in the upstream value chain.

Strategic goal	Sustainable Development Goal	Action	Status 2024	KPI
Carbon neutrality in Scope 1 and Market-based Scope 2 by 2030	13 CLIMATE ACTION	To supplement our own production of renewable power, we purchase certificates and enter into power purchase agreements (PPAs)	81.6% of the power consumption was based on green power	Share of renewable power to be 100% by 2030
		Conversion of car fleet to electric vehicles	Measurement to be established	100% electric car fleet by 2030
	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	We continuously invest in energy-efficient equipment to reduce energy consumption and increase efficiency	Measurement to be established	All equipment to be 100% electrical
Contribute to production of renewable energy	7 AFFORDABLE AND CLEAN ENERGY	We collaborate with two local businesses on the Juelsminde Peninsula on the construction of a solar park. Perimeter planting around the solar park will create green recreational areas and promote biodiversity while at the same time making the solar park very discreet in its surroundings	The solar park has been approved for expected establishment in 2025 and commissioning in 2026	Production of power corresponding to 100% of consumption in the Danish factories by 2030
A climate- and environmentally friendly approach to business operations	13 CLIMATE ACTION; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	All manufacturing entities to be certified to the ISO 14001 environmental standard	73.5%	All manufacturing entities to be environmentally certified within three years of takeover

E1-5

Energy consumption and mix

SP Group's production processes are intensive and require considerable amounts of energy. The energy consumption primarily relates to electricity and gas for machinery, robots and lighting as well as heating of facilities.

Access to renewable energy sources may vary significantly on a regional scale and over time due to a lack of energy saving/storage options. Energy consumption and energy intensity are therefore considered an important factor in our operations.

To address the negative impacts of fossil fuels, we have taken mitigation measures to ensure a more sustainable energy mix. This includes switching to energy produced via solar panels and converting our car fleet to electric cars.

The relative distribution of our energy consumption is illustrated in Figure 4, which shows that the share of electricity is on the increase.

Figure 4
Relative energy consumption (%)[2]

[2] Historical data are not covered by PwC's limited assurance report on the sustainability reporting.

Energy consumption and mix		Unit	2024
(1)	Fuel consumption from coal and coal products	MWh	0
(2)	Fuel consumption from crude oil and petroleum products	MWh	5,587
(3)	Fuel consumption from natural gas	MWh	11,340
(4)	Fuel consumption from other fossil sources	MWh	0
(5)	Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	10,629
(6)	**Total fossil energy consumption**	MWh	**27,555**
	Share of consumption from fossil sources in total energy consumption	%	**32.6%**
(7)	**Consumption from nuclear sources**	MWh	**183**
	Share of consumption from nuclear sources in total energy consumption	%	**0.2%**
(8)	Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	0
(9)	Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	55,482
(10)	Consumption of self-generated non-fuel renewable energy	MWh	1,308
(11)	**Total consumption of renewable energy**	MWh	**56,790**
	Share of consumption from renewable sources in total energy consumption	%	**67.2**
	TOTAL ENERGY CONSUMPTION	MWh	**84,528**

Energy intensity based on net revenue	Unit	2024	2023 [2]	% 2024 / 2023
Total energy consumption from activities in high climate impact sectors per net revenue	MWh/ DKK 1,000	0.029	0.033	87.9%

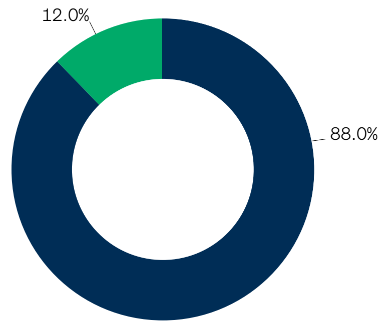
[2] Historical data are not covered by PwC's limited assurance report on the sustainability reporting.

The use of regenerated plastics reduces energy requirements in the value chain.

Own energy production

We produce energy from our own solar panel systems established at the factories in Finland, Poland and Slovakia. Locally sourced gas is converted into heat by incineration. The main consumption is in companies in Denmark, Finland, Latvia, Poland, China and the USA.

Figure 5
Breakdown of energy production in 2024
%



- Non-renewable energy: 8,787 MWh
- Renewable energy: 1,200 MWh

Reporting principles

Energy consumption
Data on energy consumption are reported for summing and verification from the companies' daily systems.

This category also includes self-generated energy from solar panels.

Energy mix
The energy mix for district heating and electricity consumption is reported for fossil, nuclear and recyclable energy sources, respectively.

Energy intensity ratio
Calculated as:

$$= \frac{\text{Total energy consumption (MWh)}}{\text{Net revenue from activities in high climate impact sectors (DKK)}}$$

For revenue, see note 3 to the financial statements.

E1-6

Gross GHG emissions

SP Group's business model and value chain contribute directly and indirectly to greenhouse gas (GHG) emissions through the sourcing of materials, transport along the value chain, operations and production facilities. Our CO_2e emissions from Scope 1 (direct emissions) and Scope 2 (indirect emissions) primarily relate to district heating, electricity and gas purchased and used for heating and production activities.

The largest CO_2e emissions in our value chain stem from upstream and downstream production and transport of raw materials and machinery (Scope 3 – indirect emissions). Raw materials are sourced from high climate impact sectors (Category 1) Raw materials are transported across borders and on a global scale by sea, road and air freight (Category 4).

Co_2 emissions

We have set a strategic goal to become CO_2e neutral in Scope 1 and 2 by 2030. Our Scope 1 CO_2e emissions fell by 23%[2] relative to the 2023 baseline year. The reduction was attributable to reduced consumption of natural gas due to the transition to district heating.

Scope 2 emissions were calculated according to the location-based and market-based methods.

In the period 2023-2024, we saw an increase in the total power consumption, which has been covered in part by purchases of certificates and power generated from our own solar panels, contributing significantly to the 16%[2] reduction of location-based Scope 2 CO_2e emissions relative to 2023.

Market-based Scope 2 declined by 13%[2], also impacted by the purchase of certificates and power generated from own solar panels.

Scope 3 emissions included only the following GHG categories: purchased goods and services (1), fuel- and energy-related activities (3), upstream transportation and distribution (4), waste generated in operations (5), business travel (6) and downstream transportation (9). No data are available for Categories 4 and 9 for the 2023 baseline year, and emissions for the other categories, 2, 7, 8 and 10-15, were not calculated.

In the market-based calculation, Scope 3 represented 92% of total CO_2e emissions.

This sustainability report only contains information on CO_2 since it is assessed as the most significant emission from our activities.

126,510

Total location-based GHG emissions in 2024 (tCO_2e)

112,093

Total market-based GHG emissions in 2024 (tCO_2e)

80%

Of the total power consumption of 62,847 MWh is covered by certificates

[2] Historical data are not covered by PwC's limited assurance report on the sustainability reporting.

	Unit	Retrospective				Milestones and target years			
	Unit	2023 baseline year [2]	Development	2024	% 2024 / 2023	2025	2030	(2050)	Annual target (%) / baseline year
Scope 1 GHG emissions									
Gross Scope 1 GHG emissions	tCO_2e	4,664	1,079	3,585	77%	N/A	N/A	N/A	N/A
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	%	-		-		N/A	N/A	N/A	N/A
Scope 2 GHG emissions									
Location-based Gross Scope 2 GHG emissions	tCO_2e	23,935	3,882	20,053	84%	N/A	N/A	N/A	N/A
Market-based Gross Scope 2 GHG emissions	tCO_2e	6,462	827	5,635	87%	N/A	N/A	N/A	N/A
Scope 3 Significant GHG emissions									
Total gross indirect (Scope 3) GHG emissions	tCO_2e	N/A	N/A	102,872	N/A	N/A	N/A	N/A	N/A
Category 1: Purchased goods and services		67,578	N/A	82,993	N/A	N/A	N/A	N/A	N/A
Category 3: Fuel- and energy-related activities (not included in Scope 1 or Scope 2)		6,656	N/A	5,820	N/A	N/A	N/A	N/A	N/A
Category 4: Upstream transportation and distribution		Data not available	N/A	7,667	N/A	N/A	N/A	N/A	N/A
Category 5: Waste generated in operations		391	N/A	539	N/A	N/A	N/A	N/A	N/A
Category 6: Business travel		376	N/A	965	N/A	N/A	N/A	N/A	N/A
Category 9: Downstream transportation		Data not available	N/A	4,888	N/A	N/A	N/A	N/A	N/A
Total GHG emissions									
Total GHG emissions Location-based	tCO_2e	N/A	N/A	126,510	N/A	N/A	N/A	N/A	N/A
Total GHG emissions Market-based	tCO_2e	N/A	N/A	112,093	N/A	N/A	N/A	N/A	N/A

[2] Historical data are not covered by PwC's limited assurance report on the sustainability reporting.

CO_2 from biogenic emissions is not included in the calculation of total GHG emissions. Scope 1 emissions derive from the consumption of natural gas.

Biogenic emissions	Unit	2024
Scope 1	tCO_2e	20
Scope 2, location-based	tCO_2e	0
Scope 2, market-based	tCO_2e	0
Scope 3	tCO_2e	0

Carbon intensity per net revenue	Unit	2024
Total location-based carbon emissions from activities in high climate impact sectors relative to net revenue	tonnes / DKK'000	0.043
Total market-based carbon emissions from activities in high climate impact sectors relative to net revenue	tonnes / DKK'000	0.038

Data quality	Unit	Scope 3 GHG emissions
Primary data	%	N/A
Secondary data	%	N/A

Scope 1 and Scope 2 emissions by source

	Unit	2024
Scope 1		
Fossil fuels	tCO_2e	353
Gas	tCO_2e	3,160
Refrigerants	tCO_2e	72
Scope 2 location-based		
District heating	tCO_2e	322
Electricity	tCO_2e	19,731
Scope 2 market-based		
District heating	tCO_2e	317
Electricity	tCO_2e	5,318

Reporting principles

All consumption data are reported in a digital software system in which emissions factors are listed with source references. The software performs an automatic calculation of CO_2e emissions.

Scope 1: CO_2e emissions
Direct Scope 1 GHG emissions

Scope 1 emissions are reported based on the GHG Protocol and include direct energy consumption such as oil, natural gas, LPG, petrol, diesel and refrigerants.

Calculated as:

= Sum of total energy consumption (kWh) x emissions factor (tonnes CO_2e/kWh)

Scope 2: CO_2e emissions, location-based
Indirect Scope 2 GHG emissions (tonnes CO_2e)

Scope 2 emissions are reported based on the GHG Protocol and include indirect GHG emissions from the generation of electricity and heat purchased and consumed by the group companies.

Calculated as:

$$= \text{Total energy consumption of} \left(\text{electricity (kWh) x emissions factor} \left(\text{tonnes } \frac{CO_2}{kWh} \right) + \text{heat (kWh) x emissions factor} \left(\text{tonnes } \frac{CO_2}{kWh} \right) \right)$$

Scope 2: Market-based CO_2e emissions
Indirect Scope 2 GHG emissions (tonnes CO_2e)

Indirect Scope 2 GHG emissions (tonnes CO_2e) calculated including reduction for electricity purchased under certificates

Calculated as:

$$= \text{Total energy consumption of} \left(\text{electricity (kWh) x emissions factor} \left(\text{tonnes } \frac{CO_2}{kWh} \right) + \text{heat (kWh) x emissions factor} \left(\text{tonnes } \frac{CO_2}{kWh} \right) \right)$$

Certificate providers: Denmark: Jysk Energi, Poland: Veolia Energy, Slovakia: Východoslovenská, energetika a.s and Finland: VENI Energia

Scope 3: CO_2e emissions
Indirect Scope 3 GHG emissions (tonnes CO_2e)

Scope 3 emissions are reported based on the GHG Protocol, and the scope of reporting was prioritised based on the conclusions from Gibo Plast A/S' participation in the Danish 'Klimaklar SMV' initiative. The conclusion was that 94% of total CO_2e emissions came from Scope 3, of which 90% derived from the purchase of plastics raw materials for production.

Of the 15 categories in Scope 3, SP Group's 2024 Annual Report 2024 includes:
- Category 1, Purchased raw materials and moulds
- Category 3, Fuel- and energy-related activities
- Category 5, Waste generated in operations
- Category 6, Business travel
- Category 4+9, Upstream and downstream transportation
- Category 4+9, Upstream and downstream distribution

For upstream and downstream transportation, we primarily use supplier data and the distance-based method. The reporting includes:
- Raw materials sourced for production, reported under E5-4.
- Delivery, repair and maintenance of moulds and tools used in manufacturing.
- Goods delivered to customers.

For other transportation, the spend-based method is applied.

Total GHG emissions intensity
Total GHG intensity based on net revenue is calculated as follows:

$$= \frac{\text{Total GHG emissions (tCO}_2\text{e)}}{\text{Net revenue from activities in high climate impact sectors (DKK)}}$$

For revenue, see note 3 to the financial statements.

Reporting principles (continued)

Emissions factors
The following sources were applied for emissions factors:

Scope 1:
- **Refrigerants:** Standard emissions factors from Opteon (2023), DEFRA (2024) and Naturvårdsverket (2022)
- **Oil, LPG and natural gas:** Standard emission factors from DEFRA (2024)

Scope 2:
- **District heating:** If an SP Group company was unable to state a supplier-specific emissions factor, the following emissions factors were applied:
  – CTR, HOFOR and VEKS (2024)
  – DEFRA (2024)
  – Energiförtagen (2023)
- **Electricity, location-based and market-based:** Standard emissions factors from AIB (2024) and IEA (2024)

Scope 3:
- **Category 1, purchased raw materials and moulds:** DEFRA (2024), Ecoinvent (3.10)
- **Category 3, fuel- and energy-related activities** IEA (2024), DEFRA (2024) and Energiförtagen (2023)
  – Company cars
    - Fossil: DEFRA (2024)
    - Hybrid and electric: DEFRA (2024), AIB (2024), IEA (2024) and Trafikverket Vägtrafikens utsläpp 2023 (2024)
- **Category 5, Waste generated in operations:** DEFRA (2024), EU & DK Input Output Database (2022)
- **Category 6, Business travel**
    - Hotel: Hotel Footprinting Tool (2024) and DEFRA (2024)
    - Car: DEFRA (2024)
    - Air: DEFRA (2024)
- **Category 4+9**: **Upstream/downstream transportation/distribution:**
  – NTM (2024)
  – DEFRA (2024)
  – AIB (2024)
  – IEA (2024)

Data type and quality
The share of primary data sources was calculated on the basis of information reported.

Calculated as:

$$= \left(\frac{\text{Number of primary data sources reported}}{\text{Total number of data sources reported}} \right) \times 100$$

E1-7

GHG removals and GHG mitigation projects financed through carbon credits

SP Group does not have any projects for GHG removals or GHG mitigation financed through carbon credits.

E1-8

Internal carbon pricing

SP Group does not use internal carbon pricing schemes in its business.

ESRS E5 – Resources and circular economy

E5

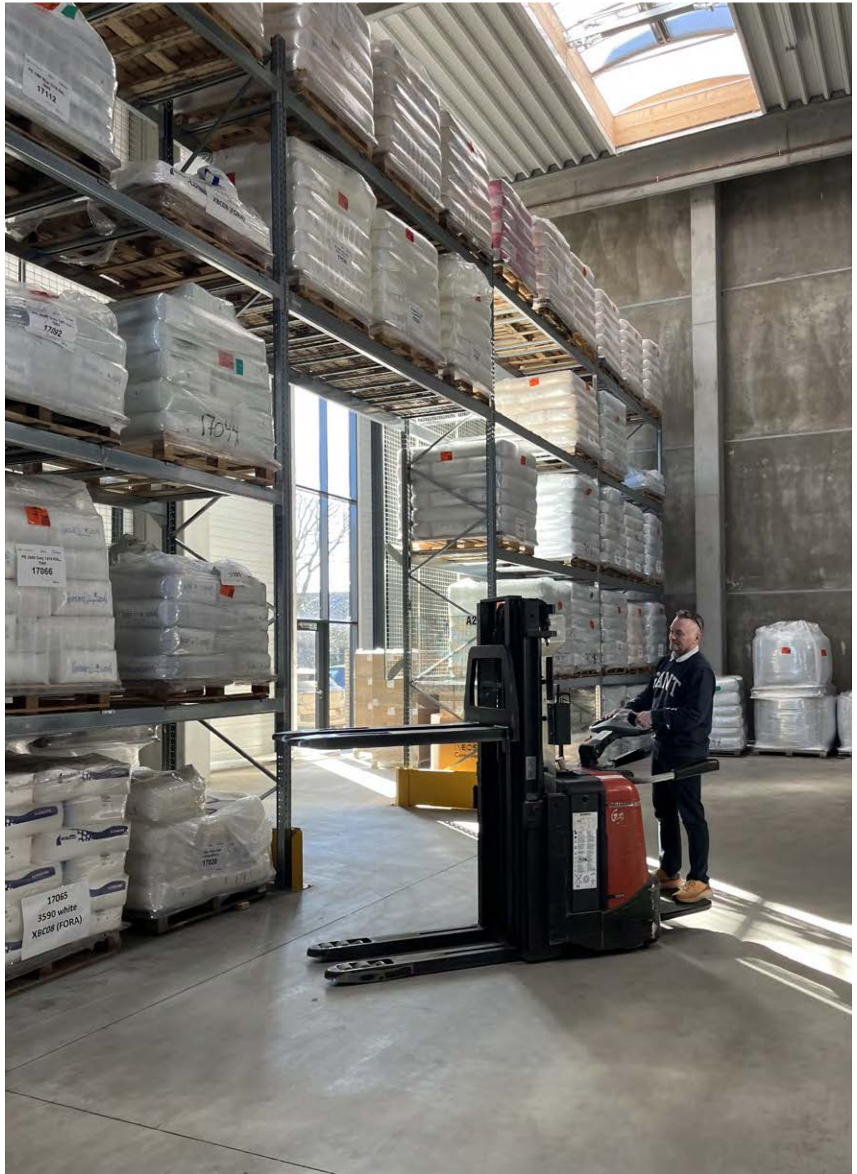
Resources and circular economy

SP Group purchases large quantities of raw materials that include many resources. Among these raw materials are plastic granules, resins, sheets and powders.

We sell a wide range of products, which primarily consist of plastic products. As we are a subsupplier, our plastic products are mainly used as components of our customers' end-products. This results in large quantities of packaging (cardboard and plastics). The companies have no control over what happens with the products and the packaging after they leave our factories, unless return agreements have been concluded.

We sort our waste in accordance with regulations and standards as well as with concrete options for waste sorting in the countries and areas where we operate.

The high consumption of raw materials is a necessity for our operations and entails dependencies on available raw materials. Resource shortages can have negative production and financial impacts, but also foster new ways of thinking in relation to the recycling of materials. The dialogue and engagement with our stakeholders in the upstream and downstream value chain provides insights into new materials and recycling methods.



Jan Sørensen placing incoming raw materials in the warehouse at Dan-Hill-Plast A/S.

E5-1

Policies related to resource use and circular economy

SP Group has drawn up an ESG Policy with a separate environment and climate section that concerns raw materials and circular economy. The section is inserted below and indicates which areas are covered by the Policy and how the selected areas are addressed.

Key stakeholders in relation to the ESG Policy's provisions on resource consumption and circular economy include customers, suppliers and employees.

The ESG Policy embraces the identified IROs and is available on our website. The Policy applies to all parts of the Group, including both employees and suppliers, regardless of geography. The ESG Policy is approved by the Board of Directors.

Excerpts from our ESG Policy: Raw materials and circular economy

At SP Group, we are aware that a very large part of our raw materials is produced by means of fossil sources. We therefore take active responsibility for developing our business and production in a responsible way that increasingly reduces negative environmental impacts and contributes to sustainable development and the transition to a circular economy.

Raw materials are sourced according to the companies' ISO 9001- and ISO 14001-certified quality and environmental management systems. This ensures that we comply with all environmental directives, including REACH, the Candidate List of Substances of Very High Concern and the RoHS Directive.

Sustainable use is achieved by pushing the recycling of plastics in our production as well as the utilisation of our own surplus materials from production and regenerated materials from other players in the plastics industry.

In addition, we limit wastage and waste volumes, which are sorted for purposes of recycling in a circular process.

E5-2

Actions and resources related to resource use and circular economy

As part of SP Group's work to sharpen our focus on resource use, we continued to work with our customers on the use of bioplastics and regenerated materials and on reuse and use of surplus materials in 2024. These actions were implemented in our downstream and upstream value chain as well as in our own processes and extend into the identified IROs.

Our actions going forward rely on continued customer demand for circular product design and on available disposal systems for sorted waste in the geographical areas where we operate.

The following examples are of particular interest to our customers and suppliers.

"As part of SP Group's work to sharpen our focus on resource use, we continued to work with our customers on the use of bioplastics and regenerated materials and on reuse and use of surplus materials in 2024.

Powder mills at Gibo Plast

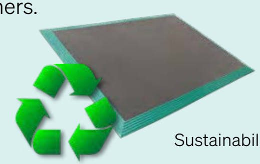
As part of our growth strategy, rotational moulding was implemented in our manufacturing processes in 2020. This entailed the need to recycle waste material from the process. In 2024, a powder mill was installed at Gibo Plast in Denmark, which reprocesses plastic waste from the production into powder that is recycled into new products. A similar solution has been established at Gibo Plast's factory in China. This reduces the consumption of raw materials and fosters a circular economy.

Ergomat Sustainability Mats

Ergomat's products have always been manufactured with long durability in mind. In recent years, however, Ergomat has increased its focus on making sustainable products that not only meet the needs of modern workplaces but also contribute positively to the environment.

Ergomat Sustainability Mats became a reality in 2023. These mats contain between 65% and 100% recycled materials. Ergomat has established a recycling programme in which used mats are collected from customers, granulated and processed into new mats that can then be redistributed to customers.

The recycling programme includes financial gains for customers when they purchase new Ergomat Sustainability Mats. This benefits the environment, safety and customers.



Sustainability Mat 3.0

Recycling plastics

Dan-Hill-Plast produces a range of elegant products for SMALLrevolution, including stools, vases and wine coolers. The series is manufactured from recycled type PE and PP plastic waste. The plastic waste is delivered directly from the customer to Dan-Hill-Plast as granules, which ensures efficient and sustainable production.

SMALLrevolution product series manufactured by Dan-Hill-Plast.

Tableware made from bioplastics

SP Group has manufactured the TAKE series, which includes plates, bowls, mugs and glasses for the Rosendahl brand and is made of 98% bio-based plastics. In addition, we have produced a bread basket of the same material for Rosendahl Design Group's Kähler brand. The products have been tested and approved for use in connection with food and were put into production in 2022.

E5-3

Goals related to resource use and circular economy

In connection with our work on resource consumption and a circular economy, the Executive Board, senior executives and senior managers have launched a number of actions and KPIs. The targets have been set based on our current level and experience as well as the conviction that the individual countries will successfully develop waste sorting systems. The actions extend into the identified IROs and are important to achieving SP Group's strategic goals. Achieving the goal of circular use relies on customers' demand for recycled materials for their product designs.

The goal of increased use of regenerated materials and bioplastics and the goal of recycling packaging components are voluntary and have therefore not been set with a view to complying with statutory requirements. The goal for waste sorting has been set to comply with local legislation and, where there is no legislation, to promote a responsible waste sorting culture.

These strategic goals and actions are a translation of the ESG Policy's section on raw materials and circular economy in our companies. The progress of efforts and the achievement of goals are monitored on an ongoing basis by the companies and on a quarterly basis by their boards of directors.

Strategic goal	Sustainable Development Goal	Action	Status 2024	KPI
Circular use	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Use of regenerated materials and bio-based plastics for production (resource inflow)	19%	25% of total purchases of plastics raw materials by 2030
		Recycling of packaging components and return pallets (resource outflow)	100%	100% recycling of packaging components and return pallets
Transition to a circular economy	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Waste sorting with recycling or other recovery in mind	80%	At least 90% of the total amount of waste must be diverted from disposal by 2030

E5-4

Resource inflow

Resources are supplied to the companies for the manufacture of products, components and production tools. The composition of the resources supplied depends on the demand of SP Group's customers. We focus on a circular economy combined with a goal of eliminating raw material waste, which in 2024 led to an increase in the use of regenerated materials by 41% [2] compared with 2023. This entails the side benefit of lower consumption of plastics purchased as a new product and a 30% [2] increase in the proportion of plastics collected and recycled in the production lines.

Resource inflow	Unit	2024	2023 [2]
Technical materials			
– Plastics, new products	kg	14,364,791	14,970,035
– Plastics, regenerative materials	kg	3,492,353	2,480,405
– Glass fibre	kg	6,178,232	7,136,414
– Other (e.g. iso, polyol, telene, resin)	kg	3,722,750	2,204,132
– Steel	kg	637,471	344,014
– Aluminium	kg	377,445	123,501
– Cardboard	kg	1,242,833	932,568
– Wood	kg	2,814,216	2,181,127
Biological materials	kg	0	0
Total materials – Technical and Biological	kg	**32,830,092**	**28,286,285**
Of which Biological materials	%	**0**	**0**
Of which Regenerative materials	%	**10.6**	**8.8**

[2] Historical data are not covered by PwC's limited assurance report on the sustainability reporting.

"SP Group focuses on a circular economy combined with a goal of eliminating raw material waste, which in 2024 led to an increase in the use of regenerated materials of 41% [2] compared with 2023.

Reporting principles

Incoming resources
This includes the companies' most significant purchases of materials used for production and packaging, including plastics, glass fibres, resins, wood and cardboard. Volumes of steel and aluminium are primarily related to the purchase of moulds. Purchase volumes are primarily derived from the companies' ERP systems.

In order to avoid double reporting, all purchases in each raw materials category that are resold within the Group are deducted.

Purchases of services such as cleaning, repairs, maintenance, audit or IT services are not included in the reporting, nor are resources related to buildings, machinery, equipment and suppliers.

E5-5

Resource outflow

All SP Group's manufacturing entities focus on generating less waste and increasing the recycling of plastic materials. The products and components supplied by the companies are made of plastic and composite materials, also referred to as thermoplastics and thermosetting plastics. Thermoplastics are characterised by their ability to be recycled as they can be melted and reshaped multiple times. Recycling requires collection, sorting and cleaning before the material is granulated for recycling.

Similarly, we seek to repurpose other waste and surplus materials from our production, including glass fibre, cardboard and metal. At the injection moulding factories, this is done by means of decentralised grinders that ensure that surplus material from the production of each component is immediately ground and led to a closed system together with the plastic material for the next component.

Deliveries from our companies are packed in a proper manner to ensure that products and components are not damaged during transportation. The packaging primarily consists of wood, cardboard and plastic foil that can potentially be recycled.

Our waste primarily comes from the companies' production, warehousing, repair and maintenance activities and from their production engineering departments.

Waste is classified by means of the waste hierarchy set out in the EU Waste Framework Directive (Directive 2008/98/EC) and sorted into fractions defined by legislation or local practices. The companies' reported volumes of waste are based on their own data or data from suppliers.

Recyclable content in products supplied by SP Group

60.6%

Of sold products can be recycled

100.0%

Of the packaging of sold products can be recycled

Waste generated by SP Group's own activities	Unit	2024	2023 [2]
TOTAL amount of waste	**tonnes**	**6,274.52**	**5,106.45**
– Of which total amount of waste for disposal	**tonnes**	**1,259.80**	**887.21**
– Of which total amount of waste diverted from disposal	**tonnes**	**5,014.72**	**4,219.24**
Total: Hazardous waste	tonnes	**237.91**	**160.25**
Hazardous waste for disposal	tonnes	87.92	83.01
– Incineration	tonnes	0.00	0.00
– Landfill	tonnes	0.00	0.00
– Other disposal	tonnes	87.92	83.01
Hazardous waste diverted from disposal	tonnes	149.99	77.24
– Sorted for reuse	tonnes	0.00	0.00
– For recycling	tonnes	149.99	77.24
– Other recovery	tonnes	0.00	0.00
Total: Non-hazardous waste	**tonnes**	**6,036.63**	**4,946.20**
Non-hazardous waste for disposal	tonnes	1,171.89	804.20
– Incineration	tonnes	359.29	381.16
– Landfill	tonnes	812.60	423.04
– Other disposal	tonnes	0.00	0.00
Non-hazardous waste diverted from disposal	tonnes	4,864.74	4,142.00
– Sorted for reuse	tonnes	0.00	0.00
– For recycling	tonnes	3,945.46	3,152.87
– Other recovery	tonnes	919.28	989.13
Proportion of waste for disposal	**%**	**20.08**	**17.37**

[2] Historical data are not covered by PwC's limited assurance report on the sustainability reporting.

Reporting principles

Outbound products with recyclable content
This includes the volume of thermoplastics purchased in relation to the total volume of raw materials purchased for use in the production of components. The volume of thermoplastics sent for recycling has been deducted.

Calculated as:

$$= \left(\frac{\text{Volume of thermoplastics purchased - volume of thermoplastics sent for recycling}}{\text{Volume of thermosetting plastics purchased + (volume of thermoplastics purchased - volume of thermoplastics sent for recycling)}} \right) \times 100$$

Outbound packaging with recyclable content
This includes the volume of purchased wood, cardboard and plastic foil.

Calculated as:

$$= \left(\frac{\text{Volume of purchased wood + cardboard + plastic foil}}{\text{Volume of packaging purchased}} \right) \times 100$$

Outbound resources – recycling (diverted from disposal)
This includes resources from the companies, which sort into the fractions plastics, foil, wood, cardboard, metals and "other" for recycling. The fraction "other" is classified as hazardous waste and contains, among other things, batteries and printer cartridges. The largest volume originates from warehousing, manufacturing and maintenance activities.

Plastics that are recycled internally are included under 'Non-hazardous – for recycling'.

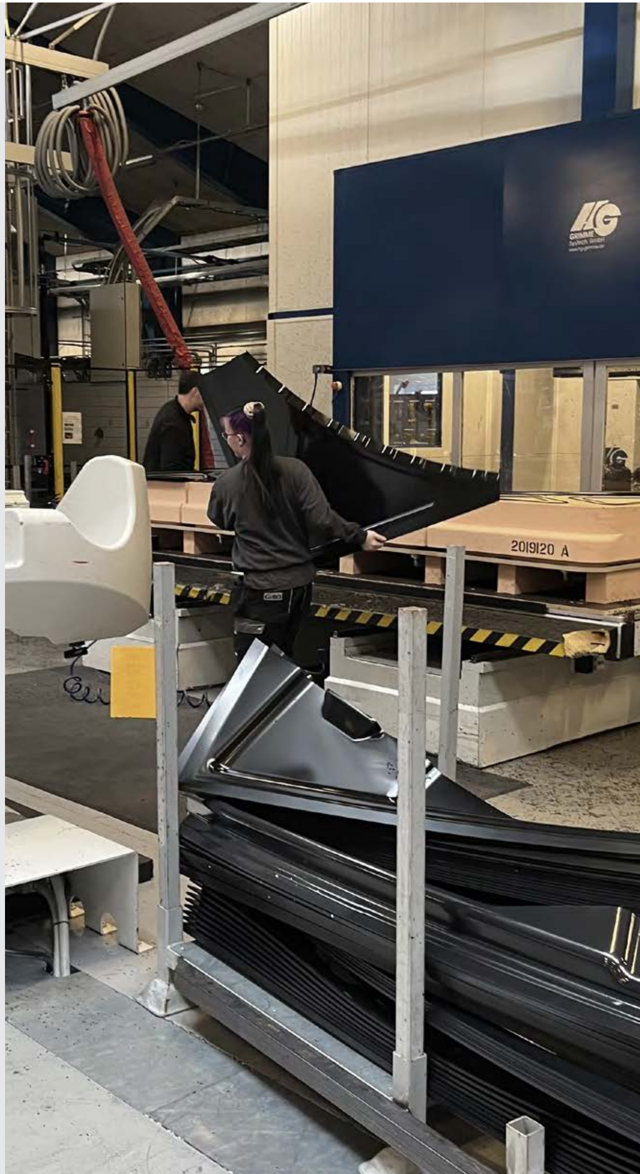
Incineration waste from Denmark, Norway, Sweden, Finland and the Netherlands is included in 'Other recovery'.

Calculation: The volume is calculated upon collection.

Waste for disposal
This includes waste not diverted from disposal.

Calculation: The volume is calculated upon collection.

Segregating scrap, which is ground and collected in bags so that it can be sent for recycling.



Taxonomy reporting

Taxonomy for sustainable investment

A working group at SP Group has performed a systematic assessment of all activities listed in the Taxonomy Regulation to identify the extent to which the Group's economic activities qualify as contributing substantially to the EU's climate goals of:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

We have identified a number of economic activities that are comprised by the Taxonomy Regulation's activities. These activities are related to manufacturing, energy, transport, building and construction and real estate as well as services related to the energy performance of buildings.

However, in our assessment, these activities do not qualify as contributing substantially to one or more of the six environmental goals, and we have not performed an assessment of the criteria under DNSH.

For purposes of the reporting, turnover, operating expenditure (OpEx) and capital expenditure (CapEx) are therefore attributed to those areas that are Taxonomy-eligible (A2) but do not qualify as contributing substantially to sustainability (A1). In addition, the Group's total turnover, CapEx and OpEx (B) are disclosed.

Activities assessed to be Taxonomy-eligible (A2) include the sale of insulated plastic components for the building industry, the production of plastic packaging for the pharmaceutical industry and machinery and equipment for these lines of production. To this should be added purchases/leasing of company cars, new windows at Medico-Pack A/S, the installation of solar panel systems at Ulstrup Plast s.r.o in Slovakia, the installation of charging points and the construction of new buildings.

Turnover is primarily driven by the activity 'Manufacture of plastic packaging articles', which amounts to DKK 176.6 million

CAPEX is also primarily driven by 'Manufacture of plastic packaging articles' at DKK 11.6 million and 'Construction of buildings' at DKK 83.4 million.

OPEX is primarily driven by 'Manufacture of plastic packaging articles' totalling DKK 9.4 million and 'Acquisition and Ownership of buildings' at DKK 4.9 million

Taxonomy – Turnover

	2024			Substantial contribution criterion						DNSH (Do No Significant Harm) criteria									
	Code	Turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Proportion of turnover (A.1) or (A.2) Year 2023	Category (Enabling activity)	Category (Transitional activity)
		DKK '000	*%*	*Y;N; N/EL*	*Y;N; N/EL*	*Y;N; N/EL*	*Y;N; N/EL*	*Y;N; N/EL*	*Y;N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover derived from environmentally sustainable activities (A.1)		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00								0		
Of which enabling		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00								-	E	
Of which transitional		0	0.00	0.00													-		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (Non-Taxonomy-aligned activities)																			
Manufacturing of energy efficiency equipment for buildings	CM 3.5	21,748	0.74	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.52		
Manufacturing of plastic packaging articles	CE 1.1	176,577	6.04	N/EL	N/EL	N/EL	N/EL	EL	N/EL								6.79		
Turnover derived from Taxonomy-eligible activities which are not environmentally sustainable (A.2)		**198,325**	**6.79**	**0.74%**	**0.00%**	**0.00%**	**0.00%**	**6.04%**	**0.00%**								**7.31**		
A. Total turnover from Taxonomy-eligible activities (A.1+A.2)		**198,325**	**6.79**	**0.74%**	**0.00%**	**0.00%**	**0.00%**	**6.04%**	**0.00%**								**7.31**		
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																			
Turnover derived from non-Taxonomy-eligible activities		2,723,403	93.21																
TOTAL (A + B)		**2,921,728**	**100**																

Reporting principle

Turnover
The proportion of turnover derived from Taxonomy-eligible activities divided by total turnover, which is the actual turnover recognised in the financial year 2024.

Calculated as:

$$= \left(\frac{\text{Turnover from Taxonomy-eligible activities (DKK)}}{\text{Total net turnover (DKK)}} \right) \times 100$$

Note: In order to avoid double reporting, only turnover from external sales is included. SP Group's total turnover (revenue) is stated in note 3 to the financial statements on page 137.

Taxonomy – CapEx

	Code	CapEx (2024)	Proportion of CapEx (2024)	Substantial contribution criterion: Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	DNSH (Do No Significant Harm) criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Proportion of CapEx (A.1.) or (A.2.) Year 2023	Category (Enabling activity)	Category (Transitional activity)
		DKK '000	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1.Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx derived from environmentally sustainable activities (A.1)		**0**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**								**0**		
Of which enabling		**0**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**								**%**	**E**	
Of which transitional		**0**	**0.00**	**0.00**													**%**		**T**
A.2 Taxonomy-eligible but not environmentally sustainable activities (Non-Taxonomy-aligned activities)																			
Manufacturing of energy efficiency equipment for buildings	CM 3.5	0	0.00	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.11		
Electric power generation using solar technology	CM 4.1	439	0.20	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.13		
District heating/cooling distribution	CM 4.15	158	0.07	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.57		
Installation and operation of electric heat pumps	CM 4.16	530	0.24	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.54		
Production of heat/cool using waste heat	CM 4.25	0	0.00	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.04		
Transport by motorbikes, passenger cars and light commercial vehicles	CM 6.5	6,003	2.76	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.42		
Construction of new buildings	CM 7.1	83,420	38.30	EL	N/EL	N/EL	N/EL	N/EL	N/EL								15.47		
Renovation of existing buildings	CM 7.2	2,709	1.24	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.36		
Installation, maintenance and repair of energy-efficient equipment	CM 7.3	2,677	1.23	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.75		
Installation, maintenance and repair of charging points for electric vehicles in buildings (and parking lots linked to buildings)	CM 7.4	229	0.11	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.19		
Acquisition and ownership of buildings	CM 7.7	299	0.14	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00		
Professional services related to the energy performance of buildings	CM 9.3	21	0.01	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00		
Manufacturing of plastic packaging articles	CE 1.1	11,621	5.34	N/EL	N/EL	N/EL	N/EL	EL	N/EL								12.29		
Conservation, including restoration, of habitats, ecosystems and species	BIO 1.1	0	0.00	N/EL	N/EL	N/EL	N/EL	N/EL	EL								0.09		
CapEX derived from Taxonomy-eligible activities which are not environmentally sustainable (A.2)		**108,106**	**49.63**	**44.30**	**0.00**	**0.00**	**0.00**	**5.34**	**0.00**								**37.97**		
A. Total CapEx of Taxonomy-eligible activities (A.1+A.2)		**108,106**	**49.63**	**44.30**	**0.00**	**0.00**	**0.00**	**5.34**	**0.00**								**37.97**		
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																			
CapEX derived from non-Taxonomy-eligible activities		109,713	50.37																
TOTAL (A + B)		**217,819**	**100**																

Reporting principle

CapEx
The proportion of CapEx derived from Taxonomy-eligible activities divided by total CapEx.

Calculated as:

$$= \left(\frac{\text{CapEx of Taxonomy-eligible activities (DKK)}}{\text{Total CapEx (DKK)}} \right) \times 100$$

Note: CapEX includes investments in Taxonomy-eligible machinery and equipment, installations, buildings, etc. For each company, investments are the actual investments recognised in the financial year 2024.

SP Group's total CapEX is stated in notes 15, 16 and 17 to the financial statements, pages 144-147.

Taxonomy – OpEx

	2024			Substantial contribution criterion						DNSH (Do No Significant Harm) criteria									
	Code	OpEX	Proportion of OpEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Proportion of OpEX (A.1) or (A.2) Year 2023	Category (Enabling activity)	Category (Transitional activity)
		DKK '000	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx derived from environmentally sustainable activities (A.1)		**0**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**								**0**		
Of which enabling		**0**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**								**0**	**E**	
Of which transitional		**0**	**0.00**	**0.00**													**0**		**T**
A.2 Taxonomy-eligible but not environmentally sustainable activities (Non-Taxonomy-aligned)																			
Manufacturing of energy efficiency equipment for buildings	CM 3.5	563	0.63	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.02		
Electric power generation using solar technology	CM 4.1	26	0.03	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.03		
District heating/cooling distribution	CM 4.15	22	0.02	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.20		
Installation and operation of electric heat pumps	CM 4.16	78	0.09	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.04		
Production of heat/cool using waste heat	CM 4.25	102	0.11	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00		
Transport by motorbikes, passenger cars and light commercial vehicles	CM 6.5	1,049	1.16	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.62		
Renovation of existing buildings	CM 7.2	1,741	1.93	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.14		
Installation, maintenance and repair of energy-efficient equipment	CM 7.3	451	0.50	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.22		
Installation, maintenance and repair of charging points for electric vehicles in buildings (and parking lots linked to buildings)	CM 7.4	28	0.03	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00		
Acquisition and ownership of buildings	CM 7.7	4,873	5.41	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.38		
Professional services related to the energy performance of buildings	CM 9.3	80	0.09	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.07		
Manufacturing of plastic packaging articles	CE 1.1	9,402	10.44	N/EL	N/EL	N/EL	N/EL	EL	N/EL								9.47		
OpEx derived from Taxonomy-eligible activities which are not environmentally sustainable (A.2)		**18,416**	**20.45**	**10.01**	**0.00**	**0.00**	**0.00**	**10.44**	**0.00**								**16.18**		
A. Total OpEx of Taxonomy-eligible activities (A.1+A.2)		**18,416**	**20.45**	**10.01**	**0.00**	**0.00**	**0.00**	**10.44**	**0.00**								**16.18**		
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																			
OpEx derived from non-Taxonomy-eligible activities		71,645	79.55																
TOTAL (A + B)		**90,061**	**100**																

Reporting principle

OpEx

The proportion of OpEx derived from Taxonomy-eligible activities divided by total OpEx.

Calculated as:

$$= \left(\frac{\text{OpEx of Taxonomy-eligible activities (DKK)}}{\text{Total OpEx (DKK)}} \right) \times 100$$

Note: OpEx includes maintenance and repairs of Taxonomy-eligible machinery and equipment, installations, buildings, etc. For each company, expenses are the actual expenses recognised in the financial year 2024.

Taxonomy – nuclear energy-related and fossil gas-related activities

SP Group has no nuclear energy-related or fossil gas-related activities, as can be seen from the table below.

Row	Type of energy	
	Nuclear energy-related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas-related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of power generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Social (S)

95 ESRS S1 – Own workforce
109 ESRS S2 – Workers in the value chain

ESRS S1 – Own workforce

S1

Own workforce

Our employees are instrumental in ensuring our strong operational and safety performance. We take our responsibility to our employees very seriously, as they are one of our most important stakeholder groups in terms of both interest and influence.

At SP Group, we are committed to carrying on our activities in a responsible manner, regardless of where in the world our business activities are located. We work purposefully to ensure basic labour rights, which involves maintaining privacy through confidential handling and processing of personal data, focusing on creating a workplace free from harassment, bullying and violence and providing a safe, respectful and rewarding work life for the individual employee. We do this because we believe that this creates value both for the individual and for SP Group.

All manufacturing entities must implement a certified health and safety management system that documents health and safety efforts through the mapping of health and safety conditions and ensures that health and safety matters are addressed in a responsible manner. Our efforts to obtain and maintain health and safety certifications extend beyond compliance with national statutory requirements and international conventions in the health and safety area.

We have a special focus on providing healthy working conditions and access to training and education for all our employees. The premise for these efforts is that everyone can participate. Actively promoting diversity and equal opportunities for all groups is therefore very important to us.

The significant impacts, risks and opportunities identified in relation to our own employees' rights by means of the materiality assessment are described below, along with the policies, actions, measurements and goals we have implemented to address them.

We work purposefully to ensure basic labour rights, which involves maintaining privacy through confidential handling and processing of personal data, focusing on creating a workplace free from harassment, bullying and violence and providing a safe, respectful and rewarding work life for the individual employee. We do this because we believe that this creates value both for the individual and for SP Group.

S1-1

Policies related to own workforce

SP Group's social responsibility policy is part of our ESG Policy.

The ESG Policy also includes policies on employment and labour conditions; human trafficking and forced labour, including child labour; women in management; diversity and discrimination, including on the grounds of age, gender, race and disability; human rights; data protection; and whistleblower programme.

The ESG Policy embraces the identified IROs and is available on our website. The Policy applies to all parts of the Group, including both employees and suppliers, regardless of geography. The ESG Policy is approved by the Board of Directors.

Excerpts from our ESG Policy: Social responsibility

As a company with global operations, it is important to SP Group that we provide attractive working conditions for our employees and comply with international standards and local legislation for reasonable and fair working conditions. We also assume responsibility for respecting the human rights of both employees and people affected by our local activities.

To that end, we carry out systematic risk assessments and plan risk management in accordance with the UN Guiding Principles and the OECD Guidelines for Multinational Enterprises. As part of these efforts, we endeavour to engage in dialogue with employee representatives and other local community players.

S1-2

Processes for engaging with own workforce and workers' representatives

The involvement of employees and their representatives is formalised in the companies through health and safety organisations, workplace assessments, union representatives and works councils, performance interviews, information meetings and internal audits.

In addition, the companies have established a number of channels through which employees can make suggestions for continuous improvements of working conditions, and the corporate culture also supports an informal dialogue.

S1-3

Processes to remediate negative impacts and channels for own workforce to raise concerns

Employees and persons working on behalf of SP Group are encouraged to report concerns or complaints regarding harassment, alleged legally or financially inappropriate conduct or other matters through SP Group's independent whistleblower mechanism, as detailed in G1-1, Business conduct. Through onboarding training and regular management communication, we ensure that our employees are familiar with these mechanisms and know how to use them. The whistleblower programme is anchored in our ESG Policy.

The employees of the companies can also use the internal channels to raise concerns about working conditions.

S1-4

Taking action on material impacts on own workforce

Safety and health
As part of the establishment of health and safety management systems in the companies, a systematic risk assessment of labour conditions is carried out. The risk assessment covers work processes, materials used and the use of machinery, tools and safety equipment as well as the physical and psychological working environment.

The risks identified are managed through policies and rules, including for safety and preparedness as well as responsible conduct. These policies and rules are implemented through concrete measures such as technological adaptation to facilitate work tasks, aids, equipment and work instructions, training and instruction, upgrading of skills, flexible working conditions, health insurance and healthcare programmes and communication on risks and implemented improvements.

'Completely safe' campaign

A strong health and safety environment is essential to employee well-being and productivity.

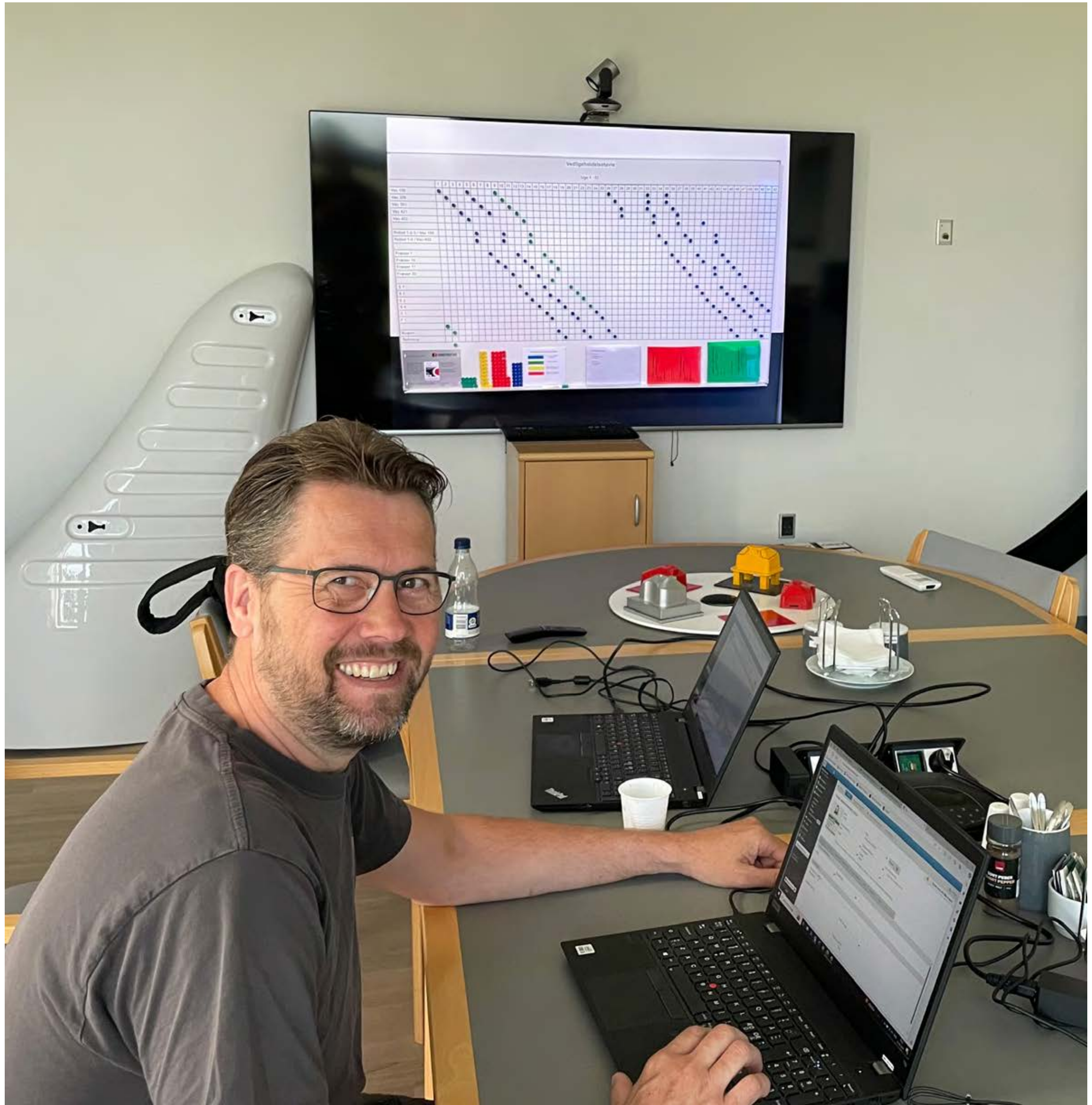
As production environments are subject to special risks, SP Group works continuously to improve conditions by investing in new machinery and involving employees in workspace planning.

By way of example, in 2024, Gibo Plast A/S and Dan-Hill-Plast A/S intensified their efforts to prevent workplace accidents and strengthen employee awareness of safety. The health and safety organisations have conducted campaigns focused on risk assessment and ergonomics to minimise the risk of injuries and attrition.

Gibo Plast A/S conducted a 'Completely Safe' campaign with a focus on correct working techniques in production and administration. The campaign emphasised sound ergonomic principles for lifting, pulling, pushing and working postures.

The intensified efforts have created a greater awareness of safety among the employees, and it is expected that the initiatives will contribute to fewer workplace accidents and improved well-being.

The Health and Safety Committee welcoming a Gibo Plast A/S employee for a 'Completely safe' working day.



Head of Maintenance Søren Karstensen from Gibo Plast A/S participating in internal training in the use of a new software system.

Tranining and skills development
We have a strategic focus on internal training and skills development. All employees have the opportunity to upgrade their skills through supplementary and further education and training.

Access to supplementary education and training is very important to the well-being and continuous development of our employees. We therefore offer our employees the opportunity to undergo supplementary training – also during work hours.

All employees are given the opportunity to participate in performance reviews to identify education and training opportunities and needs, set individual employee goals and evaluate performance in the past period.

S1-5

Goals related to own workforce

As part of our work on social conditions for our own workforce, SP Group has initiated a number of actions and KPIs that are important to achieving our strategic goals. Achieving these goals requires us to obtain occupational health and safety certifications to ensure a safe and healthy working environment. In addition, we maintain our focus on statutory requirements regarding the representation of the underrepresented gender at management levels.

The ISO 45001-certified subsidiaries have their own goals, which are set and monitored in cooperation with the health and safety organisations. The goals are set in connection with the statutory annual review.

In order to support subsidiaries that are not yet certified, SP Group's Executive Board and ESG manager have defined the following strategic goals and actions. In setting the goals, we assume that the implementation of health and safety management systems ensures systematic efforts in relation to the physical and psychological working environment.

Strategic goal	Sustainable Development Goal	Action	Status 2024	KPI
Health and well-being on the job	3 GOOD HEALTH AND WELL-BEING	Implementation of certifiable health and safety management systems in the companies	38.2%	100% of our manufacturing entities to be certified by 2028 or three years after takeover
		Completion of employee surveys of the physical and psychological working environment in the companies at least every three years	Measurement to be established	100% of our companies to conduct employee surveys of the physical and psychological working environment by 2030
		Completion of employee performance interviews in the companies	Measurement to be established	80% of our employees to participate in employee performance reviews in 2030
Safety	8 DECENT WORK AND ECONOMIC GROWTH	Systematic implementation of safety inspections in manufacturing entities	38.2%	100% of our manufacturing entities to perform systematic safety inspections by 2028 or three years after takeover
		Systematic recording of near-misses in the manufacturing entities	38.2%	100% of our manufacturing entities to record near-misses by 2028 or three years after takeover
Peace of mind on the job	8 DECENT WORK AND ECONOMIC GROWTH	Establishment of local channels for raising concerns in the companies	Measurement to be established	100% of our manufacturing entities to establish channels by 2028 or three years after takeover
Non-discrimination and equal opportunities	5 GENDER EQUALITY	Ensuring equal representation of men and women in the recruitment of employees for management positions	Measurement to be established	100% of all recruitments by 2026
		Gender distribution in Management	27%	• 40% women on the Board of Directors by 2026 • 30% women at other management levels by 2030

S1-6

Characteristics of the undertaking's employees

SP Group strives for diversity in age and gender and in educational and professional background in management and in the organisation as a whole.

The composition and diversity of our employees reflect our ESG Policy's principle of mutual trust and respect across differences.

Average number of employees, see note 7 to the financial statements, page 138.

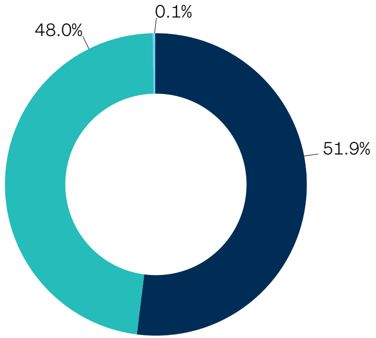
Countries with at least 10% of SP Group's total workforce	Unit	Number of employees (HC)
Denmark	number	719
Poland	number	1,018

Employee composition	Unit	Number of employees (HC)
Male	number	1,215
Female	number	1,123
Other	number	0
Not reported	number	1
Total no. of employees	number	**2,339**

2,339

employees in SP Group at end-2024

Figure 6
Employee composition in 2024
%



- Male (1,215)
- Female (1,123)
- Gender not indicated (1)

Reporting principles

Characteristics of the undertaking's employees
The number of employees is stated as headcount (HC), which indicates the number of unique employee IDs on the Group's payroll lists and covers both hourly paid employees, salaried employees, management and Executive Board. The data represent the status at 31 December 2024.

The total number of employees is reported in the following gender categories: Female, Male, Other or Gender not indicated (HC).

Calculation:

The sum of all employees in each of the four gender categories

Number of employees per country
For each report, the number is recorded as the number of employees with a connection to the country in which the activity is located.

Calculation:

The sum of all employees with a connection to each country

Proportion of employees per country, illustrated in SBM-1
Calculated as:

$$= \left(\frac{\text{Sum of all employees in a country}}{\text{Total number of employees}} \right) \times 100$$

Employees of Gibo Plast, Denmark, paying their colleagues at Gibo Plast, Poland, a visit.

Employee composition in 2024	Female	Male	Other	Not indicated	Total
Number of permanent employees (number of persons/FTEs)	1,027	1,108	0	1	2,136
Number of temporary employees (number of persons/FTEs)	95	105	0	0	200
Number of non-guaranteed hours employees (number of persons/FTEs)	1	2	0	0	3

Rate of employee turnover in 2024

14.2%

Employee turnover in 2024

331

Employees who left the undertaking during the reporting period

Reporting principles

Number of employees by contract type
For each report, the number is recorded as the number of employees in each of the four gender categories broken down by permanent employees, temporary employees and non-guaranteed hours employees.

Calculation:

The sum of all employees in each gender category and for each contract type

Employee turnover
The number of employees who left SP Group in 2024 includes employees who left voluntarily or due to dismissal, retirement or death.

The rate of employee turnover is calculated as the number of employees who left the Group's companies in the reporting year divided by the total number of employees at the end of the year.

Calculated as:

$$= \left(\frac{\text{Sum of all resignations}}{\text{Total number of employees at the end of the year}} \right) \times 100$$

S1-8

Collective bargaining coverage and social dialogue

The use of collective agreements for regulating terms of employment depends on the geographical and cultural context of the companies. SP Group is Danish-owned and Danish-managed, and the Danish model for the protection of workers is therefore embedded in our culture. All our employees have freedom of association and have the right to express their opinions and participate in or elect representatives to collective bodies. Employees of the Danish entities appoint representatives for works councils and health and safety committees, in which they meet with local management.

Among the employees of our companies in Europe, 33.6% are covered by collective agreements. The majority of these are employed in Denmark. Social dialogues have been established in Denmark and Poland, where 38.8% and 98.2%, respectively, of the employees are covered by workers' representation.

Covered by collective agreement in 2024

76.2%

Proportion of SP Group employees in Denmark covered by collective agreement

	Collective bargaining coverage		Social dialogue
Coverage	Employees – EEA (for countries with > 50 employees representing > 10% of all employees)	Employees – non-EAA (estimate for regions with > 50 employees representing > 10% of all employees)	Workplace representation (EEA only) (for countries with >50 employees representing >10% total employees)
0-19%	Poland	-	-
20-39%	-	-	Denmark
40-59%	-	-	-
60-79%	Denmark	-	-
80-100%	-	-	Poland

Reporting principles

Collective agreements
Calculated for employees in own workforce in Europe in Q4.

Covered employees are the number of employees (HC) covered by collective agreements that SP Group is obliged to comply with.

Calculated as:

$$= \left(\frac{\text{Sum of all employees covered by collective agreements in Europe}}{\text{Total number of employees in Europe}} \right) \times 100$$

Proportion of employees per country
Calculations are stated for each country with employees in Europe:

$$= \left(\frac{\text{Sum of all employees covered by a collective agreement in a country}}{\text{Total number of employees in a country}} \right) \times 100$$

Workers' representatives
Includes trade union representatives appointed or elected by trade unions and/or duly elected representatives freely elected by the employees of the Group's companies.

Proportion of employees represented by a workers' representative
Number of employees (HC) in a country represented by a worker's representative.

Calculated as:

$$= \left(\frac{\text{Sum of all SP Group employees in a country with a workers' representative}}{\text{Total number of SP Group employees in the country}} \right) \times 100$$

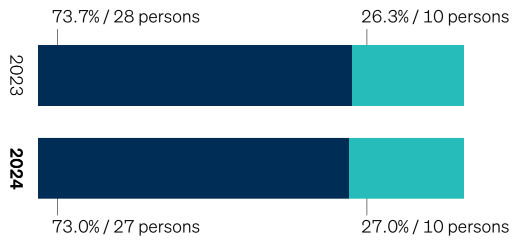
S1-9

Diversity metrics

SP Group has a strong focus on diversity and inclusion. We strive to create an inclusive culture where employees can be their authentic selves. This is part of our commitment to ensure non-discrimination and equal opportunities for all.

SP Group's Management comprises the supreme governing body, the Board of Directors (referred to in GOV-1) and other management levels, which consist of the Executive Board and the Group's other executives and senior managers.

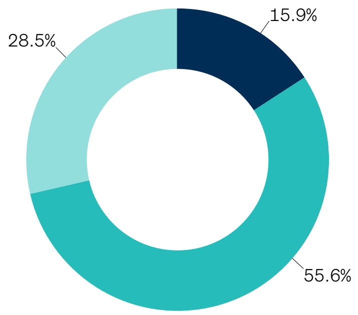
Figure 7
Diversity at SP Group's other management levels
% [2]



- Male: **27** / (28)
- Female: **10** / (10)

[2] Historical data are not covered by PwC's limited assurance report on the sustainability reporting.

Figure 8
Distribution of employees by age in 2024
%



- Under 30 years: 377
- Between 30 and 50 years: 1,321
- Over 50 years: 677

Reporting principles

Gender distribution in Management
The number of executives and senior managers is broken down by the gender categories female and male (HC). Executives and senior managers are employees on the Executive Board (management level 1) and the Group's other executives and senior managers (management level 2). The data represent the status at the end of the year.

Calculated as:

$$= \left(\frac{\text{Sum of all executives and senior managers broken down by gender}}{\text{Total number of executives and senior managers}} \right) \times 100$$

Age distribution among employees
For purposes of the diversity reporting, the age composition is calculated as the distribution of employees (HC) into three age groups: 0-30 years, 30-50 years and +50 years, based on the number of employees in the Group's companies and their age at the end of the year.

In relation to the total number of employees in S1-6, double counting can occur in the diversity reporting, as some employees have job functions in more than one of the Group's companies.

Calculated as:

$$= \left(\frac{\text{Sum of all employees in an age group}}{\text{Total number of employees}} \right) \times 100$$

S1-11

Social protection

SP Group wants all employees to be covered by social protection programmes in connection with sickness, unemployment, work-related injury, parental leave and retirement.

In 2024, all employees of the Group's companies were protected against loss of income due to the above-mentioned life events.

S1-12

Persons with disabilities

SP Group has a culture of flexibility and adaptation to meet the needs of its employees. This means that we actively support efforts to help people at risk of falling outside the labour market through flexible job arrangements and other municipal and government programmes. This creates tolerant and inclusive workplaces for the benefit of both existing and future employees.

Employees with disabilities in 2024

1.7%

Proportion of own employees with disabilities

" SP Group has a culture of flexibility and adaptation to meet the needs of its employees. This creates tolerant and inclusive workplaces for the benefit of both existing and future employees.

Reporting principles

Social protection
Social protection refers to all the measures that provide access to healthcare and income support in the event of major life events such as the loss of a job, being sick and in need of medical care, giving birth and raising a child or retiring.

The reporting includes SP Group's own employees.

Persons with disabilities
This includes counting and reporting on employees (HC) who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others. Data have been collected based on information about special employment terms.

Proportion of employees with disabilities
Calculated as:

$$= \left(\frac{\text{Sum of all employees with disabilities}}{\text{Total number of employees}} \right) \times 100$$

S1-14

Health and safety

SP Group wants to create a safe and healthy working environment for our employees. This is achieved through the companies' systematic health and safety management and investments in machinery offering good working conditions. The use of the machinery should generally benefit the employees. Employees are involved in the planning of workspace layout as well as the location of the machines to ensure maximum benefits for employees, optimise the working environment and efficiency and reduce the risk of work-related accidents. Worktime lost due to accidents was calculated at a rate of accidents of 11.1 (LTIFR) in 2024.

The companies are required to report incidents on a quarterly basis and to establish corrective and preventive actions.

Health and safety data	Unit	2024
Proportion of own workforce covered by the companies' health and safety management systems based on statutory requirements and/or recognised standards or guidelines	%	100
Number of fatalities as a result of work-related injuries	number	0
Number of fatalities as a result of work-related ill health	number	0
Number of work-related lost time accidents (LTI)	LTI	42
Number of work-related no time lost accidents	number	30
Number of recorded cases of work-related illness	number	0
Number of working days lost to injuries, accidents, fatalities and work-related illness	working days	441

Reporting principles

Proportion of employees covered by HS (health and safety) management system based on statutory requirements
In relation to the total number of employees in S1-6, double counting can occur in the reporting of employees covered by management systems, as some employees have job functions in more than one of the Group's companies.

The proportion is calculated as the proportion of companies with employees that reported employees in Q4.

Calculated as:

$$= \left(\frac{\text{Number of companies with employees}}{\text{Number of companies with reported employees}} \right) \times 100$$

Fatalities
Calculated as fatalities as a result of work-related injuries or work-related ill health.

Incidents
Total number of incidents/accidents, including fatalities as a result of work-related injuries and work-related ill-health.

Lost Time Incidents
A lost time incident is defined as a sudden incident in the context of work which causes injury to a person's physical or psychological health and causes at least one day's absence after the day of the injury.

No Lost Time Incidents
A no lost time incident is defined as a sudden incident in the context of work which causes injury to a person's physical or psychological health but causes less than eight hours of absence.

Calculated as:

$$\text{Sum of number of fatalities} + \text{Number of lost time incidents} + \text{Number of no lost time incidents}$$

Reporting principles (continued)

LTIFR (Lost Time Incident Frequency)
The number of lost time incidents per million working hours.

The total number of working hours reflects the actual number of hours worked by all the Group's own employees during the reporting year.

Calculated as:

$$= \left(\frac{\text{Number of lost time incidents}}{\text{Total number of working hours}} \right) \times 1{,}000{,}000$$

Work-related ill health (cases of work-related disorders)
Cases of work-related illness/ill health recorded in the Group's systems, reported in the companies or identified by the companies based on medical surveillance during the reporting period.

The reporting may include cases of work-related ill health discovered during the reporting period among persons who were previously part of the workforce.

Days lost
Days lost are calculated as the number of days lost (as work-related injuries and fatalities as a result of work-related accidents and work-related ill health and fatalities as a result of ill health), including the first full day and the last day of absence. The calculation is based on calendar days, to the effect that days when the affected person is not scheduled for work (e.g. weekends, holidays) count as days lost.

S1-15

Work-life balance

SP Group wants our employees to have the feeling of balance between their work and private life. This is supported by a healthy culture in the companies and by giving our production employees the opportunity to work either day, evening or night shifts and our administrative employees the opportunity to work from home. Both factors contribute positively to the employees' work-life balance. All employees of our companies also have the right to take family-related leave.

11.1%

Percentage of eligible employees taking family-related leave

Work-life balance	Unit	2024
Percentage of employees entitled to family-related leave	%	100
Percentage of eligible employees taking family-related leave	%	11.1
Percentage of eligible female employees taking family-related leave	%	11.0
Percentage of eligible male employees taking family-related leave	%	11.1
Percentage of eligible "other" employees taking family-related leave	%	0
Percentage of eligible employees with non-disclosed gender taking family-related leave	%	100

Reporting principles

Family-related leave
Family-related leave includes maternity leave, paternity leave, parental leave and carers' leave that is available to employees under national law and/or collective agreements.

Calculated as:

$$= \left(\frac{\text{Number of employees taking leave}}{\text{Number of employees eligible for leave}} \right) \times 100$$

S1-16

Compensation metrics

SP Group recognises our employees' right to equal pay for men and women, and the actual conditions for 2024 have therefore been investigated and mapped.

The calculation of the gender pay gap is based on all employees employed in 2024 and includes men and women.

The pay gap was calculated at 27.1%. The gap is mainly due to the fact that there are three times as many men discharging managerial positions as women.

Pay gap in 2024

27.1%

Gender pay gap, basic salary

Annual remuneration ratio in 2024

28.5

Reporting principles

Gender pay gap
The gender pay gap, defined as the gap in average pay between female and male employees, has been calculated as a percentage of the average pay level of male employees. All employees who were paid during the period are included, and only fixed remuneration components are included in the calculation.

Calculated as:

$$= \left(\frac{\text{Gross average pay for men - gross average pay for women}}{\text{Gross average pay for men}} \right) \text{x } 100$$

Annual remuneration ratio
The annual total remuneration of the highest paid individual to the median annual total remuneration for all employees (excluding the highest paid individual). The calculation includes both fixed and variable remuneration components.

Calculated as:

$$= \frac{\text{Annual remuneration of the highest paid individual}}{\text{Annual remuneration to the median for all employees}}$$

The calculation of the remuneration ratio has been annualised, to the effect that all employees who were not employed for the whole of 2024 are excluded. This also applies to employees working reduced hours.

S1-17

Incidents, complaints and severe human rights impacts

No work-related incidents and/or complaints or severe infringements of human rights were recorded within SP Group's own workforce in 2024. Nor did the companies receive any related fines, sanctions or compensation.

For purposes of the assessment of severe human rights impacts, it is assumed that incidents and other impacts are reported through the whistle-blower programme or through the internally established channels for employees of our companies.

Incidents of discrimination in 2024

0

Total number of incidents of discrimination

Incident	Unit	2024
Total number of incidents of discrimination, including harassment	number	0
Number of complaints from own workforce	number	0
Amount of fines, sanctions and compensation	DKK	0
Total number of severe human rights incidents – own workforce:	number	0
Of which human rights incidents within the meaning of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.	number	0
Amount of fines, sanctions and compensation related to incidents within the meaning of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.	DKK	0

Reporting principles

Incidents of discrimination, including harassment
The number of discrimination-related incidents reported via the grievance mechanisms of SP Group's companies, i.e. incidents of or complaints about abuse on the basis of gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation or other relevant forms of discrimination involving internal and/or external stakeholders across operations during the reporting period.

Number of complaints
This is the total number of complaints lodged via SP Group's grievance mechanism, which is available to all stakeholders.

Fines, sanctions and compensation
Total amount of fines, compensation and fines for damage resulting from incidents and complaints.

Severe human rights incidents
Severe human rights incidents (child and forced labour) include instances of lawsuits, formal complaints through SP Group's whistleblower programme and serious allegations in public reports or the media, where these are connected to our own workforce.

This only includes incidents where SP Group has declared itself in agreement with the facts relating to the incident.

ESRS S2 – Workers in the value chain

S2

Workers in the value chain

The increased international scope of SP Group entails an increased risk of becoming involved in activities in countries that do not comply with international human rights conventions or with business partners failing to act responsibly. We therefore keep a sharp watch on current and potential risks at suppliers and business partners in relation to respect for human rights.

Our efforts to prevent and mitigate these risks rely on the relationship and cooperation with our suppliers regarding the use and handling of raw materials.

S2-1

Policies related to value chain workers

To ensure protection of value chain workers, we engage in ongoing dialogue and cooperation with our suppliers and monitor whether they assume responsibility for the efforts in this area. This work is based on the companies' ISO 9001 quality management certifications, which include supplier management alongside evaluations of suppliers' efforts in relation to environmental and social conditions.

Key suppliers to SP Group companies are obliged to comply with our Supplier Code of Conduct, which is based on our ESG Policy.

If a supplier fails to meet the requirements of our Supplier Code of Conduct, the business agreement may be terminated with immediate effect. This process has been strengthened by the establishment of the ESG function, which has made it possible to follow up on all Group entities and their business partners.

SP Group's Supplier Code of Conduct comprises the following areas:

- Human rights, including protection of privacy and non-discrimination
- Employment conditions, including health and safety, working hours and pay and fair working conditions
- Working conditions, including freedom of association and collective agreements, forced and child labour, non-discrimination and equal opportunities

S2-2

Processes for engaging with value chain workers

There are no formalised procedures and processes for engaging with value chain workers. SP Group plans to introduce screening of key suppliers of raw materials and tools in 2025. This will also enable us to identify any negative impacts and risks at suppliers and engage in a dialogue on mitigation actions, see the disclosure requirements of ESRS S2-3 and S2-4.

S2-5

Targets related to value chain workers

SP Group primarily engages with suppliers in the EU, many of whom have already been certified by independent third parties in relation to quality, the environment and health and safety. Therefore, it is our fundamental assumption that working conditions generally meet high standards of health, safety and labour rights. We expect our suppliers to prioritise the well-being of their employees and to work responsibly and in accordance with applicable legislation and good practice.

Accordingly, we do not plan to engage directly with value chain workers or their representatives in order to set specific targets and follow up on results. Instead, we plan to monitor employee conditions indirectly via information available in electronic portals or systems, where we can continuously monitor relevant data. Should a situation require further investigation, we will actively contact the supplier to engage in dialogue and clarify the facts.

Digital monitoring is conducted with a focus on strengthening the work on social conditions for value chain workers and lifting efforts to a higher strategic level at the Group. A KPI has been defined for these efforts. This work is an important step towards achieving our strategic goals for sustainability and social responsibility. The plan was developed in a close partnership between the Executive Board and our ESG manager, and it was subsequently presented to the companies at a joint strategy meeting setting the stage for further implementation across the Group.

Strategic goal	Sustainable Development Goal	Action	Status 2024	KPI
Reasonable and fair working conditions for value chain workers	8 DECENT WORK AND ECONOMIC GROWTH	Establishing formal procedures for screening of key supplier ESG matters.	(Base year) Data not available	All key suppliers work to establish reasonable and fair working conditions by 2027

"We expect our suppliers to prioritise the well-being of their employees and to work responsibly and in accordance with applicable legislation and good practice.

Governance (G)

ESRS G1 – Governance

G1

Governance

For SP Group, running a healthy business requires good corporate governance. For us, this is closely linked to requirements of accountability, ethics and proper conduct. As part of our work on sustainability and corporate social responsibility, we focus on integrating standards for anti-corruption, data protection and tax payment across the Group. We have also established a whistleblower programme allowing both internal and external stakeholders to raise concerns about irregularities in our activities.

It is crucial for the trust in SP Group of customers, business partners, employees and other stakeholders that our efforts are embedded in day-to-day operations and reflected in our daily interactions. We have therefore adopted policies that define goals and frameworks for our initiatives and assign roles and responsibilities for implementing the principles.

G1-1

Corporate culture and business conduct policies

SP Group's Management develops, promotes and evaluates its business conduct through our ESG Policy and reports, where relevant. The ESG Policy also addresses data protection and tax.

The mechanisms for identifying, reporting and investigating concerns about unlawful conduct or conduct inconsistent with our ESG Policy comprise the control function of the Board of Directors and the Executive Board, see 'GOV-1', and our dialogue-based corporate culture and employee training.

The functions within the Group that are most at risk in respect of corruption and bribery are managers and employees with external contact to suppliers and business partners.

Whistleblower scheme

To ensure compliance with good business practices, SP Group has established a whistleblower programme allowing any person associated with the Group to report in confidence any suspected non-compliance with our policies and guidelines, laws and regulations as well as any other serious concerns. Reports go directly to the chairman of SP Group's Audit Committee, who is an independent shareholder-elected member of SP Group's Board of Directors.

Upon receipt of a report, the chairman of the Audit Committee immediately makes an assessment to determine whether a report is unfounded or calls for further investigation. If it is considered that a report needs to be investigated further, an investigation will be initiated. Whistleblowers are protected in accordance with the law.

The chairman of the Audit Committee may not disclose the identity of the whistleblower to persons who are not directly involved in the investigation. Any form of retaliation against a whistleblower is prohibited.

Excerpts from our ESG Policy:

Governance
At SP Group, we wish to maintain a high level of integrity and responsibility, both within the Group and across our external relations. We have therefore established internal practices that strengthen a corporate culture focused on good business practices. We strive to commit our suppliers to respect our values by means of our Supplier Code of Conduct.

Anti-corruption
SP Group does not engage in corruption in any form, whether it be extortion, bribery, embezzlement, fraud, facilitation payments, nepotism, cartel formation or conflicts of interest. We do not offer or promise any form of bribe for the purpose of exerting undue influence on public-sector employees, judges or business relations, nor do we receive, accept or participate in any form of bribe. This ensures that we comply with relevant international standards and conventions.

We respect all international trade embargoes without exception. We do not accept anti-competitive conduct, and we disclose and validate all relevant financial information in accordance with Danish law.

The obligation to not be a party to corruption or bribery in any form extends to our agents, intermediaries, consultants and others acting on our behalf.

Through training of relevant employees, we ensure the prevention of corruption, and we have established a whistleblower programme allowing any person associated with SP Group to report in confidence any suspected corruption.

Whistleblower scheme
In accordance with applicable law, SP Group has established a whistleblower programme allowing any person associated with the Group to report in confidence any suspected non-compliance with SP Group's policies and guidelines, laws and regulations as well as any other serious concerns. This ensures an avenue for complaint in all areas covered by the ESG Policy.

> *To ensure compliance with good business practices, SP Group has established a whistleblower programme allowing any person associated with the Group to report in confidence any suspected non-compliance with our policies and guidelines, laws and regulations as well as any other serious concerns.*

G1-2

Management of relationships with suppliers

SP Group's practice for paying its suppliers is to comply with agreed payment terms. There is no formal policy on this.

The companies' approach to social and environmental criteria for the selection of suppliers is based on our Supplier Code of Conduct and the need to receive goods of the expected quality in a timely manner. These relationships between the companies and suppliers are governed by the companies' ISO 9001 quality management certifications.

G1-3

Prevention and detection of corruption and bribery

At SP Group, we have a clear policy for preventing, detecting and handling corruption and bribery. Our ESG Policy underlines our wish to maintain a high level of integrity and responsibility across our external relations and that we do not participate in corruption in any form, whether it be extortion, bribery, embezzlement, fraud, facilitation payments, nepotism, cartel formation or conflicts of interest. We do not offer or promise any form of bribe for the purpose of exerting undue influence on public-sector employees, judges or business partners, nor do we accept any form of bribe. This ensures that we comply with relevant international standards and conventions.

Any incidents of corruption or bribery are dealt with by an investigating committee which ensures that executives and senior managers involved in the matter do not have access to the reports. Reports go directly to the chairman of SP Group's Audit Committee, who is an independent shareholder-elected member of SP Group's Board of Directors.

We are actively working to prevent, detect and handle all aspects of corruption and bribery. We do this by means of our ESG Policy and our whistleblower programme, which have been communicated to all the companies, which are in charge of all further communications to their employees. By accepting our Supplier Code of Conduct when signing business agreements, our suppliers commit to comply with the Group's anti-corruption requirements. This ensures that all parties acting on behalf of SP Group are subject to the commitments to not participate in any form of corruption or bribery.

Since 2016, we have used employee training material on corruption and bribery for the purpose of ensuring a certain level of awareness among the employees in relation to bribery, the receipt of gifts, participation at functions, etc. The use of the training material and the scope of training have not been monitored. In 2024, the material was upgraded to a digital version that allows for digital recordings. In connection with this upgrade, the Executive Board set goals and defined the framework for the training programme. The programme provides the employees with insight into anti-corruption rules and helps them understand when they are at risk of becoming engaged in corruption and what their lines of action are. Employees in risk functions must complete the new digital training and, going forward, new employees taking up risk functions must complete the training programme as part of their training plan.

Strategic goal	Sustainable Development Goal	Action	Status 2024	KPI
Prevention and handling of corruption and bribery	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	SP Group conducts training for all employees in risk functions	(Base year) Data not available	All employees in risk functions must complete the training programme on corruption and bribery by 2026.

G1-4

Confirmed incidents of corruption or bribery

SP Group pursues a zero-tolerance approach to all forms of corruption and bribery, both in-house at SP Group and at our suppliers. Our preventive measures are therefore targeted at our employees, whom we guide and support in handling attempts at corruption. As regards our external relations acting as representatives of SP Group or taking part in our business activities as suppliers, customers or other business partners, we emphasise our approach to corruption through our Supplier Code of Conduct, contracts, monitoring and dialogue.

No incidents of corruption or bribery were identified in 2024.

Reporting principles

Number of convictions for violation of anti-corruption and anti-bribery laws
The number of lawsuits pending or closed during the reporting period.

Amount of fines for violation of anti-corruption and anti-bribery laws
The total amount of fines paid and unpaid in DKK during the reporting period.

Number of confirmed incidents of corruption or bribery
Stated as the number within the reporting year, reported to group entities.

Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents
Stated as the number within the reporting year, reported to group entities.

Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery
Stated as the number within the reporting year, reported to group entities.

G1-5

Political influence and lobbying activities

SP Group's political influence and lobbying activities are limited to memberships of Danish Industry (DI) and the Danish Plastics Federation. The Board of Directors is informed about the activities and decides on continued membership.

Appendices

Datapoints in ESRS 2 and topical ESRS

The table below illustrates the datapoints in ESRS 2 and topical ESRS that derive from other EU legislation.

Disclosure requirement and related datapoint	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation reference (3)	EU Climate Law reference (4)	Page	Materiality
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	Indicator no. 13 Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II		47	Material
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		47	Material
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator no. 10 Table #3 of Annex 1				51	Material
ESRS 2 SBM-1 Involvement in activities related to fossil fuels, paragraph 40 (d) i	Indicator no. 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013 Commission Implementing Regulation (EU) 2022/2453 (6), Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II			Not material
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Indicator no. 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II			Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Indicator no. 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (7), article 12(1), Delegated Regulation (EU) 2020/1816, Annex II			Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, article 12(1), Delegated Regulation (EU) 2020/1816, Annex II			Not material

Disclosure requirement and related datapoint	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation, reference (3)	EU Climate Law reference (4)	Page	Materiality
Environment						
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, article 2(1)	72	Material
ESRS E1-1 Undertakings excluded from Paris-aligned Bench-marks, paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013 Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, article 12.1 (d) to (g), and article 12.2			Not material
ESRS E1-4 GHG emission reduction targets, paragraph 34	Indicator no. 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013 Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, article 6		76	Material
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), para-graph 38	Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex 1				77	Material
ESRS E1-5 Energy consumption and mix, paragraph 37	Indicator no. 5 Table #1 of Annex 1				77	Material
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	Indicator no. 6 Table #1 of Annex 1				77	Material
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, para-graph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013 Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation(EU) 2020/1818, article 5(1), 6 and 8(1)		79	Material
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Indicator no. 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013 Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, article 8(1)		79	Material

Disclosure requirement and related datapoint	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation, reference (3)	EU Climate Law reference (4)	Page	Materiality
ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, article 2(1)		Not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II, Delegated Regulation (EU) 2020/1816, Annex II			Not material
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a)		Article 449a of Regulation (EU) No 575/2013 Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47;				Not material
ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c)		Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk				Not material
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)		Article 449a of Regulation (EU) No 575/2013 Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral				Not material
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II			Not material
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1					Not material

Disclosure requirement and related datapoint	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation, reference (3)	EU Climate Law reference (4)	Page	Materiality
ESRS E3-1 Water and marine resources, paragraph 9	Indicator no. 7 Table #2 of Annex 1					Not material
ESRS E3-1 Dedicated policy, paragraph 13	Indicator no. 8 Table #2 of Annex 1					Not material
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Indicator no. 12 Table #2 of Annex 1					Not material
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Indicator no. 6.2 Table #2 of Annex 1					Not material
ESRS E3-4 Total water consumption in its own operations in m^3 per million EUR net revenue, paragraph 29	Indicator no. 6.1 Table #2 of Annex 1					Not material
ESRS 2 – IRO 1 – E4 Paragraph 16 (a) i	Indicator no. 7 Table #1 of Annex 1					Not material
ESRS 2 – IRO 1 – E4 Paragraph 16 (b)	Indicator no. 10 Table #2 of Annex 1					Not material
ESRS 2 – IRO 1 – E4 Paragraph 16 (c)	Indicator no. 14 Table #2 of Annex 1					Not material
ESRS E4-2 Sustainable land / agriculture practices or policies, paragraph 24 (b)	Indicator no. 11 Table #2 of Annex 1					Not material
ESRS E4-2 Sustainable oceans / seas practices or policies, paragraph 24 (c)	Indicator no. 12 Table #2 of Annex 1					Not material
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator no. 15 Table #2 of Annex 1					Not material
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator no. 13 Table #2 of Annex 1				88	Material
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator number 9 Table #1 of Annex 1					Not material

Disclosure requirement and related datapoint	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation, reference (3)	EU Climate Law reference (4)	Page	Materiality
Social						
ESRS 2 – SBM3 – S1 Risk of incidents of forced labour, paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				58	Material
ESRS 2 – SBM3 – S1 Risk of incidents of child labour, paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				58	Material
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				96	Material
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		96	Material
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	Indicator number 11 Table #3 of Annex I				96	Material
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Indicator number 1 Table #3 of Annex I				96	Material
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				96	Material
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		105	Material
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				105	Material
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		107	Material

Disclosure requirement and related datapoint	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation, reference (3)	EU Climate Law reference (4)	Page	Materiality
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				107	Material
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				108	Material
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104 (a)	Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, article 12(1)		108	Material
ESRS 2 – SBM3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Indicators number 12 and number 13 Table #3 of Annex I				58	Material
ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				109	Material
ESRS S2-1 Policies related to value chain workers, paragraph 18	Indicators number 11 and number 4 Table #3 of Annex 1				109	Material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 19	Indicator no. 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, article 12(1)		109	Material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		109	Material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Indicator no. 14 Table #3 of Annex 1				109	Material
ESRS S3-1 Human rights policy commitments, paragraph 16	Indicator no. 9 Table #3 of Annex 1 and Indicator no. 11 Table #1 of Annex 1					Not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Indicator no. 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, article 12(1)			Not material

Disclosure requirement and related datapoint	SFDR reference (1)	Pillar 3 reference (2)	Benchmark Regulation, reference (3)	EU Climate Law reference (4)	Page	Materiality
ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator no. 14 Table #3 of Annex 1					Not material
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1					Not material
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	Indicator no. 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, article 12(1)			Not material
ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator no. 14 Table #3 of Annex 1					Not material
Governance						
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Indicator no. 15 Table #3 of Annex 1				111	Material
ESRS G1-1 Protection of whistleblowers, paragraph 10 (d)	Indicator no. 6 Table #3 of Annex 1				111	Material
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Indicator no. 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		114	Material
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	Indicator no. 16 Table #3 of Annex 1				114	Væsentligt

Consolidated financial statements and parent company financial statements

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Income statement

Parent Company 2023	Parent Company 2024	Note	DKK'000	Group 2024	Group 2023
7,523	8,911	3	Revenue	2,921,728	2,606,322
0	0	4	Cost of sales	-1,364,856	-1,330,182
7,523	**8,911**		**Gross profit**	**1,556,872**	**1,276,140**
12,760	8,142	5	Other operating income	5,477	2,738
-8,358	-12,778	6	External expenses	-192,791	-143,992
-25,268	-27,582	6, 7, 8	Staff costs	-780,967	-693,896
-13,343	**-23,307**		**Profit/loss before depreciation, amortisation and impairment losses (EBITDA)**	**588,591**	**440,990**
-4,219	-4,551	9	Depreciation, amortisation and impairment losses	-203,080	-199,754
-17,562	**-27,858**		**Profit/loss before net financials (EBIT)**	**385,511**	**241,236**
96,469	94,475	10	Dividend from subsidiaries	-	-
		19	Profit/loss from associates	-16	-72
16,407	31,246	11	Financial income	23,568	21,751
-37,557	-39,415	12	Financial expenses	-64,305	-61,855
57,757	**58,448**		**Profit before tax**	**344,758**	**201,060**
7,415	7,446	13	Tax on profit for the year	-82,323	-41,838
65,172	**65,894**		**Profit for the year**	**262,435**	**159,222**
			Appropriation of profit for the year		
			The Parent Company's shareholders	260,932	158,507
			Non-controlling interests	1,503	715
				262,435	**159,222**
			Earnings per share (EPS)		
		14	Earnings per share (DKK)	21.59	13.04
		14	Earnings per share, diluted (DKK)	21.56	13.04

Statement of comprehensive income

Parent Company 2023	Parent Company 2024	Note	DKK'000	Group 2024	Group 2023
65,172	**65,894**		**Profit for the year**	**262,435**	**159,222**
			Other comprehensive income:		
			Items that may be reclassified to the income statement:		
0	0		Exchange rate adjustments relating to foreign subsidiaries	30,222	11,589
			Value adjustments of hedging instruments:		
0	-3,869	35	Value adjustments for the year	412	96,693
0	0	35	Value adjustments transferred to revenue	-9,635	-6,888
0	851	13, 35	Tax on other comprehensive income	2,046	-20,207
0	**-3,018**		**Other comprehensive income**	**23,045**	**81,187**
65,172	**62,876**		**Total comprehensive income**	**285,480**	**240,409**
			Distribution of comprehensive income for the year		
			The Parent Company's shareholders	284,005	239,683
			Non-controlling interests	1,475	726
				285,480	**240,409**

Balance sheet at 31 December

Parent Company			Assets	Group	
2023	2024	Note	DKK'000	2024	2023
1,801	1,713		Trademarks	1,713	1,801
461	290		Software	6,884	5,129
0	0		Customer files	51,394	63,060
0	0		Goodwill	331,401	330,939
0	0		Completed development projects	33,344	35,932
0	0		Development projects in progress	2,011	4,669
2,262	**2,003**	15	**Intangible assets**	**426,747**	**441,530**
83,425	80,758	16	Land and buildings	410,547	416,428
0	0	16	Plant and machinery	510,527	524,523
2,027	2,843	16	Fixtures and fittings, tools and equipment	53,166	54,105
0	0	16	Leasehold improvements	48,419	48,348
0	0	16	Property, plant and equipment under construction	165,358	79,791
108	0	17	Leased assets	237,044	263,561
85,560	**83,601**		**Property, plant and equipment**	**1,425,061**	**1,386,756**
739,985	922,683	18	Equity investments in subsidiaries	-	-
409	18,871	19	Equity investments in associates	15,670	300
0	0		Deposits	676	1,326
0	0	26	Deferred tax assets	8,810	9,709
740,394	**941,554**		**Other non-current assets**	**25,156**	**11,335**
828,216	**1,027,158**		**Non-current assets**	**1,876,964**	**1,839,621**
0	**0**	20	**Inventories**	**629,748**	**676,895**
0	1,667	21	Trade receivables	400,541	328,775
371,688	170,646		Receivables from subsidiaries	-	-
18,057	36,955		Corporation tax receivable	8,880	12,540
103	70	22	Other receivables	79,968	97,098
3,991	2,296		Other assets	15,295	14,428
393,839	**211,634**		**Receivables**	**504,684**	**452,841**
0	**0**	32	**Cash and cash equivalents**	**150,413**	**50,277**
393,839	**211,634**		**Current assets**	**1,284,845**	**1,180,013**
1,222,055	**1,238,792**		**Assets**	**3,161,809**	**3,019,634**

Parent Company			Equity and liabilities	Group	
2023	2024	Note	DKK'000	2024	2023
24,980	24,980	23	Share capital	24,980	24,980
12,514	12,099	24	Other reserves	78,980	53,304
-128,718	-144,957		Reserve for treasury shares	-144,957	-128,718
449,753	467,627		Retained earnings	1,682,189	1,472,354
37,470	49,960		Proposed dividend for the year	49,960	37,470
395,999	**409,709**		**Equity attributable to the Parent Company's shareholders**	**1,691,152**	**1,459,390**
-	**-**		**Equity attributable to non-controlling interests**	**5,655**	**4,180**
395,999	**409,709**		**Equity**	**1,696,807**	**1,463,570**
254,592	167,364	25	Bank debt	191,908	286,762
33,025	67,797	25	Financial institutions	177,765	120,884
17	0	17,25	Lease liabilities	160,086	167,906
12,000	0	25	Other non-current debt	22,899	28,985
4,763	4,635	26	Deferred tax liabilities	92,976	106,112
304,397	**239,796**		**Non-current liabilities**	**645,634**	**710,649**
102,340	88,676	17,25	Current portion of non-current debt	159,416	196,912
135,352	91,441		Bank debt	266,026	309,257
0	0		Prepayments from customers	80,997	53,790
1,849	2,163	27	Trade payables	168,417	165,377
275,739	394,043		Payables to subsidiaries	-	-
0	0		Corporation tax	7,253	7,807
0	0	28	Provisions	3,119	1,436
6,379	12,964		Other payables	134,140	110,836
521,659	**589,287**		**Current liabilities**	**819,368**	**845,415**
826,056	**829,083**		**Liabilities**	**1,465,002**	**1,556,064**
1,222,055	**1,238,792**		**Equity and liabilities**	**3,161,809**	**3,019,634**

29-30 Charges and contingent liabilities, etc.
34-40 Other notes

Statement of changes in equity

DKK'000	Share capital	Other reserves	Reserve for treasury shares	Retained earnings	Proposed dividend	Equity attributable to the Parent Company's shareholders	Equity attributable to non-controlling interests	Total equity
								Group
Equity at 1 January 2023	**24,980**	**-32,532**	**-118,734**	**1,351,464**	**37,470**	**1,262,648**	**3,454**	**1,266,102**
Profit for the year	0	0	0	121,037	37,470	158,507	715	159,222
Exchange rate adjustments relating to foreign subsidiaries	0	11,578	0	0	0	11,578	11	11,589
Value adjustment of financial instruments held to hedge future cash flows	0	96,693	0	0	0	96,693	0	96,693
Value adjustments transferred to revenue	0	-6,888	0	0	0	-6,888	0	-6,888
Tax on other comprehensive income	0	-20,207	0	0	0	-20,207	0	-20,207
Comprehensive income for the financial year	**0**	**81,176**	**0**	**121,037**	**37,470**	**239,683**	**726**	**240,409**
Share-based payment	0	4,924	0	0	0	4,924	0	4,924
Share-based payment, changes for the year	0	-264	0	264	0	0	0	0
Purchase of treasury shares	0	0	-14,163	0	0	-14,163	0	-14,163
Sale of treasury shares, warrant programme	0	0	4,179	-1,543	0	2,636	0	2,636
Tax on purchase/sale of treasury shares	0	0	0	0	0	0	0	0
Distribution of dividend	0	0	0	0	-36,338	-36,338	0	-36,338
Distribution of dividend, treasury shares	0	0	0	1,132	-1,132	0	0	0
Other changes in equity	**0**	**4,660**	**-9,984**	**-147**	**-37,470**	**-42,941**	**0**	**-42,941**
Equity at 31 December 2023	**24,980**	**53,304**	**-128,718**	**1,472,354**	**37,470**	**1,459,390**	**4,180**	**1,463,570**
Profit for the year	0	0	0	210,972	49,960	260,932	1,503	262,435
Exchange rate adjustments relating to foreign subsidiaries	0	30,250	0	0	0	30,250	-28	30,222
Value adjustment of financial instruments held to hedge future cash flows	0	412	0	0	0	412	0	412
Value adjustments transferred to revenue	0	-9,635	0	0	0	-9,635	0	-9,635
Tax on other comprehensive income	0	2,046	0	0	0	2,046	0	2,046
Comprehensive income for the financial year	**0**	**23,073**	**0**	**210,972**	**49,960**	**284,005**	**1,475**	**285,480**
Share-based payment	0	4,563	0	0	0	4,563	0	4,563
Share-based payment, changes for the year	0	-1,960	0	1,960	0	0	0	0
Purchase of treasury shares	0	0	-24,834	0	0	-24,834	0	-24,834
Sale of treasury shares, warrant programme	0	0	8,595	-1,155	0	7,440	0	7,440
Tax on purchase/sale of treasury shares	0	0	0	0	0	0	0	0
Distribution of dividend	0	0	0	0	-36,335	-36,335	0	-36,335
Distribution of dividend, treasury shares	0	0	0	1,135	-1,135	0	0	0
Other value adjustments	0	0	0	-3,077	0	-3,077	0	-3,077
Other changes in equity	**0**	**2,603**	**-16,239**	**-1,137**	**-37,470**	**-52,243**	**0**	**-52,243**
Equity at 31 December 2024	**24,980**	**78,980**	**-144,957**	**1,682,189**	**49,960**	**1,691,152**	**5,655**	**1,696,807**

*See note 24 for a specification of Other reserves.

Statement of changes in equity

						Parent Company
DKK'000	Share capital	Other reserves	Reserve for treasury shares	Retained earnings	Proposed dividend	Total equity
Equity at 1 January 2023	**24,980**	**7,854**	**-118,734**	**422,198**	**37,470**	**373,768**
Profit for the year	0	0	0	27,702	37,470	65,172
Value adjustment of financial instruments held to hedge future cash flows	0	0	0	0	0	0
Tax on other comprehensive income	0	0	0	0	0	0
Comprehensive income for the financial year	**0**	**0**	**0**	**27,702**	**37,470**	**65,172**
Share-based payment	0	4,924	0	0	0	4,924
Share-based payment, changes for the year	0	-264	0	264	0	0
Purchase of treasury shares	0	0	-14,163	0	0	-14,163
Sale of treasury shares, warrant programme	0	0	4,179	-1,543	0	2,636
Tax on purchase/sale of treasury shares	0	0	0	0	0	0
Distribution of dividend	0	0	0	0	-36,338	-36,338
Distribution of dividend, treasury shares	0	0	0	1,132	-1,132	0
Other changes in equity	**0**	**4,660**	**-9,984**	**-147**	**-37,470**	**-42,941**
Equity at 31 December 2023	**24,980**	**12,514**	**-128,718**	**449,753**	**37,470**	**395,999**
Profit for the year	0	0	0	15,934	49,960	65,894
Value adjustment of financial instruments held to hedge future cash flows	0	-3,869	0	0	0	-3,869
Tax on other comprehensive income	0	851	0	0	0	851
Comprehensive income for the financial year	**0**	**-3,018**	**0**	**15,934**	**49,960**	**62,876**
Share-based payment	0	4,563	0	0	0	4,563
Share-based payment, changes for the year	0	-1,960	0	1,960	0	0
Purchase of treasury shares	0	0	-24,834	0	0	-24,834
Sale of treasury shares, warrant programme	0	0	8,595	-1,155	0	7,440
Tax on purchase/sale of treasury shares	0	0	0	0	0	0
Distribution of dividend	0	0	0	0	-36,335	-36,335
Distribution of dividend, treasury shares	0	0	0	1,135	-1,135	0
Other changes in equity	**0**	**2,603**	**-16,239**	**1,940**	**-37,470**	**-49,166**
Equity at 31 December 2024	**24,980**	**12,099**	**-144,957**	**467,627**	**49,960**	**409,709**

*See note 24 for a specification of Other reserves.

Cash flow statement

Parent Company				Group	
2023	2024	Note	DKK'000	2024	2023
-17,562	-27,858		Profit/loss before net financials (EBIT)	385,511	241,236
4,219	4,551		Depreciation, amortisation and impairment losses	203,080	199,754
4,924	4,562		Share-based payment	4,562	4,924
565	-2,208		Value adjustments, etc.	4,919	-699
4,249	326,308	31	Changes in net working capital	51,472	5,010
-3,605	**305,355**		**Cash generated from operations**	**649,544**	**450,225**
18,010	17,402		Interest income, etc., received	9,610	21,751
-36,446	-38,468		Interest expenses, etc., paid	-64,305	-61,927
12,625	-11,604		Corporation tax received/paid	-84,974	-49,677
-9,416	**272,685**		**Cash flows from operating activities**	**509,875**	**360,372**
96,469	94,475		Dividends from subsidiaries	-	-
-430	-324		Purchase of intangible assets	-6,227	-5,870
-7,205	-2,016		Purchase of property, plant and equipment	-174,920	-183,285
0	0		Sale of property, plant and equipment	2,207	1,694
0	-182,698		Capital contributions, subsidiaries	-	-
0	-18,462		Capital contributions, associates	-18,462	0
88,834	**-109,025**		**Cash flows from investing activities**	**-197,402**	**-187,461**
-36,338	-36,335		Dividend distributed	-36,335	-36,338
0	0		Increase in deposits	650	71
-14,163	-24,834		Purchase of treasury shares	-24,834	-14,163
2,636	7,440		Sale of treasury shares	7,440	2,636
0	44,220		Raising of non-current loans	80,040	34,131
-132,666	-110,132		Repayment of non-current liabilities, ex lease liabilities	-142,056	-212,543
-500	-108		Repayment of lease liabilities	-54,011	-39,159
101,613	-43,911		Change in current bank debt	-43,231	49,307
-79,418	**-163,660**		**Cash flows from financing activities**	**-212,337**	**-216,058**
0	**0**		**Cash flows for the year**	**100,136**	**-43,147**
0	0		Cash and cash equivalents at 1 January	50,277	93,424
0	**0**	**32**	**Cash and cash equivalents 31 December**	**150,413**	**50,277**

The cash flow statement cannot be directly derived from the other components of the financial statements.

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Notes

1. Accounting policies

SP Group A/S is a public limited company with its registered office in Denmark. The annual report for the period 1 January – 31 December 2024 comprises both the consolidated financial statements of SP Group A/S and its subsidiaries (the Group) and separate parent company financial statements.

The consolidated financial statements and parent company financial statements of SP Group A/S for 2024 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional requirements of the Danish Financial Statements Act.

On 31 March 2025, the Board of Directors and the Executive Board discussed and adopted the Annual Report of SP Group A/S for 2024.

The annual report will be presented to the shareholders of SP Group A/S for approval at the annual general meeting on 24 April 2025.

Basis for preparation
The consolidated financial statements and the parent company financial statements are presented in Danish kroner (DKK), which is the presentation currency for the Group's activities and the Parent Company's functional currency.

For 2024, the presentation of the income statement has been changed to apply the nature of expense method, which gives a more true and fair view of the Group's activities.

In connection with the change to the nature of expense method, the costs of using temporary staff was in 2024 reclassified from staff costs to other external expenses in the income statement. Comparative figures have been restated accordingly. The change has no effect on profit/loss or comparative figures.

The change has no effect on profit/loss for the year or comparative figures. For standards implemented prospectively, comparative figures are not restated.

iXBRL reporting
SP Group A/S has published its annual report in European Single Electronic Format (ESEF), xHTML, which can be opened by all standard web browsers. The annual report is tagged using inline eXtensible Business Reporting Language (iXBRL), which is in accordance with the delegated regulation and the ESEF taxonomy. The annual report submitted to the Danish Business Authority is in an XHTML document together with specific technical files, which are all included in the file SPGroup-AS-2024-12-31.da.zip.

Going concern statement
In connection with the financial reporting, the Board of Directors, the Audit Committee and the Executive Board assessed whether presentation of the annual report under the going concern assumption is well-founded. The Board of Directors, the Audit Committee and the Executive Board concluded that no factors existed at the balance sheet date that cast any doubt on the Group's and the Parent Company's ability and willingness to continue as a going concern at least until the next balance sheet date. This conclusion was based on knowledge of the Group and the Parent Company, estimated outlook and the uncertainties and risks identified in this respect as well as an examination of budgets, including the expected developments in cash flow, own funds, etc., existing credit facilities, including contractual and expected maturity periods, as well as other terms and conditions. Thus, it is considered appropriate, reasonable and well-founded to base the financial reporting on the going concern assumption.

Implementation of new or amended standards and interpretations
Effective from 1 January 2024, SP Group A/S has implemented the following new or amended standards and interpretations:

- Clarification of the definition of current liabilities – amendments to IAS 1
- Supplier Finance Arrangements – amendments to IAS 7 and IFRS 7

None of the above amendments have affected recognition or measurement in 2024, nor are they expected to affect the Group.

New financial reporting regulation
The IASB has issued a number of new standards and interpretations that were not compulsory for SP Group A/S at the preparation of the Annual Report for 2024. None of these are expected to have a material impact on the financial reporting of SP Group A/S.

IFRS 18 will replace IAS 1 Presentation of Financial Statements, introducing new requirements that will enhance the transparency in the reporting of financial performance and provide improved comparability between companies. IFRS 18 will not affect recognition or measurement of financial statement items, but may significantly affect the presentation of items in the financial statements, particularly in the income statement.

Management has yet to assess the effects of the new standard.

IFRS 18 will be effective for financial years starting on 1 January 2027.

IFRS 7 and IFRS 9, Nature-dependent electricity contracts: The amendments introduce application guidance for assessing whether nature-dependent electricity contracts meet the own-use criteria. The amendments also introduce guidance on the use of hedge accounting for such contracts where actual amounts produced differ from the forecast amounts produced. Furthermore, the amendments impose additional disclosure requirements for companies concluding contracts for nature-dependent electricity.

The amendments are effective for financial years beginning on or after 1 January 2026. Early application is permitted when the amendments have been adopted by the EU.

Consolidated financial statements
The consolidated financial statements comprise the parent company SP Group A/S (the Company) and subsidiaries controlled by SP Group A/S.

The Group controls another entity if the Group is exposed, or has rights, to variable returns from its involvement in the entity and has the ability to affect those returns through its power over the entity.

When assessing whether the Group exercises control, allowance is made for de facto control and potential voting rights that are real and substantive at the reporting date.

Consolidation principles
The consolidated financial statements are prepared on the basis of the financial statements of SP Group A/S and its subsidiaries. The consolidated financial statements are prepared by combining financial statement items of a uniform nature. The financial statements used for the consolidation are prepared in accordance with the Group's accounting policies.

Upon consolidation, intra-group income and expenses, intra-group balances and dividends as well as gains and losses on intra-group transactions are eliminated.

The subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Non-controlling interests
On initial recognition, non-controlling interests are either measured at fair value or at their proportionate share of the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. Choice of method is made for each individual transaction. Non-controlling interests are subsequently adjusted for their proportionate share of changes in the subsidiary's equity. Comprehensive income is allocated to the non-controlling interests, irrespective of whether the non-controlling interest will thus become negative.

Notes

1. Accounting policies (continued)

Acquisitions and disposals of non-controlling interests in a subsidiary that do not result in loss of control are accounted for in the consolidated financial statements as equity transactions, and the difference between the consideration and the carrying amount is allocated to the Company's share of equity.

Business combinations
Entities acquired or established during the year are recognised in the consolidated financial statements from the date of acquisition or establishment. The acquisition date is the date at which control of the entity actually assumed. Divested or wound-up entities are recognised in the consolidated income statement up to the date of disposal. The date of disposal is the date at which control of the entity is effectively transferred to a third party.

The acquisition method is applied to acquisitions of new entities over which the Group obtains control, implying that the identifiable assets, liabilities and contingent liabilities of acquirees are measured at fair value at the acquisition date. However, non-currents assets acquired for the purpose of resale are measured at fair value less anticipated selling costs. Restructuring costs are only recognised in the pre-acquisition balance sheet if they constitute a liability for the acquiree. Allowance is made for the tax effect of revaluations made.

The cost of an entity consists in the fair value of the consideration paid for the acquiree. If the final determination of the consideration is conditional upon one or more future events, these are recognised at fair value at the acquisition date. Expenses which are attributable to the acquisition of the entity are recognised directly in profit/loss as incurred.

Any positive difference (goodwill) between the consideration paid for the acquiree, the value of non-controlling interests in the acquiree and the fair value of previously acquired equity investments on the one hand and the fair value of the assets, liabilities and contingent liabilities acquired on the other hand is recognised as an asset under intangible assets and is tested for impairment at least once a year. If the carrying amount of an asset exceeds its recoverable amount, the asset is written down to the lower recoverable amount.

For negative differences (negative goodwill), the calculated fair values, the calculated consideration for the acquiree, the value of non-controlling interests in the acquiree and the fair value of previously acquired equity investments are revalued. If the difference is still negative, the difference is recognised as income in the income statement.

If uncertainties regarding the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration exist at the acquisition date, initial recognition will take place on the basis of provisional values. The provisional values may be adjusted, or additional assets or liabilities may be recognised, up to 12 months after the acquisition if any such new information is provided on matters existing at the acquisition date that would have affected the calculation of the values at the acquisition date, had the information been known.

Changes in estimates of contingent consideration are generally recognised directly in profit/loss.

Gains or losses on divestment or winding up of subsidiaries and associates
Gains or losses on the divestment or winding up of subsidiaries that results in loss of control or significant influence are calculated as the difference between the fair value of the sales proceeds or the disposal consideration and the fair value of any remaining equity investments on the one hand and the carrying amount of net assets at the date of disposal or winding up, including goodwill, less any non-controlling interests on the other hand. The calculated gain or loss from such divestment or winding up is recognised in profit/loss together with accumulated exchange rate adjustments, which were previously recognised in other comprehensive income.

Foreign currency translation
On initial recognition, transactions denominated in currencies other than the individual entity's functional currency are translated at the exchange rates at the transaction date. Receivables, liabilities and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment and the balance sheet date, respectively, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets purchased in foreign currencies and measured on the basis of historical cost are translated at the exchange rates at the transaction date. Non-monetary items that are revalued at fair value are translated at the exchange rates at the date of revaluation.

When entities that present their financial statements in a functional currency other than DKK are recognised in the consolidated financial statements, such entities' income statement items are translated at average exchange rates on a monthly basis unless such rates vary significantly from the actual exchange rates at the transaction dates. In the latter case, the actual exchange rates are used. Balance sheet items are translated at closing rates. Goodwill is considered to belong to the acquiree in question and is translated at closing rates.

Foreign exchange differences arising on translation of foreign entities' balance sheet items at the beginning of the year at closing rates and on translation of income statement items from average rates to closing rates are recognised in other comprehensive income. Similarly, foreign exchange differences arising from changes made directly in the foreign entity's equity are also recognised in other comprehensive income.

Derivative financial instruments
On initial recognition, derivative financial instruments are measured at the fair value at the date of settlement. Subsequently, derivative financial instruments are measured at the fair value at the balance sheet date. Positive and negative fair values of derivative financial instruments are recognised in other receivables or other payables, respectively.

Changes in the fair value of derivative financial instruments classified as and qualifying for designation as effective hedges of future transactions are recognised in other comprehensive income. The ineffective part is recognised immediately in the income statement. When the hedged transactions are realised, the accumulated changes are recognised as part of the cost of the relevant transactions.

Derivative financial instruments that do not qualify for hedge accounting are considered trading portfolios and are measured at fair value with current recognition of fair value adjustments in the income statement under financial income or financial expenses.

Share-based payment
Share-based incentive schemes under which executive officers may only opt to purchase shares in the Company (equity-settled share-based payment programmes) are measured at the fair value of the equity instruments at the grant date and are recognised in the income statement under staff costs over the vesting period. The counter entry is recognised directly in equity.

On initial recognition of the incentive programme, an estimate is made of the number of shares that are expected to vest. That estimate is subsequently adjusted for changes so that the total recognition is based on the actual number of vested shares.

The fair value of the equity instruments is measured using the Black-Scholes model with the parameters set out in note 8.

Tax
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement

Notes

1. Accounting policies (continued)

as to the portion attributable to the profit/loss for the year and directly in equity or other comprehensive income as to the portion attributable to entries directly in equity or in other comprehensive income, respectively. Exchange rate adjustments in respect of deferred tax are recognised as part of the deferred tax adjustments for the year.

Current tax payable or receivable is recognised in the balance sheet, stated as calculated tax on taxable income for the year adjusted for tax paid on account.

When calculating the current tax for the year, the tax rates and tax rules effective at the balance sheet date are used.

Deferred tax is recognised in accordance with the balance-sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities, except for deferred tax on all temporary differences arising on initial recognition of goodwill or on initial recognition of a transaction which is not a business combination and where the temporary difference identified at the time of initial recognition affects neither profit/loss for the year nor taxable income.

Deferred tax is recognised on all temporary differences related to equity investments in subsidiaries, unless the Company is able to control when the deferred tax is realised and it is probable that the deferred tax will not crystallise as current tax in the foreseeable future.

Deferred tax is calculated based on the planned use of each asset and the settlement of each liability, respectively.

Deferred tax is measured using the tax rates and tax rules that, based on legislation in force or in reality in force at the balance sheet date, are expected to apply in the respective countries when the deferred tax is expected to crystallise as current tax. Changes in deferred tax resulting from changed tax rates or tax rules are recognised in the income statement unless the deferred tax is attributable to transactions previously recognised directly in equity or other comprehensive income. In the latter case, such changes are also recognised directly in equity or other comprehensive income, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised in the balance sheet at the expected value of their realisation, either as a set-off against deferred tax liabilities or as net tax assets for set-off against future positive taxable income. At the balance sheet date, it is assessed whether sufficient taxable income for the deferred tax asset to be utilised is likely to be generated in the future.

The Parent Company is jointly taxed with all of its Danish subsidiaries. The current Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income.

Income statement

Revenue

The Group's revenue comprises sale of moulded plastic and composite components and coatings on plastic and metal components. To a minor extent, the Group also supplies customised moulds and performs validation tasks.

The Group's sales agreements are divided into individually identifiable performance obligations, which are recognised and measured separately at fair value. If a sales agreement comprises several performance obligations, the total selling price of the sales agreement is allocated proportionately to the individual performance obligations under the agreement.

Revenue is recognised when control of the individual identifiable performance obligation is transferred to the customer.

The recognised revenue is measured at the transaction price of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

The part of the total remuneration that is variable, for example in the form of discounts, bonus payments, penalty payments, etc., is only recognised in revenue when it is reasonably certain that no subsequent reimbursement thereof will occur, for example due to lack of achievement of goals.

Sale of goods

Sale of goods for resale and finished goods comprises sale of moulded plastic and composite components as well as coatings on plastic and metal components and is recognised in revenue when control of the individual identifiable performance obligation in the sales agreement is transferred to the customer, which is at the time of delivery, according to the sales conditions. Even though a sales agreement regarding sale of finished goods and goods for resale often contains several performance obligations, they are treated as one performance obligation as delivery typically takes place at the same time.

Payment terms in the Group's sales agreements

The payment terms in the Group's sales agreements with customers are partly dependent on the underlying performance obligation and partly dependent on the underlying customer relationship.

For sale of goods where control is transferred at a specific point in time, the payment terms will typically be invoice month + 1-3 months.

The Group does not enter into sales agreements with a credit period of more than 12 months. Accordingly, the Group does not adjust the agreed contract price with a finance charge. For large projects, security is usually requested in the form of prepayments. For these projects, customers will typically be entitled to withhold part of the total payment until satisfactory functionality in the products sold has been confirmed and accepted by the customer.

Cost of sales

Cost of sales comprises expenses incurred in generating the revenue for the year. Cost of sales comprises the trading entities' cost of sales and the manufacturing entities' costs of raw materials, consumables and maintenance of the property, plant and equipment and intangible assets used in the manufacturing process.

Power purchase agreements (PPA) have concluded for the Group's Danish companies on the power supply for a number of years. Based on the contractual basis and the relation between power supply and the related price agreement, the PPA agreement is for accounting purposes treated as a supply contract.

Other operating income

Other operating income comprises income of a secondary nature to the Group's principal activities, including in particular external leases and compensations.

External expenses

External expenses comprise expenses for sale, advertising, administration, premises, bad debts, etc.

External expenses also include expenses relating to development projects that do not qualify for recognition in the balance sheet.

Staff costs

Staff costs comprise wages and salaries, social security costs, pension contributions, etc. relating to the Company's staff.

Government grants

Government grants are recognised when it is considered probable that the grant conditions have been met and that the grant will be received.

Grants to cover expenses incurred are recognised proportionally in the income statement over the periods in which the

Notes

1. Accounting policies (continued)

related expenses are recognised. The grants are set off against expenses incurred.

Net financials
Financial income and expenses comprise interest income and interest expenses, the interest element of finance lease payments, realised and unrealised capital gains and losses on securities, liabilities and transactions denominated in foreign currencies, mortgage amortisation premium or allowance on mortgage debt, etc., as well as surcharges and refunds under the on-account tax scheme.

Interest income and expenses are accrued based on the principal amount and the effective interest rate. The effective interest rate is the discount rate used to discount expected future payments related to the financial asset or the financial liability in order for the present value of such asset or liability to match its carrying amount.

Dividend from equity investments are recognised once final right to the dividends has been obtained. This is typically the date at which the general meeting adopts distribution of dividend from the relevant entity.

Balance sheet
Goodwill
On initial recognition, goodwill is recognised and measured as the difference between the cost of the acquiree, the value of non-controlling interests in the acquiree and the fair value of previously acquired equity investments on the one hand and the fair value of the acquired assets, liabilities and contingent liabilities on the other hand; see the description in the Consolidated financial statements section.

On recognition of goodwill, the goodwill amount is allocated to those of the Group's activities that generate separate cash flows (cash-generating units). The determination of cash-generating units follows the Group's managerial structure, internal financial management and reporting.

Goodwill is not amortised, but is tested for impairment at least annually, see below.

Other intangible assets
Development projects regarding clearly defined and identifiable products and processes are recognised as intangible assets if it is probable that the product or the process will generate future economic benefits for the Group and if the development costs of each asset can be reliably measured. Other development costs are expensed in the income statement as incurred.

On initial recognition, development projects are measured at cost. The cost of development projects comprises expenses, including salaries and amortisation directly attributable to the development projects and which are required to complete the project, calculated from the date at which the development project first qualifies for recognition as an asset.

Completed development projects are amortised over the estimated useful lives of the assets. The period of amortisation is 5-10 years, depending on the nature of the development projects.

Development projects are written down to any lower recoverable amount, see below. Development projects in progress are tested for impairment at least annually.

Acquired intellectual property rights in the form of software and customer files are measured at cost less accumulated amortisation.

The assets are amortised over their expected useful lives as set out below

Trademarks	10 years
Software	3-5 years
Customer files	10 years

Acquired intellectual property rights are written down to any lower recoverable amount, see below.

Property, plant and equipment
Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses. Land is not depreciated. Cost comprises the acquisition price, expenses directly attributable to the acquisition and expenses to prepare the asset until such time as it is ready to be put into operation. For self-constructed assets, cost comprises expenses directly attributable to the construction of the asset, including materials, components, sub-suppliers and labour costs. For assets held under finance leases, cost is the lower of the fair value of the asset and the present value of future lease payments. Interest expenses on loans raised to finance the manufacturing of property, plant and equipment are recognised in cost if they relate to the manufacturing period. Other borrowing costs are recognised in the income statement.

The basis of depreciation is cost less the residual value. The residual value is the amount that would expectedly be obtained if the asset was sold today, net of selling costs, if the asset already had the age and condition that it is expected to have at the end of its useful life. Individual components of property, plant and equipment that have different useful lives are accounted for as separate items, which are depreciated separately.

Depreciation is provided on a straight-line basis over the following expected useful lives:

Buildings	40 years
Building installations	10 years
Plant and machinery	5-25 years
Fixtures and fittings, tools and equipment	5-10 years
IT equipment	3-5 years

Leasehold improvements are depreciated over the lease term, however not exceeding 10 years.

Solar panel systems are included in plant and machinery and are depreciated over a period of up to 25 years.

Depreciation methods, useful lives and residual amounts are reassessed annually.

Property, plant and equipment is written down to the lower of the recoverable amount and the carrying amount, see below.

Leases
A lease asset and a lease liability are recognised in the balance sheet when, under a lease entered into for a specific identifiable asset, the leased asset is made available to the Group during the lease term and when the Group obtains substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset.

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

- fixed payments,
- variable payments that change concurrently with changes to an index or an interest rate based on the applicable index or interest rate,
- payments due subject to a residual value guarantee,
- exercise price of call options that Management is highly likely to exercise,
- payments subject to an extension option that the Group is highly likely to exercise,
- penalty related to a termination option unless it is highly likely that the Group will not exercise the option,

The lease liability is measured at amortised cost according to the effective interest method. The lease liability is recalculated when the underlying contractual cash flows change due to changes in an index or interest rate, if the Group's estimate of a residual value guarantee changes or if the Group changes its

Notes

1. Accounting policies (continued)

assessment of whether call options, extension options or termination options can reasonably be expected to be exercised.

On initial recognition, the leased asset is measured at cost, which corresponds 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 less discounts or other types of incentive payments from the lessor.

Subsequently, the asset is measured at cost less accumulated depreciation and impairment losses. Leased assets are depreciated over the shorter of the lease term and the useful life of the leased asset. Depreciation charges are recognised on a straight-line basis in the income statement.

The leased asset is adjusted for changes to the lease liability due to changes to the terms 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 over the expected lease term/useful life, which is:

Operating equipment	1-15 years
Primary production properties	5-20 years
Other properties	1-5 years

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

Leases with a term of less than 12 months or with a value of less than DKK 35,000 are considered immaterial. Payments under such leases are recognised on a straight-line basis in the income statement over the term of the lease.

Equity investments in subsidiaries in the parent company financial statements
Equity investments in subsidiaries are measured at cost in the parent company financial statements.

If cost exceeds the recoverable amount of the investments, the equity investments are written down to this lower value, see the section on impairment. Distribution of dividend in excess of the entity's aggregate earnings since the Parent Company acquired the equity investments is regarded as an indication of impairment, see the section on Impairment below.

In connection with sale of equity investments in subsidiaries, profits or losses are calculated as the difference between the carrying amount of the equity investments sold and the fair value of the sales proceeds.

Equity investments in associates
Equity investments in associates are measured at cost in the parent company financial statements. Cost includes the consideration measured at fair value plus direct acquisition costs. Where cost exceeds the recoverable amount, the equity investment is written down to this lower value. An impairment test is conducted if the dividend received exceeds the proportionate share of the profit/loss for the year or if the carrying amount of the equity investments exceeds the proportionate share of the net assets in the underlying entity.

In the consolidated financial statements, equity investments in associates are measured according to the equity method, meaning that equity investments in the balance sheet are measured at the proportionate share of the companies' equity value calculated in accordance with the Group's accounting policies minus or plus the proportionate share of unrealised intra-group gains and losses and plus values added on acquisition, including goodwill.

Equity investments in associates are impairment tested when there is an indication of impairment.

Associates with negative equity values are measured at nil. If the Group has a legal or constructive obligation to cover a negative balance in an associate, the amount is recognised in liabilities.

The proportionate share of profits/losses of associates is recognised in the consolidated income statement after elimination of the proportionate share of intra-group gains/losses.

Other non-current assets
The carrying amount of other non-current assets is tested annually for indications of impairment. When there is an indication that assets may be impaired, the recoverable amount of the asset is determined. The recoverable amount is the higher of an asset's fair value less expected costs to sell and its value in use.

Impairment of property, plant and equipment, intangible assets as well as equity investments in subsidiaries
The carrying amounts of property, plant and equipment and intangible assets with definite useful lives as well as equity investments in subsidiaries are tested at the balance sheet date for indications of impairment. If there are indications of impairment, the recoverable amount of the asset is calculated to determine if an impairment loss is to be recognised – and, if so, the amount.

The recoverable amount of development projects in progress and goodwill is estimated annually, irrespective of whether there is an indication of impairment.

If an asset does not generate cash flows independently of other assets, the recoverable amount of the smallest cash-generating unit in which the assets is included is estimated.

The recoverable amount is calculated at the higher of the fair value of the asset or the cash-generating unit less selling costs and the value in use. In determining the value in use, estimated future cash flows are discounted at present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset and the cash-generating unit, respectively, and for which no adjustment has been made in the estimated future cash flows.

If the recoverable amount of the asset or the cash-generating unit is lower than the carrying amount, the carrying amount is written down to the recoverable amount. Impairment losses for a cash-generating unit are allocated so that any goodwill amount is written down first, and any remaining impairment losses are subsequently allocated to the other assets of the unit, although the carrying amount of an individual asset is not reduced to an amount lower than its fair value less estimated costs to sell.

Impairment losses are recognised in the income statement. In case of any subsequent reversals of impairment losses resulting from changes in the assumptions of the calculated recoverable amount, the carrying amount of the asset and the cash-generating unit, respectively, is increased to the adjusted recoverable amount, however, not exceeding the carrying amount that the asset or the cash generating unit would have had if the impairment write-down had not been made. Impairment losses relating to goodwill are not reversed.

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

Goods for resale, raw materials and consumables are measured at cost, comprising purchase price plus delivery costs. The cost of manufactured goods and work in progress comprises costs of raw materials, consumables and direct labour costs as well as allocated fixed and variable indirect production costs.

Variable indirect production costs comprise indirect materials and labour costs and are allocated based on pre-calculations of the goods actually produced. Fixed indirect production costs comprise costs of maintenance of and depreciation of machinery, factory buildings and equipment applied in the manufacturing process as well as general costs relating to factory administration and management. Fixed production costs are allocated on the basis of the normal capacity of the production plant.

Notes

1. Accounting policies (continued)

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

Receivables
Receivables are measured at amortised cost, and financial instruments with positive values are measured at fair value. Provision for bad debts is made in accordance with the simplified expected credit loss model, under which the total loss is recognised immediately in the income statement at the same time as the receivable is recognised in the balance sheet based on the amount of the lifetime expected credit loss of the receivable. Other receivables mainly comprise financial instruments with positive values.

Impairment of financial assets measured at amortised cost
For financial assets relating to trade receivables, the simplified expected credit loss model is used, under which the lifetime expected credit loss of the financial asset is recognised immediately in the income statement. The financial asset is monitored continuously according to the Group's risk management until realisation. The impairment loss is calculated based on the expected credit loss rate, which is estimated for financial assets by geographic location. The credit loss rate is calculated based on historical data adjusted for estimates over the effect of expected changes in relevant parameters such as economic developments, political risks, etc., in the relevant market.

Other assets
Other assets comprise expenses incurred relating to subsequent financial years. Other assets are measured at cost.

Dividend
Dividend is recognised as a liability at the date when it is adopted at the general meeting.

Reserve for treasury shares
Reserve for treasury shares comprises the purchase price of the Company's treasury shares. Dividend from treasury shares and gains and losses on the sale of treasury shares are taken directly to retained earnings under equity.

Pension obligations
Under defined contribution plans, the Group pays fixed regular contributions to independent pension providers. The contributions are recognised in the income statement during the period in which the employees render the related service. Due amounts are recognised as a liability in the balance sheet.

Financial liabilities
Financial liabilities comprise bank debt, mortgage debt and trade payables, etc.

On initial recognition, financial liabilities are measured at fair value less any transaction costs. Subsequently, the liabilities are measured at amortised cost using the effective interest method, to the effect that the difference between the proceeds and the nominal amount is recognised in the income statement as a financial expense over the term of the loan.

Non-financial liabilities are measured at net realisable value.

Provisions
Provisions are recognised when, as a result of past events, the Group has a legal or a constructive obligation and it is probable that there will be an outflow of resources embodying economic benefits to settle the obligation.

The amount recognised as a provision is Management's best estimate of the expenses required to settle the obligation.

Other payables
Other payables comprise payables to public authorities, holiday pay obligations, etc., and are measured at amortised cost, which usually corresponds to the nominal value.

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.

Cash flows from acquisition and divestment of entities are shown separately under cash flows from investing activities. Cash flows from acquired entities are recognised in the cash flow statement from the date of acquisition. Cash flows from divested entities are recognised until the date of divestment.

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

Cash flows from investing activities comprise payments in connection with acquisition and divestment of entities and financial assets as well as acquisition, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the Parent Company's share capital and any related expenses as well as the raising and settlement of loans, servicing of interest-bearing debt, purchase of treasury shares, distribution of dividend and changes in operating credits.

Cash flows in currencies other than the functional currency are recognised in the cash flow statement using average exchange rates for the months unless they differ significantly from the actual exchange rates at the transaction dates. If this is the case, the actual exchange rates of each day are applied.

Cash and cash equivalents comprise cash at bank and in hand.

Notes

1. Accounting policies (continued)

Financial highlights
The financial ratios stated in the annual report have been calculated as follows:

Key figures
The calculation of earnings per share and diluted earnings per share is specified in note 14.

Net working capital (NWC) is defined as the value of inventories, receivables and other current operating assets less trade payables and other current operating liabilities. Cash is not included in net working capital.

Net interest-bearing debt (NIBD) is defined as interest-bearing liabilities less interest-bearing assets, including cash.

Ratios	Calculation formula	Ratios reflect
Operating profit/loss, EBITDA margin (%)	EBITDA x 100 / Revenue	The Company's operating profitability expressed as the Company's ability to generate profits from its operating activities
Profit margin, EBIT margin (%)	EBIT x 100 / Revenue	The Company's operating profitability expressed as the Company's ability to generate profits from its operating activities before net financials
Return on invested capital, incl. goodwill (%)	EBIT x 100 / Average invested capital, incl. goodwill	The return generated by the Company on investors' funds through its operating activities
Return on invested capital ex goodwill (%)	EBIT x 100 / Average invested capital, ex goodwill	The return generated by the Company on investors' funds through its operating activities
Return on equity ex non-controlling interests (ROE)	Profit for the year ex non-controlling interests x 100 / Average equity ex non-controlling interests	The Company's ability to generate return for the Parent Company's shareholders, taking into account the Company's own funds
Financial gearing	Net interest-bearing debt / Equity	The Company's financial gearing expressed as the Company's sensitivity to fluctuations in interest rates, etc.
Equity ratio ex non-controlling interests	Equity ratio, ex non-controlling interests x 100 / Total assets	The Company's solvency ratio
Equity ratio incl. non-controlling interests	Equity ratio, incl. non-controlling interests x 100 / Total assets	The Company's solvency ratio
Book value per share	Equity ratio, ex non-controlling interests / Number of shares at year end	The value of equity per share according to the Company's annual report
Cash flow per share	Cash flows from operating activities / Average number of diluted shares	Cash flows from operating activities generated by the Company per share
NIBD/EBITDA	NIBD / EBITDA	The Company's ability to service its debt

Notes

2. Significant accounting estimates, assumptions and judgements

Several financial statement items cannot be reliably measured, only estimated. Such estimates comprise assessments based on the latest information available at the financial reporting date. It may be necessary to change previous estimates due to changes in the underlying conditions on which the estimate was based or due to additional information, further experience or subsequent events.

Significant accounting estimates
In applying the accounting policies described in note 1, Management has made accounting estimates of, for example, the valuation of goodwill, the valuation of development costs, the valuation of inventories and the valuation of receivables, purchase price allocations in connection with acquisitions, expectations of earn-out payments after acquisitions as well as the valuation of equity investments in subsidiaries in the parent company financial statements.

Assumptions and uncertainties relating to significant estimates are described below. Management is not otherwise believed to have made accounting estimates that materially affect the annual report, nor are the accounting estimates made considered to be subject to significant uncertainty.

Changes in accounting estimates
No significant changes have been made in accounting estimates in the financial year.

Significant assumptions and uncertainties
Recognition and measurement of assets and liabilities often depend on future events that are subject to a degree of uncertainty. In this connection, it is necessary to make assumptions of a course of events, for example, reflecting Management's assessment of the most likely course of events. In determining the fair values of assets and liabilities, the Group has taken into account any potential material effects of macro-economic and climate-related issues. At present, no special risks have been identified in relation to extreme weather events and climate change, and the Group is not currently considered to be exposed to transition risk in relation to changed climate regulation that materially affects the Group's operations or recognition and measurement in the annual report. The global unrest has not diminished here at the beginning of 2025 with new political agendas being set from several sides. Geopolitical tensions and trade wars may have a strong adverse impact on the global economy and, by extension, on SP Group's performance.

In the Annual Report for 2024 as well as in the annual reports for previous years, the following assumptions and uncertainties should be noted, as they have significantly affected the assets and liabilities recognised in the annual report and may require corrections in subsequent financial years if the courses of events assumed are not realised as expected.

Capitalised development projects
An assessment has been made of indications of impairment of development projects based on expectations of future utilisation and earnings potential, including on projects which are at an early commercial stage. The carrying amount of development projects amounts to DKK 35.4 million. For a more detailed description of the recognised projects, see note 15.

Power Purchase Agreement (PPA)
Power purchase agreements have been entered into for the Group's Danish companies to the effect that the companies purchase power produced by wind turbines and solar panels under a single supplier agreement with a related price agreement. The agreements were entered into for the period from 2023 to 2027 to cover a significant proportion of the expected power consumption of the Danish companies. In 2024, SP Group's Danish factories consumed a total of 25,256 MWh. Of this, 19,260 MWh were purchased under the PPA and the rest under green certificates. The combination of power from wind turbines and solar panels matches SP Group's consumption, and the amount purchased directly from the plants is high. The PPA is classified as a contract for pecuniary interest (supply contract) and is treated accordingly for accounting purposes.

Acquisition of entity
In connection with corporate acquisitions, the acquiree's identifiable assets, liabilities and contingent liabilities must be recognised at fair value in accordance with the acquisition method. The acquiree's core assets are usually goodwill, property, plant and equipment, intangible assets, receivables and inventories. For a large part of assets and liabilities acquired, there are no active markets that can be used to determine the fair value. This is particularly true for acquired intangible assets. The methods typically used are based on the present value of expected future net cash flows related to the asset, or the cost method, which is based on, e.g., replacement cost. Consequently, Management makes estimates when determining the fair value of the acquired assets, liabilities and contingent liabilities. Depending on the nature of the item, determining the fair value may be subject to uncertainty and potentially to subsequent adjustment.

The fair value of the identifiable assets, liabilities and contingent liabilities is described in note 35, which also shows the methods used to determine the fair values of the acquisitions.

Equity investments in subsidiaries in the parent company financial statements
The assessment of impairment of equity investments in subsidiaries requires the determination of the individual subsidiaries' values in use. The determination of value in use requires an estimate of the expected future cash flows in each subsidiary as well as a determination of a reasonable discount rate. In connection with the valuation, the same discount rate is used as in connection with the impairment test for goodwill. See note 15. The tests performed show values exceeding the carrying amount of the individual equity investments.

Determination of the lease term in leases
The lease term covers the non-cancellable lease term of the lease plus any periods covered by an extension option that the Group is reasonably likely to exercise and plus any periods covered by a termination option that the Group is reasonably unlikely to exercise.

Some of the Group's property leases comprise options that grant the Group a right to extend the lease for an additional lease term. On initial recognition of the leased asset, the Group assesses whether the extension option is reasonably likely to be exercised. The Group reassesses this estimate in case of significant events or significant changes to circumstances that the Group can control.

Determination of discount rate in leases
When measuring future lease payments at present value, the Group applies its incremental borrowing rate. When assessing the incremental borrowing rate, the Group has classified its portfolio of leased assets based on the nature of the assets and in particular where the assets are located. The Company's leased assets primarily comprise properties in Eastern Europe and China, where interest rates are higher. The average incremental borrowing rate is determined at 5% per annum.

Notes

3. Revenue [1]

Parent Company			Group	
2023	**2024**	DKK'000	**2024**	**2023**
7,523	8,911	Sale of goods	2,912,093	2,599,434
0	0	Gains/losses on hedging instruments reclassified from equity through other comprehensive income	9,635	6,888
7,523	**8,911**		**2,921,728**	**2,606,322**
		Breakdown of revenue by customer groups		
0	0	Healthcare	1,184,200	867,700
2,843	3,942	Cleantech	859,600	805,300
0	0	Foodtech	351,100	319,200
4,680	4,969	Other demanding industries	526,828	614,122
7,523	**8,911**		**2,921,728**	**2,606,322**

[1] See the Sustainability report, Environmental (E), taxonomy

See also note 37 for a breakdown of revenue by geographical markets

4. Cost of sales

Parent Company			Group	
2023	**2024**	DKK'000	**2024**	**2023**
0	0	Cost of sales	1,364,794	1,331,169
0	0	Inventory write-down	349	443
0	0	Reversed inventory write-downs	-282	-1,430
0	**0**		**1,364,861**	**1,330,182**

Reversal of inventory write-downs relates to sale of inventories previously written down.

5. Other operating income

Parent Company			Group	
2023	**2024**	DKK'000	**2024**	**2023**
6,596	6,809	Rent	2,695	824
0	1,333	Gain on sale of non-current assets	2,782	697
6,164	0	Group contribution	0	0
0	0	Government grants, etc.	0	1,217
12,760	**8,142**		**5,477**	**2,738**

6. Development costs

Parent Company			Group	
2023	**2024**	DKK'000	**2024**	**2023**
0	0	Research and development costs incurred	2,321	4,758
0	0	Amount capitalised for accounting purposes	-2,321	-4,749
0	**0**	**Expensed in the financial year**	**0**	**9**

Development costs substantially relate to labour costs.

Notes

7. Staff costs

Parent Company 2023	Parent Company 2024	DKK'000	Group 2024	Group 2023
17,709	21,072	Wages and salaries	650,574	571,357
701	725	Pension contributions, defined contribution plan	58,673	51,643
107	149	Other social security costs	45,269	43,508
1,827	1,155	Other staff costs	30,302	30,625
4,924	4,562	Share-based payment	4,562	4,924
0	-81	Refunds from public authorities	-8,413	-8,161
25,268	**27,582**		**780,967**	**693,896**
10	**10**	**Average number of employees**	**2,360**	**2,351**

Remuneration of Management
The Executive board in the Parent and Group is key management.

Breakdown of remuneration of the members of the Parent Company's Executive Board and Board of Directors:

	Group			
	Board of Directors		Executive Board	
DKK'000	2024	2023	2024	2023
Remuneration of the Board of Directors	1,850	1,750	-	-
Remuneration, committee members	50	50	-	-
Wages and salaries	0	0	13,592	11,704
Share-based payment	0	0	729	982
	1,900	**1,800**	**14,321**	**12,686**

	Parent Company			
	Board of Directors		Executive Board	
DKK'000	2024	2023	2024	2023
Remuneration of the Board of Directors	1,850	1,750	-	-
Remuneration, committee members	50	50	-	-
Wages and salaries	0	0	11,634	9,738
Share-based payment	0	0	729	982
	1,900	**1,800**	**12,363**	**10,720**

The Company has entered into defined contribution plans for the majority of its employees in Denmark.
The Executive Board does not receive any separate pension contribution.

According to the agreements entered into, the Company pays a monthly contribution to independent pension providers.

Parent Company 2023	Parent Company 2024	DKK'000	Group 2024	Group 2023
701	725	Expensed contributions to defined pension plans	58,673	51,643

Notes

8. Share-based payment

Equity-settled share option programmes, Parent Company and Group
To tie the Executive Board and other executive officers more closely to the Group, SP Group A/S has set up the following share-based payment programmes:

Warrant programme 2024
In 2024, the Group set up an incentive programme for the Company's Executive Board and 39 executive officers. The programme is based on warrants. A total of 120,000 warrants were issued in the year, of which 22,500 were granted to the members of the Executive Board and the rest to executive officers.

The warrants were granted based on a wish to tie the Company's executive officers more closely to the Group.

Each granted warrant confers the right on the holders to subscribe for one share.

The exercise price was fixed at 190.00 per share of nominally DKK 2 plus 7.5% p.a., calculated from 1 April 2024 and until the warrants are exercised. The exercise price was fixed based on market conditions on 20 March 2024 (a price of DKK 182.8). The issued warrants will expire without cash settlement if the warrants are not exercised. The warrants vest on a current basis over the period and participants are compensated for distributed dividend.

The issued warrants may be exercised to subscribe for shares in the Company in the period from 1 April 2027 to 31 March 2030.

The estimated fair value of the warrants issued is calculated at approximately DKK 3,674 thousand on the assumption that the warrants granted will be exercised in April 2027. The warrants are valued using the Black-Scholes pricing model. The valuation is based on the following assumptions:

Volatility	34.1%
Risk-free interest rate	2.62%
Share price (closing price on 20 March 2024)	182.80

Volatility is calculated based on the Company's share prices in the past 12 months.

Warrant programme 2023
In 2023, the Group set up an incentive programme for the Company's Executive Board and 41 executive officers. The programme is based on warrants. A total of 120,000 warrants were issued in the year, of which 22,500 were granted to the members of the Executive Board and the rest to executive officers.

The warrants were granted based on a wish to tie the Company's executive officers more closely to the Group.

Each granted warrant confers the right on the holders to subscribe for one share.

The exercise price was fixed at 260.00 per share of nominally DKK 2 plus 7.5% p.a., calculated from 1 April 2023 and until the warrants are exercised. The exercise price was fixed based on market conditions on 23 March 2023 (a price of DKK 230.5). The issued warrants will expire without cash settlement if the warrants are not exercised. The warrants vest on a current basis over the period and participants are compensated for distributed dividend.

The issued warrants may be exercised to subscribe for shares in the Company in the period from 1 April 2026 to 31 March 2029.

The estimated fair value of the warrants issued is calculated at approximately DKK 4,751 thousand on the assumption that the warrants granted will be exercised in April 2026. The warrants are valued using the Black-Scholes pricing model. The valuation is based on the following assumptions:

Volatility	38.5%
Risk-free interest rate	2.60%
Share price (closing price on 23 March 2023)	230.50

Volatility is calculated based on the Company's share prices in the past 12 months.

Warrant programme 2022
In 2022, the Group set up an incentive programme for the Company's Executive Board and 39 executive officers. The programme is based on warrants. A total of 115,000 warrants were issued in the year, of which 22,500 were granted to the members of the Executive Board and the rest to executive officers.

The warrants were granted based on a wish to tie the Company's executive officers more closely to the Group.

Each granted warrant confers the right on the holders to subscribe for one share.

The exercise price was fixed at 400.00 per share of nominally DKK 2 plus 7.5% p.a., calculated from 1 April 2022 and until the warrants are exercised. The exercise price was fixed based on market conditions on 24 March 2022 (a price of DKK 346.0). The issued warrants will expire without cash settlement if the warrants are not exercised. The warrants vest on a current basis over the period and participants are compensated for distributed dividend.

The issued warrants may be exercised to subscribe for shares in the Company in the period from 1 April 2025 to 31 March 2028.

The estimated fair value of the warrants issued is calculated at approximately DKK 4,926 thousand on the assumption that the warrants granted will be exercised in April 2025. The warrants are valued using the Black-Scholes pricing model. The valuation is based on the following assumptions:

Volatility	35.3%
Risk-free interest rate	0.33%
Share price (closing price on 24 March 2022)	346

Volatility is calculated based on the Company's share prices in the past 12 months.

Warrant programme 2021
In 2021, the Group set up an incentive programme for the Company's Executive Board and 41 executive officers. The programme is based on warrants. A total of 108,750 warrants were issued in the year, of which 22,500 were granted to the members of the Executive Board and the rest to executive officers.

The warrants were granted based on a wish to tie the Company's executive officers more closely to the Group.

Each granted warrant confers the right on the holders to subscribe for one share.

The exercise price was fixed at 400.00 per share of nominally DKK 2 plus 7.5% p.a., calculated from 1 April 2021 and until the warrants are exercised. The exercise price was fixed based on market conditions on 25 March 2021 (a price of DKK 353.0). The issued warrants will expire without cash settlement if the warrants are not exercised. The warrants vest on a current basis over the period and participants are compensated for distributed dividend.

The issued warrants may be exercised to subscribe for shares in the Company in the period from 1 April 2024 to 31 March 2027.

Notes

8. Share-based payment (continued)

The estimated fair value of the warrants issued is calculated at approximately DKK 6,355 thousand on the assumption that the warrants granted will be exercised in April 2024. The warrants are valued using the Black-Scholes pricing model. The valuation is based on the following assumptions:

Volatility	39.6%
Risk-free interest rate	0.00%
Share price (closing price on 25 March 2021)	361

Volatility is calculated based on the Company's share prices in the past 36 months.

Warrant programme 2020
No warrants were issued in 2020.

Warrant programme 2019
In 2019, the Group set up an incentive programme for the Company's Executive Board and 42 executive officers. The programme is based on warrants. A total of 240,000 warrants were issued in the year, of which 30,000 were granted to the members of the Executive Board and the rest to executive officers.

The warrants were granted based on a wish to tie the Company's executive officers more closely to the Group.

Each granted warrant confers the right on the holders to subscribe for one share.

The exercise price was fixed at 210.00 per share of nominally DKK 2 plus 7.5% p.a., calculated from 1 April 2019 and until the warrants are exercised. The exercise price was fixed based on market conditions on 27 March 2019. The issued warrants will expire without cash settlement if the warrants are not exercised. The warrants vest on a current basis over the period and participants are compensated for distributed dividend.

The issued warrants may be exercised to subscribe for shares in the Company in the period from 1 April 2022 to 31 March 2025. Alternatively, the Executive Board and the 42 executive officers could purchase the warrants at market price, see below, against cash payment. The purchase option could be exercised on 27 March 2019. The Executive Board and 17 executive officers decided to exercise this option.

The estimated fair value of the warrants issued was calculated at approximately DKK 1,805 thousand on the assumption that the warrants granted would be exercised in April 2022. The warrants are valued using the Black-Scholes pricing model. The valuation is based on the following assumptions:

Volatility	20.5%
Risk-free interest rate	0.00%
Share price (closing price on 26 March 2019)	196

Volatility is calculated based on the Company's share prices in the past 3 months.

Development in the year
The development in outstanding warrants can be specified as follows:

Number of warrants	Number of warrants 2024	Number of warrants 2023	Average exercise price, warrants 2024	Average exercise price, warrants 2023
Outstanding warrants at 1 January	561,894	465,544	373	379
Granted in the financial year	120,000	120,000	236	323
Exercised in the financial year	-25,500	-12,000	292	220
Expired in the financial year	-90,645	-6,200	-	-
Reduced in the financial year	-16,979	-5,450	-	-
	548,770	**561,894**	**361**	**373**
Exercisable at 31 December	216,304	227,866		

Of the outstanding warrants, 80,000 (2023: 67,500) have been granted to the Executive Board and 468,770 (2023: 494,394) to executive officers.

In 2024, 20,000 warrants were granted to the Executive Board (2023: 22,500), who exercised a total of 0 warrants (2023: 0).

The average exercise price of the warrants exercised in the year was DKK 291.76, whereas the average share price at the exercise date was DKK 312.83.

The fair values of the warrants issued calculated at the grant date are recognised proportionally in the income statement as staff costs over the period up to the exercise date.

Parent Company 2023	Parent Company 2024	DKK'000	Group 2024	Group 2023
		Equity-settled share option programmes		
4,924	4,562	Share-based payment recognised in income statement, equity-settled share option programme	4,562	4,924

Notes

9. Depreciation, amortisation and impairment losses

Parent Company			Group	
2023	2024	DKK'000	2024	2023
306	583	Amortisation of intangible assets	22,755	22,362
3,913	3,968	Depreciation on property, plant and equipment	180,325	177,392
4,219	**4,551**		**203,080**	**199,754**

10. Dividend from subsidiaries

Parent Company			Group	
2023	2024	DKK'000	2024	2023
96,469	94,475	Dividend from subsidiaries	-	-
96,469	**94,475**		**-**	**-**

11. Financial income

Parent Company			Group	
2023	2024	DKK'000	2024	2023
2	1,169	Interest	9,610	5,206
16,405	16,233	Interest from group entities	-	-
16,407	**17,402**	**Interest income from financial assets measured at amortised cost**	**9,610**	**5,206**
0	1,844	Exchange rate adjustments	1,958	0
0	0	Positive adjustment of forward contracts	0	16,545
0	12,000	Adjustment, contingent purchase consideration/purchase price	12,000	0
16,407	**31,246**		**23,568**	**21,751**

12. Financial expenses

Parent Company			Group	
2023	2024	DKK'000	2024	2023
26,070	24,332	Interest	64,305	61,855
11,487	15,083	Interest to group entities	-	-
37,557	**39,415**	**Interest expenses from financial assets measured at amortised cost**	**64,305**	**61,855**
37,557	**39,415**		**64,305**	**61,855**

Notes

13. Tax on profit for the year

Parent Company			Group	
2023	2024	DKK'000	2024	2023
-8,330	-7,318	Current tax	89,605	43,716
915	-128	Changes in deferred tax	-7,282	-1,878
-7,415	**-7,446**		**82,323**	**41,838**

The current corporation tax charge for the financial year is calculated based on a tax rate of 22.0% (2023: 22.0%) for Danish entities. For foreign entities, the current tax rate in the country in question is applied.

Parent Company 2023	Parent Company 2024	DKK'000	Group 2024	Group 2023
		Tax on other changes in equity		
0	0	Tax on purchase/sale of treasury shares	0	0
0	**0**		**0**	**0**
		Tax on other comprehensive income		
0	0	Value adjustment of financial instruments held to hedge future cash flows	-2,046	20,207
0	**0**		**-2,046**	**20,207**

Tax on items recognised in other comprehensive income can be specified as follows:

Parent Company 2023	Parent Company 2024	DKK'000	Group 2024	Group 2023
0	0	Current tax	0	210
0	-851	Changes in deferred tax	-2,046	19,997
0	**-851**		**-2,046**	**20,207**

Parent Company			Group	
2023	2024	DKK'000	2024	2023
		Reconciliation of tax rate		
22.0	22.0	Danish tax rate	22.0	22.0
0.0	0.0	Effect of differences in tax rates for foreign entities	1.0	-2.5
3.7	3.2	Effect of adjustments made to previous years	1.6	1.6
0.0	-4.5	Effect of contingent consideration recognised as income	-0.9	0.0
-38.5	-33.4	Effect of permanent differences	0.1	-0.3
-12.8	**-12.7**	**Effective tax rate for the year**	**23.9**	**20.8**

The Parent Company's tax rate was materially affected by tax-exempt dividends from subsidiaries in both 2023 and 2024.

Breakdown of the computed current tax charge for the year:	**2024**	**2023**
Denmark	33,673	13,666
Poland	11,569	7,958
The US	37,055	14,878
China	818	1,918
Latvia	223	155
Slovakia	2,389	1,472
Norway	319	222
Sweden	635	2,280
Finland	137	122
The Netherlands	2,787	1,045
Thailand	0	0
	89,605	**43,716**

Notes

14. Earnings per share

	Group	
DKK'000	2024	2023
The calculation of earnings per share is based on the following:		
Profit to the Parent Company's shareholders	**260,932**	**158,507**

Number of shares	2024	2023
Average number of shares issued	12,490,000	12,490,000
Average number of treasury shares	-404,700	-333,259
Number of shares used to calculate earnings per share	**12,085,300**	**12,156,741**
Average dilutive effect of outstanding warrants	**16,627**	**0**
Number of shares used to calculate diluted earnings per share	**12,101,927**	**12,156,741**

532,143 warrants (2023: 561,894 warrants) which were out of the money in 2024, but which could potentially dilute earnings per share in the future, were excluded from the calculation of diluted earnings per share.

Notes

15. Intangible assets

DKK'000	Trademarks	Software	Customer files	Goodwill	Completed development projects	Development projects in progress
						Group
Cost at 1 January 2024	2,637	41,063	120,268	332,800	87,976	4,669
Value adjustment	0	117	-334	462	145	0
Reclassification	0	1,613	1,176	-117	0	0
Additions relating to acquisition of entity	0	0	0	0	0	0
Additions	192	3,714	0	0	4,979	9
Disposals	0	-1,331	0	0	0	-2,667
Cost at 31 December 2024	**2,829**	**45,176**	**121,110**	**333,145**	**93,100**	**2,011**
Amortisation at 1 January 2024	836	35,934	57,208	1,861	52,044	0
Value adjustment	0	86	-179	0	47	0
Reclassification	0	675	1,176	-117	-370	0
Amortisation for the year	280	2,929	11,511	0	8,035	0
Reversal on disposal	0	-1,332	0	0	0	0
Amortisation at 31 December 2024	**1,116**	**38,292**	**69,716**	**1,744**	**59,756**	**0**
Carrying amount at 31 December 2024	**1,713**	**6,884**	**51,394**	**331,401**	**33,344**	**2,011**
Cost at 1 January 2023	2,519	39,959	120,260	333,940	79,926	7,348
Value adjustment	0	281	8	-1,140	692	0
Reclassification	0	0	0	0	0	0
Additions relating to acquisition of entity	0	0	0	0	0	0
Additions	118	1,003	0	0	7,428	3,354
Disposals	0	-180	0	0	-70	-6,033
Cost at 31 December 2023	**2,637**	**41,063**	**120,268**	**332,800**	**87,976**	**4,669**
Amortisation at 1 January 2023	580	32,364	45,678	1,861	44,917	0
Value adjustment	0	254	2	0	-7	0
Reclassification	0	0	0	0	0	0
Amortisation for the year	256	3,496	11,528	0	7,082	0
Reversal on disposal	0	-180	0	0	52	0
Amortisation at 31 December 2023	**836**	**35,934**	**57,208**	**1,861**	**52,044**	**0**
Carrying amount at 31 December 2023	**1,801**	**5,129**	**63,060**	**330,939**	**35,932**	**4,669**

Notes

15. Intangible assets (continued)

	Parent Company			
	Trademarks		Software	
DKK'000	2024	2023	2024	2023
Cost at 1 January	2,637	2,519	1,613	1,301
Additions	192	118	132	312
Disposals	0	0	0	0
Cost at 31 December	**2,829**	**2,637**	**1,745**	**1,613**
Amortisation at 1 January	836	580	1,152	1,102
Amortisation for the year	280	256	303	50
Reversal on disposal	0	0	0	0
Amortisation at 31 December	**1,116**	**836**	**1,455**	**1,152**
Carrying amount at 31 December	**1,713**	**1,801**	**290**	**461**

Goodwill
Goodwill is tested for impairment for the SP Group as a whole, as the cost base cannot be attributed to a level lower than the Group as a whole. Recoverable amount is calculated on the basis of fair value less expected costs to sell. Fair value is based on the market value of SP Group's shares (level 1).

SP Group's market value is significantly higher than the Group's recognised equity. Consequently, goodwill is not impaired (2023: no impairment).

Development projects in progress and completed
Development projects in progress and completed include the development and testing of new products for the Group's customers. The projects include new own-brand packaging concepts, such as Divibax and Clear Vials, as well as Gidewires. SP Medical and Meditec have upgraded their quality system and product certificates to comply with the new Medical Device Regulation (MDR) thus ensuring continued patient safety and meeting the growing demand from customers for regulatory documentation.
In 2024, Management assessed that there was no indication of impairment of the carrying amount of development projects in progress and completed. The recoverable amount in the form of the value in use was deemed to exceed the carrying amount.

The carrying amount totalled DKK 35.4 million at 31 December 2023 and is expected to produce considerable competitive advantages and an increase in the Group's level of activity and results of operations in the coming years.

Other intangible assets
Apart from goodwill, all intangible assets are considered to have definite useful lives over which the assets are amortised; see the description of accounting policies.

Notes

16. Property, plant and equipment

					Group
DKK'000	Land and buildings	Plant and machinery	Other plant etc.	Leasehold improvements	Property, plant and equipment under construction
Cost at 1 January 2024	596,193	1,463,563	192,873	94,322	79,791
Value adjustment	3,024	10,884	713	1,823	2,541
Reclassification	988	643	-1,650	-333	2,695
Transferred from note 17	0	24,382	0	0	0
Additions relating to acquisition of entity	0	0	0	0	0
Additions	6,753	60,319	14,681	10,141	148,661
Disposals	-206	-72,942	-13,463	-4,717	-65,635
Cost at 31 December 2024	**606,752**	**1,486,849**	**193,154**	**101,236**	**168,053**
Depreciation and impairment losses at 1 January 2024	179,765	939,040	138,768	45,974	0
Value adjustment	546	6,340	568	897	0
Reclassification	41	470	-672	57	0
Transferred from note 17	0	7,259	0	0	0
Depreciation for the year	15,873	92,282	14,474	7,944	0
Impairment losses for the year	0	0	0	0	2,695
Reversal on disposal	-20	-69,069	-13,150	-2,055	0
Depreciation and impairment losses at 31 December 2024	**196,205**	**976,322**	**139,988**	**52,817**	**2,695**
Carrying amount at 31 December 2024	**410,547**	**510,527**	**53,166**	**48,419**	**165,358**
Cost at 1 January 2023	580,509	1,356,115	173,026	73,583	51,860
Value adjustment	2,522	20,169	1,064	343	1,105
Reclassification	0	0	47	0	0
Transferred from leased assets	0	7,244	0	0	0
Additions relating to acquisition of entity	0	0	0	0	0
Additions	14,161	95,511	24,006	22,781	97,705
Disposals	-999	-15,476	-5,270	-2,385	-70,879
Cost at 31 December 2023	**596,193**	**1,463,563**	**192,873**	**94,322**	**79,791**
Depreciation and impairment losses at 1 January 2023	165,146	844,010	128,547	38,908	0
Value adjustment	572	10,698	782	932	0
Reclassification	0	3	142	0	0
Transferred from leased assets	0	3,207	0	0	0
Depreciation for the year	14,563	93,164	13,850	7,415	0
Reversal on disposal	-516	-12,042	-4,553	-1,281	0
Depreciation and impairment losses at 31 December 2023	**179,765**	**939,040**	**138,768**	**45,974**	**0**
Carrying amount at 31 December 2023	**416,428**	**524,523**	**54,105**	**48,348**	**79,791**

The capitalisation of interest for the year is included in the cost of additions for the year of land and buildings in the amount of DKK 3.9 million.

Notes

16. Property, plant and equipment (continued)

				Parent Company
DKK'000	Land and buildings	Plant and machinery	Other plant etc.	Plant under construction
Cost at 1 January 2024	120,608	1,680	4,458	0
Additions	605	0	1,411	0
Disposals	0	0	0	0
Cost at 31 December 2024	**121,213**	**1,680**	**5,869**	**0**
Depreciation and impairment losses at 1 January 2024	37,183	1,680	2,431	0
Depreciation for the year	3,272	0	595	0
Reversal on disposal	0	0	0	0
Depreciation and impairment losses at 31 December 2024	**40,455**	**1,680**	**3,026**	**0**
Carrying amount at 31 December 2024	**80,758**	**0**	**2,843**	**0**
Cost at 1 January 2023	115,125	1,680	2,736	0
Additions	5,483	0	1,722	0
Disposals	0	0	0	0
Cost at 31 December 2023	**120,608**	**1,680**	**4,458**	**0**
Depreciation and impairment losses at 1 January 2023	34,220	1,520	2,141	0
Depreciation for the year	2,963	160	290	0
Reversal on disposal	0	0	0	0
Depreciation and impairment losses at 31 December 2023	**37,183**	**1,680**	**2,431**	**0**
Carrying amount at 31 December 2023	**83,425**	**0**	**2,027**	**0**

17. Leases

				Group
DKK'000	Land and buildings	Plant and machinery	Other plant etc.	Total
Leased assets				
Balance at 1 January 2024	**146,031**	**109,281**	**8,249**	**263,561**
Value adjustment	2,210	14	0	2,224
Additions	22,982	11,446	2,656	37,084
Additions relating to acquisition of entity	0	0	0	0
Transferred to note 16	0	-17,123	0	-17,123
Disposals	0	0	0	0
Remeasurement of lease liability	-1,296	-359	0	-1,645
Depreciation for the year	-34,241	-9,020	-3,796	-47,057
Carrying amount at 31 December 2024	**135,696**	**94,239**	**7,109**	**237,044**
Balance at 1 January 2023	**131,889**	**94,818**	**7,981**	**234,688**
Value adjustment	3,861	31	0	3,892
Additions	19,422	27,710	4,092	51,224
Additions relating to acquisition of entity	0	0	0	0
Transferred to note 16	0	-4,037	0	-4,037
Disposals	0	0	0	0
Remeasurement of lease liability	26,194	0	0	26,194
Depreciation for the year	-35,335	-9,241	-3,824	-48,400
Carrying amount at 31 December 2023	**146,031**	**109,281**	**8,249**	**263,561**

Notes

17. Leases (continued)

DKK'000	Group 2024	Group 2023
Lease liabilities – maturity analysis		
Less than 1 year	61,451	67,580
Between 1 and 3 years	94,166	98,551
Between 3 and 5 years	49,693	60,070
Exceeding 5 years	42,884	51,362
Total non-discounted lease liability at 31 December	**248,194**	**277,563**
Lease liabilities recognised in the balance sheet		
Short-term	58,768	64,739
Long-term	157,791	167,906
	216,559	**232,645**
Lease costs recognised in the income statement		
Interest expenses relating to lease liabilities	12,330	8,813
	12,330	**8,813**

For 2024, the Group paid DKK 63.8 million (2023: DKK 68.9 million) regarding leases of which interest payments relating to recognised lease liabilities totalled DKK 12.3 million (2023: DKK 8.8 million) and repayment of recognised lease liabilities totalled DKK 51.4 million (2023: DKK 60.1 million).

See note 2 for a description of the determination of the lease term and discount rate in leases.

DKK'000	Parent Company Other plant etc.
Leased assets	
Balance at 1 January 2024	**108**
Additions	0
Disposals	-6
Remeasurement of lease liability	0
Depreciation/amortisation for the year	-102
Carrying amount at 31 December 2024	**0**
Balance at 1 January 2023	**570**
Additions	0
Disposals	0
Remeasurement of lease liability	38
Depreciation/amortisation for the year	-500
Carrying amount at 31 December 2023	**108**

Notes

17. Leases (continued)

DKK'000	Parent Company 2024	Parent Company 2023
Lease liabilities – maturity analysis		
Less than 1 year	0	93
Between 1 and 3 years	0	18
Between 3 and 5 years	0	0
Exceeding 5 years	0	0
Total non-discounted lease liabilities at 31 December	**0**	**111**
Lease liabilities recognised in the balance sheet		
Short-term	0	91
Long-term	0	17
	0	**108**
Lease costs recognised in the income statement		
Interest expenses relating to lease liabilities	6	11
	6	**11**

In 2024, the Parent Company paid DKK 0.1 million (2023: DKK 0.5 million) regarding leases, of which interest payments relating to recognised lease liabilities totalled DKK 0.0 million (2023: DKK 0.0 million) and repayment of recognised lease liabilities totalled DKK 0.1 million (2023: DKK 0.5 million).

See note 2 for a description of the determination of the lease term and discount rate in leases.

18. Equity investments in subsidiaries

DKK'000	Parent Company 2024	Parent Company 2023
Cost at 1 January	740,917	740,917
Additions	182,698	0
Disposals	0	0
Cost at 31 December	**923,615**	**740,917**
Impairment losses at 1 January	932	932
Impairment losses for the year	0	0
Reversed impairment	0	0
Impairment losses at 31 December	**932**	**932**
Carrying amount at 31 December	**922,683**	**739,985**

Additions for the year relate to capital increases in existing subsidiaries

Notes

18. Equity investments in subsidiaries (continued)

Equity investments in subsidiaries directly owned by the Parent Company comprise:

	Registered office	Ownership interest		Share of voting rights		Activity
		2024	2023	2024	2023	
SP Moulding A/S	Denmark	100%	100%	100%	100%	Production and sale of injection-moulded components
Ulstrup Plast A/S	Denmark	100%	100%	100%	100%	Production and sale of injection-moulded components
Coreplast Laitila Oy	Finland	100%	100%	100%	100%	Production and sale of injection-moulded components
MedicoPack A/S	Denmark	100%	100%	100%	100%	Production and sale of blow-moulded components
Gibo Plast	Denmark	100%	100%	100%	100%	Production and sale of vacuum-formed components
Accoat A/S	Denmark	100%	100%	100%	100%	Production and sale of coatings
Ergomat A/S	Denmark	100%	100%	100%	100%	Production and sale of ergonomics solutions
Tinby A/S	Denmark	100%	100%	100%	100%	Production and sale of polyurethane products
TPI Polytechniek B.V.	The Netherlands	100%	100%	100%	100%	Sale of ventilation components
Brdr. Bourghardt AB	Sweden	100%	100%	100%	100%	Sale of Telene products
Baltic Rim SIA	Latvia	100%	100%	100%	100%	Production and sale of Telene products
MM Composite A/S	Denmark	100%	100%	100%	100%	Production and sale of composite products
DAVINCI 3D A/S	Denmark	100%	100%	100%	100%	Production and sale of 3D printed components
Bovil ApS	Denmark	100%	100%	100%	100%	Production and sale of CNC machined components
SP Moulding Denmark A/S	Denmark	100%	100%	100%	100%	Sale of plastic components and technologies
SP Technology ApS	Denmark	100%	100%	100%	100%	Sale of plastic components and technologies
SP R&D A/S	Denmark	100%	100%	100%	100%	Development company
SPG Ejendomme 1 ApS	Denmark	100%	100%	100%	100%	Property company
SPG Ejendomme 2 ApS	Denmark	100%	100%	100%	100%	Property company
SPG Ejendomme 3 ApS	Denmark	100%	100%	100%	100%	Property company
SPG Ejendomme 4 ApS	Denmark	100%	100%	100%	100%	Property company
SPG Ejendomme 5 ApS	Denmark	100%	100%	100%	100%	Property company
SPG Ejendomme 6 ApS	Denmark	100%	100%	100%	100%	Property company
SP Real Estate LLC	The US	100%	100%	100%	100%	Property company

Note 40 shows an overview of all entities in the Group.

Notes

19. Equity investments in associates

SP Group has an ownership interest of 20.51% in Solar A/S, which is in the process of establishing a solar park in Glud on the Juelsminde Peninsula.

Parent Company			Group	
2023	2024	DKK'000	2024	2023
400	409	Cost at 1 January	409	400
9	18,462	Additions	18,462	9
409	**18,871**	**Cost at 31 December**	**18,871**	**409**
0	0	Adjustments at 1 January	-109	-37
0	0	Exchange rate adjustments	0	0
0	0	Share of profit/loss	-15	-72
0	0	Other value adjustments	-3,077	0
0	**0**	**Adjustments at 31 December**	**-3,201**	**-109**
409	**18,871**	**Carrying amount at 31 December**	**15,670**	**300**

Equity investments in Juelsmindehalvøens Solar A/S comprise:

DKK'000	2024	2023
Ownership interest	**20.51%**	**20.51%**
Income statement		
Revenue	0	0
Profit/loss for the year	-75	-329
Dividend received	0	0
Balance sheet		
Non-current assets	18,022	962
Current assets	79,347	528
Non-current liabilities	0	0
Current liabilities	20,978	24
Equity	76,391	1,467
The Group's share of equity in associates	15,670	300

20. Inventories

Parent Company			Group	
2023	2024	DKK'000	2024	2023
0	0	Raw materials and consumables	272,700	283,567
0	0	Work in progress	78,474	70,391
0	0	Finished goods and goods for resale	273,550	322,937
0	0	Prepayments for goods	5,024	0
0	**0**		**629,748**	**676,895**

21. Trade receivables

Parent Company			Group	
2023	2024	DKK'000	2024	2023
0	0	Write-downs for the year recognised in the income statement	487	56

Provision for bad debts is determined based on the simplified expected credit loss model.
See note 35.

22. Other receivables

Receivables are not subject to any special credit risks, and as in the previous year, no impairment losses have been recognised in that regard. None of the receivables had fallen due at 31 December 2024. They will fall due in 2025-2026.

DKK 29.6 million fall due in 2026.

Notes

23. Share capital

The share capital consists of 12,490,000 shares. The shares are fully paid up. The shares are not divided into classes.
The shares carry no special rights, for a more detailed description, see Shareholder information in the Management's review.

	Shares issued			
	No. of shares		Nom. value	
DKK'000	2024	2023	2024	2023
01.01	12,490,000	12,490,000	24,980,000	24,980,000
31.12	**12,490,000**	**12,490,000**	**24,980,000**	**24,980,000**

In June 2020, capital was increased by nom. DKK 2,200,000 (1,100,000 shares).

	Treasury shares					
	No. of shares		Nom. value		% of share capital	
DKK'000	2024	2023	2024	2023	2024	2023
1 January	377,561	332,565	755,122	665,130	3.0%	2.7%
Purchased	79,777	56,996	159,554	113,992	0.6%	0.5%
Sold	-25,500	-12,000	-51,000	-24,000	-0.2%	-0.1%
31 December	**431,838**	**377,561**	**863,676**	**755,122**	**3.5%**	**3.0%**

The purchases in 2023 and 2024 were made in order to partially fund existing warrant programmes.
The sales in 2023 and 2024 related to the exercise of warrant programmes.

Capital management
The Group continually assesses the need to adjust its capital structure to weigh the higher yield requirement applicable to equity against the increased uncertainty associated with loan capital. At year end 2024, equity accounted for 53.7% of total assets (2023: 48.5%). The target is an equity ratio of at least 25%. The capital structure is managed for the Group as a whole.

It is SP Group A/S' ambition that the shareholders receive a return on their investment in the form of price increases and dividends. It is the ambition that earnings per share should increase by an average of 20% annually over a five-year period. Payment of dividend must be made with due consideration to the necessary consolidation of equity as a basis for the Group's continued expansion. For 2024, a dividend of DKK 4.0 per share has been proposed, corresponding to 19.1% of the profit for the year.

Notes

24. Other reserves

DKK'000	Translation reserve	Reserve for share-based remuneration	Reserve for hedging transactions	Total
				Group
Reserve at 1 January 2023	-13,250	7,854	-27,136	-32,532
Exchange rate adjustment relating to foreign entities	11,578	0	0	11,578
Recognition of share-based payment	0	4,924	0	4,924
Share-based payment, exercised programmes	0	-25	0	-25
Share-based payment, expired programmes	0	-201	0	-201
Share-based payment, reduced programmes	0	-38	0	-38
Value adjustments of financial foreign exchange instruments held to hedge future cash flows, net	0	0	69,598	69,598
Reserve at 31 December 2023	**-1,672**	**12,514**	**42,462**	**53,304**
Exchange rate adjustment relating to foreign entities	30,250	0	0	30,250
Recognition of share-based payment	0	4,563	0	4,563
Share-based payment, exercised programmes	0	-191	0	-191
Share-based payment, expired programmes	0	-1,170	0	-1,170
Share-based payment, reduced programmes	0	-599	0	-599
Value adjustments of financial foreign exchange instruments held to hedge future cash flows, net	0	0	-4,159	-4,159
Value adjustments of financial interest rate instruments held to hedge future cash flows, net	0	0	-3,018	-3,018
Reserve at 31 December 2024	**28,578**	**15,117**	**35,285**	**78,980**

DKK'000	Reserve for share-based remuneration	Reserve for hedging transactions	Total
			Parent Company
Reserve at 1 January 2023	7,854	0	7,854
Recognition of share-based payment	4,924	0	4,924
Share-based payment, exercised programmes	-25	0	-25
Share-based payment, expired programmes	-201	0	-201
Share-based payment, reduced programmes	-38	0	-38
Value adjustments of financial interest rate instruments held to hedge future cash flows, net	0	0	0
Reserve at 31 December 2023	**12,514**	**0**	**12,514**
Recognition of share-based payment	4,563	0	4,563
Share-based payment, exercised programmes	-191	0	-191
Share-based payment, expired programmes	-1,170	0	-1,170
Share-based payment, reduced programmes	-599	0	-599
Value adjustments of financial interest rate instruments held to hedge future cash flows, net	0	-3,018	-3,018
Reserve at 31 December 2024	**15,117**	**-3,018**	**12,099**

The translation reserve comprises all exchange rate adjustments arising on translation of financial statements of entities with a functional currency other than DKK.

The reserve for share-based payment comprises the accumulated value of vested share option programmes (equity-settled share option programmes) measured at the fair value of the equity instruments at the grant date and recognised over the vesting period. The reserve is dissolved as the employees exercise the vested right to acquire shares, the employees resign before fully vested or as the options expire without having been exercised.

The hedging reserve comprises the accumulated net change in the fair value of hedging transactions that qualify for designation as hedges of future cash flows where the hedged transaction has not yet been realised.

Notes

25. Non-current liabilities

								Group
	Bank debt		Financial institutions		Lease liabilities		Other non-current debt	
DKK'000	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Non-current liabilities fall due as follows:								
Within one year from the balance sheet date	93,636	94,902	9,307	19,434	56,473	64,739	0	17,837
Between one and two years from the balance sheet date	68,005	93,493	9,491	10,908	47,360	49,084	863	13,053
Between two and three years from the balance sheet date	48,686	67,686	9,463	10,696	33,447	40,071	863	1,053
Between three and four years from the balance sheet date	47,294	49,029	9,633	8,103	24,559	30,462	863	1,053
Between four and five years from the balance sheet date	20,858	46,837	9,885	6,342	19,174	18,028	863	1,053
After five years from the balance sheet date	7,065	29,717	139,293	84,835	35,546	30,261	19,447	12,773
	285,544	**381,664**	**187,072**	**140,318**	**216,559**	**232,645**	**22,899**	**46,822**
Liabilities are recognised in the balance sheet as follows:								
Current liabilities	93,636	94,902	9,307	19,434	56,473	64,739	0	17,837
Non-current liabilities	191,908	286,762	177,765	120,884	160,086	167,906	22,899	28,985
	285,544	**381,664**	**187,072**	**140,318**	**216,559**	**232,645**	**22,899**	**46,822**
Fair value	289,413	381,664	187,258	140,687	218,167	234,253	22,899	46,822

The fair value of fixed-rate debt is calculated at the present value of the future payments of instalments and interest using the current market rate.

Other non-current debt comprises employee obligations, and in 2023 also the present value of expected earn-out payments and debt instruments in connection with acquisitions of entities in 2022.

See note 35 on liquidity risks for information on financial covenants agreed with the financial lenders.

Notes

25. Non-current liabilities (continued)

Liabilities from financing activities in 2024

						Group
			Non-cash changes			
DKK'000	Opening balance	Cash flows	Acquisitions	Leases	Value adjustments	Closing balance
Bank debt, financial institutions and lease liabilities						
Current bank debt	309,257	-43,231	0	0	0	266,026
Bank debt	381,664	-96,120	0	0	0	285,544
Financial institutions	140,318	46,754	0	0	0	187,072
Lease liabilities	232,645	-54,011	0	35,701	2,224	216,559
Other non-current debt	46,822	-12,650	0	0	-11,273	22,899
	1,110,706	**-159,258**	**0**	**35,701**	**-9,049**	**978,100**

Liabilities from financing activities in 2023

						Group
			Non-cash changes			
DKK'000	Opening balance	Cash flows	Acquisitions	Leases	Value adjustments	Closing balance
Bank debt, financial institutions and lease liabilities						
Current bank debt	259,950	49,307	0	0	0	309,257
Bank debt	474,555	-92,891	0	0	0	381,664
Financial institutions	163,662	-23,344	0	0	0	140,318
Lease liabilities	211,832	-60,190	0	77,111	3,892	232,645
Other non-current debt	86,520	-41,146	0	0	1,448	46,822
	1,196,519	**-168,264**	**0**	**77,111**	**5,340**	**1,110,706**

Notes

25. Non-current liabilities (continued)

	Parent Company							
	Bank debt		Financial institutions		Lease liabilities		Other non-current debt	
DKK'000	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Non-current liabilities fall due as follows:								
Within one year from the balance sheet date	85,235	86,053	3,441	11,363	0	91	0	4,833
Between one and two years from the balance sheet date	59,952	85,152	3,510	3,713	0	17	0	12,000
Between two and three years from the balance sheet date	44,799	59,853	3,507	3,414	0	0	0	0
Between three and four years from the balance sheet date	44,476	45,309	3,575	2,499	0	0	0	0
Between four and five years from the balance sheet date	18,137	44,259	3,687	1,787	0	0	0	0
After five years from the balance sheet date	0	20,019	53,518	21,612	0	0	0	0
	252,599	**340,645**	**71,238**	**44,388**	**0**	**108**	**0**	**16,833**
Liabilities are recognised in the balance sheet as follows:								
Current liabilities	85,235	86,053	3,441	11,363	0	91	0	4,833
Non-current liabilities	167,364	254,592	67,797	33,025	0	17	0	12,000
	252,599	**340,645**	**71,238**	**44,388**	**0**	**108**	**0**	**16,833**
Fair value	256,468	340,645	71,684	44,323	0	108	0	16,833

The fair value of fixed-rate debt is calculated at the present value of the future payments of instalments and interest using the current market rate.

Other non-current debt comprises the net present value of expected earn-out payments and debt instruments in connection with acquisitions of entities in 2022.

See note 35 on liquidity risks for information on financial covenants agreed with the financial lenders.

Notes

25. Non-current liabilities (continued)

Liabilities from financing activities in 2024

	Parent Company					
			Non-cash changes			
DKK'000	Opening balance	Cash flows	Acquisitions	Leases	Value adjustments	Closing balance
Bank debt, financial institutions and lease liabilities						
Current bank debt	135,352	-43,911	0	0	0	91,441
Bank debt	340,645	-88,046	0	0	0	252,599
Financial institutions	44,388	27,034	0	0	-184	71,238
Lease liabilities	108	-108	0	0	0	0
Other non-current debt	16,833	-4,900	0	0	-11,933	0
	537,326	**-109,931**	**0**	**0**	**-12,117**	**415,278**

Liabilities from financing activities in 2023

	Parent Company					
			Non-cash changes			
DKK'000	Opening balance	Cash flows	Acquisitions	Leases	Value adjustments	Closing balance
Bank debt, financial institutions and lease liabilities						
Current bank debt	33,739	101,613	0	0	0	135,352
Bank debt	426,493	-85,848	0	0	0	340,645
Financial institutions	68,597	-24,268	0	0	59	44,388
Lease liabilities	570	-500	0	0	38	108
Other non-current debt	39,048	-22,550	0	0	335	16,833
	568,447	**-31,553**	**0**	**0**	**432**	**537,326**

Notes

26. Deferred tax

Parent Company			Group	
Deferred tax assets	**Deferred tax liabilities**	DKK'000	**Deferred tax assets**	**Deferred tax liabilities**
0	3,849	Deferred tax at 1 January 2023	9,445	87,322
0	0	Exchange rate adjustment	14	750
0	0	Addition, acquisition	0	0
0	914	Change in deferred tax recognised in the income statement	250	-1,957
0	0	Change in deferred tax recognised in other comprehensive income	0	19,997
0	**4,763**	**Deferred tax at 31 December 2023**	**9,709**	**106,112**
0	0	Exchange rate adjustment	321	556
0	0	Prior-year adjustments	0	-3,144
0	-128	Change in deferred tax recognised in the income statement	-1,220	-8,502
0	0	Change in deferred tax recognised in other comprehensive income	0	-2,046
0	**4,635**	**Deferred tax at 31 December 2024**	**8,810**	**92,976**

Parent Company			Group	
2023	**2024**	DKK'000	**2024**	**2023**
		Deferred tax is recognised in the balance sheet as follows:		
0	0	Deferred tax assets	8,810	9,709
-4,763	-4,635	Deferred tax liabilities	-92,976	-106,112
-4,763	**-4,635**		**-84,166**	**-96,403**

The Group's tax assets comprise the tax base of tax loss carryforwards in a few foreign subsidiaries as well as temporary differences. The tax assets are expected to be utilised within three years.

There are no tax assets or tax liabilities that have not been recognised in the balance sheet.

Notes

26. Deferred tax (continued)

	Group						
DKK'000	1 January	Recognised in the income statement	Recognised in other comprehensive income	Other adjustments	Recognised on acquisition of entity	Value adjustments, etc.	31 December
2024							
Intangible assets	29,593	-4,075	0	0	0	-36	25,482
Property, plant and equipment	55,935	32,247	0	0	0	-124	88,058
Inventories	5,595	-2,920	0	0	0	-4	2,671
Receivables	3,726	-389	0	0	0	-5	3,332
Liabilities	-8,930	-31,508	0	0	0	57	-40,381
Value adjustment of derivative financial instruments	16,175	0	-2,046	-3,144	0	-1,289	9,696
Tax loss carryforwards	-5,691	992	0	0	0	7	-4,692
	96,403	**-5,653**	**-2,046**	**-3,144**	**0**	**-1,394**	**84,166**
2023							
Intangible assets	32,301	-2,745	0	0	0	37	29,593
Property, plant and equipment	59,209	-3,344	0	0	0	70	55,935
Inventories	5,478	110	0	0	0	7	5,595
Receivables	3,543	178	0	0	0	5	3,726
Liabilities	-11,612	2,693	0	0	0	-11	-8,930
Value adjustment of derivative financial instruments	-7,601	3,144	19,997	0	0	635	16,175
Tax loss carryforwards	-3,441	-2,243	0	0	0	-7	-5,691
	77,877	**-2,207**	**19,997**	**0**	**0**	**736**	**96,403**

Notes

26. Deferred tax (continued)

							Parent Company
DKK'000	1 January	Recognised in the income statement	Recognised in other comprehensive income	Recognised in equity	Recognised on acquisition of entity	Transfer, subsidaries	31 December
2024							
Intangible assets	498	-57	0	0	0	0	441
Property, plant and equipment	4,741	409	0	0	0	0	5,150
Liabilities	-476	-480	0	0	0	0	-956
Value adjustment of derivative financial instruments	0	0	0	0	0	0	0
Tax loss carryforwards	0	0	0	0	0	0	0
	4,763	**-128**	**0**	**0**	**0**	**0**	**4,635**
2023							
Intangible assets	471	27	0	0	0	0	498
Property, plant and equipment	3,983	758	0	0	0	0	4,741
Liabilities	-605	129	0	0	0	0	-476
Tax loss carryforwards	0	0	0	0	0	0	0
	3,849	**914**	**0**	**0**	**0**	**0**	**4,763**

Notes

27. Trade payables

Parent Company			Group	
2023	2024	DKK'000	2024	2023
1,849	2,163	Trade payables re goods and services delivered	168,417	165,377

The carrying amount corresponds to the fair value of the liabilities.

28. Provisions (warranty commitments)

Parent Company			Group	
2023	2024	DKK'000	2024	2023
0	0	Provisions at 1 January	1,436	1,376
0	0	Additions	3,119	1,436
0	0	Disposals	-1,436	-1,376
0	**0**	**Provisions at 31 December**	**3,119**	**1,436**

Provisions for warranty commitments relate to sold, but defective items. The provision was calculated based on expected remedial costs. Such costs are expected to be incurred primarily during 2025.

29. Charges

Mortgage debt of DKK 188 million (of which DKK 71 million relates to the Parent Company) is secured by way of mortgages on properties. The mortgages also comprise items of plant and machinery that are deemed part of the properties.

Parent Company			Group	
2023	2024	DKK'000	2024	2023
		Moreover, loans with banks and financial institutions are secured by way of a maximum sum mortgage secured on real property and mortgages registered to the mortgagor with secondary liability, totalling a nominal amount of DKK 45 million (2023: DKK 60 million).		
83,425	**80,758**	**Carrying amount of mortgaged properties**	**251,229**	**250,472**
		Bank debt is secured by way of a charge on equity investments in the Parent Company's Danish subsidiaries owned in 2008.		
298,288	**298,288**	**Carrying amount of pledged shares (cost)**		

Notes

30. Suretyship and contingent liabilities

Parent Company			Group	
2023	2024	DKK'000	2024	2023
		Together with its subsidiaries, the Parent Company has entered into bank exposures, under which the Parent Company is liable for all amounts drawn on overdraft facilities.		
189,966	**207,560**	**Subsidiaries' bank debt**		
		The Parent Company has guaranteed the subsidiaries' debt to financial institutions or has joint and several liability.		
96,069	**116,077**	**Surety, guarantee and liability**		
		The Parent Company is jointly and severally liable for the subsidiaries' lease liabilities.		
74,813	**65,492**	**Minimum lease payments**		

On behalf of a subsidiary, the Parent Company has provided a payment guarantee of DKK 1,464 thousand to a supplier (2023: DKK 1,560 thousand).

The Parent Company is jointly taxed with other Danish entities in SP Group. As administration company, the Company has joint and several liability with the other jointly taxed entities for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group. At 31 December 2024, the jointly taxed entities' total net payable to the Danish Customs and Tax Administration amounted to approximately DKK 2.1 million (31 December 2023: a net payable to the Danish Customs and Tax Administration of DKK 7.2 million).

31. Changes in net working capital

Parent Company			Group	
2023	2024	DKK'000	2024	2023
0	0	Changes in inventories	55,071	69,259
-15,332	201,102	Changes in receivables	-59,949	-27,526
19,581	125,206	Changes in trade payables, etc.	56,350	-36,723
4,229	**326,308**		**51,472**	**5,010**

32. Cash and cash equivalents

Parent Company			Group	
2023	2024	DKK'000	2024	2023
0	0	Cash	150,413	50,277
0	**0**		**150,413**	**50,277**

33. Fees to the Parent Company's auditor appointed by the general meeting

External expenses include fees to the Parent Company's auditor appointed by the general meeting:

Parent Company			Group	
2023	2024	DKK'000	2024	2023
		PwC		
0	651	Statutory audit	3,979	0
0	2,093	Other assurance engagements	2,093	0
0	39	Tax and VAT advisory services	39	0
0	290	Non-audit services	298	0
0	**3,073**		**6,409**	**0**
		EY		
503	0	Statutory audit	0	3,551
0	0	Other assurance engagements	0	0
80	0	Tax and VAT advisory services	0	138
282	50	Non-audit services	336	562
865	**50**		**336**	**4,251**

Other assurance engagements primarily comprise sustainability reporting.

Tax and VAT advisory services comprise review of schedules to the income tax return, TP documentation and general advisory services regarding VAT and tax matters.

Non-audit services mainly comprise discussions regarding accounting matters and other assistance.

Notes

34. Related parties

Related parties exercising control of the Group and the Parent Company
There are no related parties exercising control of SP Group A/S. Shareholders holding more than 5% of the share capital are disclosed on page 42.

For an outline of subsidiaries, see the group chart in note 40.

Related party transactions, Group
Other than remuneration of the members of the Executive Board and the Board of Directors and distribution of dividend, the Group had no related party transactions in 2023 or 2024.

Related party transactions, Parent Company

DKK'000	Rental income	Rent	Sale of goods and services	Purchase of goods and services	Interest income	Interest expenses	Group contribution	Dividend, subsidiaries	Derivative financial instruments	Receivables	Payables
2024											
From subsidiaries	6,809	0	9,681	120	16,233	15,083	0	94,475	58,927	170,646	394,043
2023											
From subsidiaries	6,596	0	8,498	120	16,405	11,487	6,165	96,469	70,151	371,688	275,739

Transactions with subsidiaries are eliminated in the consolidated financial statements in accordance with the accounting policies.

Rental income relates to the Parent Company's letting of properties to subsidiaries. The rent is fixed on a market basis.

Sale of services relates to assistance provided to subsidiaries. Intra-group acquisitions and sales are made at cost plus a market-based mark-up.

No security or guarantees have been provided for intra-group balances at the balance sheet date except as disclosed in note 28 above. Receivables as well as payables will be settled in cash. The Group has not recorded any losses relating to receivables from related parties or made provisions for probable losses.

Remuneration of the Board of Directors and the Executive Board
For information on the remuneration of the Group's Board of Directors and Executive Board, see note 7.

Notes

35. Financial risks and financial instruments

Parent Company			Group	
2023	2024	DKK'000	2024	2023
		Financial instrument categories		
0	0	Derivative financial instruments held to hedge Future cash flows (recognised in other receivables)	47,315	53,606
0	**0**	**Financial assets applied as hedging instruments**	**47,315**	**53,606**
0	0	Deposits	676	1,326
0	0	Trade receivables	400,541	328,775
371,688	170,646	Receivables from subsidiaries	-	-
103	70	Other receivables	28,784	43,492
0	0	Cash	150,413	50,277
371,791	**170,716**	**Financial assets measured at amortised cost**	**580,414**	**423,870**
0	3,869	Derivative financial instruments held to hedge future cash flows (recognised in other payables)	3,869	0
0	**3,869**	**Financial liabilities applied as hedging instruments**	**3,869**	**0**
475,997	344,040	Bank debt	551,570	690,921
44,388	71,238	Financial institutions	187,072	140,318
108	0	Lease liabilities	216,559	232,645
16,833	0	Other non-current debt	22,899	46,822
1,849	2,163	Trade payables	168,417	165,377
275,739	394,043	Payables to subsidiaries	-	-
814,914	**811,484**	**Financial liabilities measured at amortised cost**	**1,146,517**	**1,276,083**

The fair value of the financial instruments corresponds to the carrying amount both in the Parent Company and in the Group, except that the fair value of the financial liabilities is DKK 2.0 million higher (2023: DKK 2.0 million higher) in the Group and DKK 0.4 million lower (2023: DKK 0.1 million lower) in the Parent Company. The fair value of financial liabilities is determined based on discount models, i.e. financial institutions and derivative financial instruments at level 2 and bank debt, lease liabilities, consideration and contingent consideration included in other non-current debt at level 3.

The fair value of contingent consideration is based on expected payments according to an assessment of achievement of goals relative to the concluded earn-out conditions. Contingent consideration and liabilities have been discounted at present value. Their fair value is DKK 0 (2023: DKK 16.8 million)
Non-observable input comprises earnings projections and the discount rate applied.
The Parent Company's and the Group's currency risks and interest rate risks are shown below. The individual risks, including the Group's financial risk management policy and sensitivity provisions, are further described in the Management's review.

Notes

35. Financial risks and financial instruments (continued)

Currency risks
The Group is exposed to exchange rate fluctuations.

In general, income and expenses are balanced. As most sales are settled in DKK or EUR and the most significant parts of fixed group costs are settled in DKK or EUR. Similarly, purchases are primarily made in DKK and EUR.

23% of the Group's financing has been raised in EUR and 77% has been raised in DKK.

A 5% fluctuation in USD and PLN against DKK will affect results of operations before tax by up to approximately DKK 10 million and approximately DKK 4.5 million, respectively.

In order to hedge the currency risk related to future costs in PLN from the Polish entities and sales in USD from several of the Group's entities, in accordance with the Group's currency policy, which has been approved by the Board of Directors, the Group has entered into derivative financial instruments to hedge part of the currency risk related to these sales for a period of up to four years. The fair value of hedging instruments has been determined by the Company's banks.

At year end 2024, the Group had hedged approximately 27% of the expected net cash flows for the coming 48 months.

At 31 December 2024, an instrument for the sale of EUR against PLN in the amount of DKK 808 million (2023: DKK 835 million) had been entered into. DKK 359 million of the hedge falls due within 1 year (2023: DKK 265 million) and DKK 449 million within 1-4 years (2023: DKK 570 million).

Due to the favourable development in PLN against EUR, a part of the above-mentioned forward exchange contracts were terminated in October 2023 by way of an agreement to sell PLN against EUR for a total amount of DKK 649 million (2023: DKK 768 million). DKK 359 million of the hedge falls due within 1 year (2023: DKK 265 million) and DKK 290 million within 1-4 years (2023: DKK 503 million).

The average exchange rate of open hedge transactions is 159 (DKK/PLN).

A 5% fluctuation in PLN against DKK will affect equity by approximately DKK 12.3 million.

At 31 December 2024, no hedges in USD had been concluded (2023: DKK 0 million).

Due to the Group's use of derivative financial instruments to hedge the Group's exposure in relation to expected sales transactions, recognition of the effective part of changes in the fair values of hedging instruments in the cash flow hedge reserve adversely affected the Group's equity during the year by an aggregate net amount of DKK 10.2 million before tax and DKK 7.2 million after tax (2023: A positive effect of DKK 89.8 million before tax and DKK 72.7 million after tax). The income statement was affected by ineffective hedges in the amount of DKK 0 million before tax (2023: DKK 16.5 million).

The Group's use of derivative financial instruments

DKK'000	Hedging of future cash flows
Balance at 1 January 2024	53,606
Value adjustment of financial instruments held to hedge future cash flows	-525
Value adjustments transferred to revenue	-9,635
Carrying amount at 31 December 2024	**43,446**
Balance at 1 January 2023	-33,272
Value adjustment of financial instruments held to hedge future cash flows	110,311
Value adjustments transferred to revenue	-6,888
Ineffective hedge	-16,545
Carrying amount at 31 December 2023	**53,606**

Notes

35. Financial risks and financial instruments (continued)

					Group
DKK'000	Cash and cash equivalents	Receivables	Liabilities	Hedged amount	Net position
EUR	13,766	261,401	-338,956	0	-63,789
PLN	0	25,298	-119,537	0	-94,239
USD	107,038	112,084	-18,036	0	201,086
CAD	2,850	5,664	-1,472	0	7,042
SEK	151	8,109	-4,130	0	4,130
NOK	6,393	5,100	-1,716	0	9,777
RMB	7,119	31,471	-48,900	0	-10,310
CHF	0	919	-42	0	877
GBP	5,331	24,615	-520	0	29,426
THB	293	4,150	-14,953	0	-10,510
31 December 2024	**142,941**	**478,811**	**-548,262**	**0**	**73,490**
EUR	8,434	204,119	-411,190	0	-198,637
PLN	0	24,109	-83,503	0	-59,394
USD	27,962	76,744	0	0	104,706
CAD	1,086	3,090	-458	0	3,718
SEK	434	11,881	-41,097	0	-28,782
NOK	111	770	-1,392	0	-511
RMB	8,378	33,764	-60,565	0	-18,423
CHF	0	1,543	-15	0	1,528
GBP	855	343	-205	0	993
THB	1,578	6,303	-5,339	0	2,542
31 December 2023	**48,838**	**362,666**	**-603,764**	**0**	**-192,260**

					Parent Company
DKK'000	Cash and cash equivalents	Receivables	Liabilities	Hedged amount	Net position
EUR	0	44,760	-89,606	0	-44,846
PLN	0	0	0	0	0
USD	0	6,236	0	0	6,236
SEK	0	4,871	-28,027	0	-23,156
NOK	0	0	-31	0	-31
31 December 2024	**0**	**55,867**	**-117,664**	**0**	**-61,797**
EUR	2,445	0	-77,163	0	-74,718
PLN	23	0	0	0	23
USD	26,360	0	0	0	26,360
SEK	14	0	-21,724	0	-21,710
NOK	0	0	-27	0	-27
31 December 2023	**28,842**	**0**	**-98,914**	**0**	**-70,072**

Notes

35. Financial risks and financial instruments (continued)

Interest rate risk
Interest rate risk primarily relates to net interest-bearing debt, i.e. lease liabilities, mortgage debt and bank debt, and cash and cash equivalents. At year end, net interest-bearing debt amounted to DKK 821.1 million, of which DKK 447.6 million carried a fixed interest rate. During the year, an interest rate swap of DKK 274.1 million was entered into, after which 55% of the debt carried a fixed rate of interest. A 1 percentage point increase or decrease in the general level of interest rates would result in an increase or decrease in the Group's interest expenses before tax of approximately DKK 3.8 million and an increase or decrease in the Group's equity of DKK 3.0 million.

SP Group focuses on increasing cash flows from operating activities in order that interest-bearing debt is reduced and the Group is able to finance investments via its operations. The Group also aims to reduce debt by selling non-value-creating assets and activities.

The interest rate risk related to financial assets and liabilities can be described as set out below, with disclosure of the earlier date of interest rate adjustment or maturity and effective interest rates:

Group

	Date of interest rate adjustment or maturity					
DKK'000	Within 1 year	Between 1 and 5 years	Exceeding 5 years	Total	Of which fixed interest	Effective interest
Bank deposits	150,413	0	0	150,413	0	4.2%
Financial institutions	-30,325	-156,747	0	-187,072	-833	2.5%
Lease liabilities	-56,473	-124,540	-35,546	-216,559	-170,568	4.5%
Share of other payables (frozen holiday pay)	0	-4,086	-12,258	-16,344	0	3.1%
Bank debt	-551,570	0	0	-551,570	-276,193	4.3%
31 December 2024	**-487,955**	**-285,373**	**-47,804**	**-821,132**	**-447,594**	
Bank deposits	50,277	0	0	50,277	0	3.7%
Financial institutions	-32,397	-107,921	0	-140,318	-7,692	2.1%
Lease liabilities	-64,739	-137,645	-30,261	-232,645	-181,442	4.5%
Share of other payables (frozen holiday pay)	0	-4,248	-12,744	-16,992	0	1.4%
Bank debt	-690,921	0	0	-690,921	0	5.3%
31 December 2023	**-737,780**	**-249,814**	**-43,005**	**-1,030,599**	**-189,134**	

Parent Company

	Date of interest rate adjustment or maturity					
DKK'000	Within 1 year	Between 1 and 5 years	Exceeding 5 years	Total	Of which fixed interest	Effective interest
Bank deposits	0	0	0	0	0	3.7%
Financial institutions	0	-71,238	0	-71,238	0	2.9%
Lease liabilities	0	0	0	0	0	2.0%
Bank debt	-344,040	0	0	-344,040	-274,120	4.4%
31 December 2024	**-344,040**	**-71,238**	**0**	**-415,278**	**-274,120**	
Bank deposits	0	0	0	0	0	3.7%
Financial institutions	-951	-43,437	0	-44,388	-7,692	2.5%
Lease liabilities	-91	-17	0	-108	0	2.0%
Bank debt	-475,997	0	0	-475,997	0	4.9%
31 December 2023	**-477,039**	**-43,454**	**0**	**-520,493**	**-7,692**	

Notes

35. Financial risks and financial instruments (continued)

Credit risk
The Group's and the Parent Company's cash primarily consists of deposits in banks with high credit ratings. Consequently, cash is not considered to be subject to particular credit risk.

The Group's primary credit risk is related to trade receivables. SP Group systematically and continually monitors the credit rating of customers and business partners. Credit risk is partially hedged through credit insurance and factoring. No individual customers or business partners pose an unusual credit risk to the Group. The overall credit risk is reduced by the Group's customers and business partners usually being well-reputed companies operating in many different business sectors and countries. The maximum credit risk associated with financial assets is reflected in the carrying amounts recognised in the balance sheet.

Historically, the Group has not recorded any significant bad debts. In the past three years, the loss ratio has been approximately 0.01% of consolidated revenue. Based on the low loss ratio, the loss has been estimated at 0.0% according to the simplified expected credit loss model.
The loss ratio is expected to remain 0% going forward, despite the current market conditions, as a result of the use of the above-mentioned management tools of factoring and credit insurance as well as the Group's composition of customers.

DKK'000	Loss ratio	Amount receivable	Expected loss	Total
2024				
Not yet due	0.01%	323,785	32	323,753
Past due by up to one month	0.01%	60,263	33	60,230
Past due by between one and two months	0.01%	10,057	34	10,023
Past due by between two and three months	0.01%	3,888	27	3,861
Past due by more than three months	0.02%	2,733	59	2,674
		400,726	**185**	**400,541**
2023				
Not yet due	0.00%	232,223	0	232,223
Past due by up to one month	0.00%	76,651	0	76,651
Past due by between one and two months	0.00%	14,501	0	14,501
Past due by between two and three months	0.00%	4,970	0	4,970
Past due by more than three months	18.25%	526	96	430
		328,871	**96**	**328,775**

Liquidity risk
It is the Group's objective to have sufficient cash resources to be able to continually make appropriate arrangements in case of unforeseen changes in cash outflows. It is Management's opinion that the Company still has adequate capital resources for its operations and sufficient liquidity to meet its present and future liabilities. The Group's long-term co-operation with its financial business partners is fruitful and constructive. This is expected to continue. The Group neither neglected nor was in breach of loan agreements in the financial year or the comparative year. The Group calculated its cash resources at DKK 535 million at year end 2024.

In addition to usual loan covenants, the following financial covenants have been agreed with the financial lenders:

- Net interest-bearing debt (NIDB) may not exceed 3.5 times EBITDA for the last 12 months, however up to 4.0 times EBITDA in the first two quarters following a debt-financed acquisition
- the equity interest must always be at least 25%

The terms to maturity of financial liabilities are specified below. The amounts specified represent the amounts falling due, including interest calculated based on current interest rates.

For a general description of the Group's risk management, see the Risk management section of the Management's review page 32.

Notes

35. Financial risks and financial instruments (continued)

Group					
DKK'000	Within 1 year	Between 1 and 3 years	Between 3 and 5 years	After 5 years	Total
2024					
Non-derivative financial liabilities					
Bank debt	359,662	116,691	68,152	7,065	551,570
Financial institutions	9,307	18,954	19,518	139,293	187,072
Lease liabilities	56,473	80,807	43,733	35,546	216,559
Other non-current debt	0	1,726	1,726	19,447	22,899
Trade payables	168,417	0	0	0	168,417
Interest	26,505	53,447	29,415	45,908	155,275
	620,364	**271,625**	**162,544**	**247,259**	**1,301,792**
Derivative financial instruments					
Derivative financial instruments held to hedge future cash flows	3,869	0	0	0	3,869
	624,233	**271,625**	**162,544**	**247,259**	**1,305,661**
2023					
Non-derivative financial liabilities					
Bank debt	404,159	161,179	95,866	29,717	690,921
Financial institutions	19,434	21,604	14,445	84,835	140,318
Lease liabilities	64,739	89,155	48,490	30,261	232,645
Other non-current debt	17,837	14,106	2,106	12,773	46,822
Trade payables	165,377	0	0	0	165,377
Interest	41,448	32,648	14,377	14,526	102,999
	712,994	**318,692**	**175,284**	**172,112**	**1,379,082**

Derivative financial instruments are measured in accordance with a valuation method according to which all material data are based on observable market data, i.e. level 2. The Group has no other assets or liabilities measured at fair value.

Parent Company					
DKK'000	Within 1 year	Between 1 and 3 years	Between 3 and 5 years	After 5 years	Total
2024					
Non-derivative financial liabilities					
Bank debt	176,676	104,751	62,613	0	344,040
Financial institutions	3,441	7,017	7,262	53,518	71,238
Lease liabilities	0	0	0	0	0
Other non-current debt	0	0	0	0	0
Trade payables	2,163	0	0	0	2,163
Interest	16,841	15,710	6,070	11,190	49,811
	199,121	**127,478**	**75,945**	**64,708**	**467,252**
Derivative financial instruments					
Derivative financial instruments held to hedge future cash flows	3,869	0	0	0	0
	202,990	**127,478**	**75,945**	**64,708**	**467,252**
2023					
Non-derivative financial liabilities					
Bank debt	221,405	145,005	89,568	20,019	475,997
Financial institutions	11,363	7,127	4,286	21,612	44,388
Lease liabilities	97	11	0	0	108
Other non-current debt	4,833	12,000	0	0	16,833
Trade payables	1,849	0	0	0	1,849
Interest	26,129	23,951	9,471	3,500	63,051
	265,676	**188,094**	**103,325**	**45,131**	**602,226**

Notes

36. Sale of financial assets

As in previous years, the Group sold selected trade receivables without recourse as part of its credit and risk management. The Group's continued involvement is limited to administration of the receivables sold and a limited financial expense regarding the risk of late payment. Thus, the Group only maintained an insignificant risk exposure. The sale did not affect profit or loss. No assets or liabilities remain recognised in the balance sheet regarding the receivables sold. The nominal value of the receivables sold amounts to DKK 145 million (2023: DKK 148 million). The maturity date is within 4 months.

37. Segment information for the Group

Geographical segments
The Group has only one business segment as the same employees and the same capital stock serve several product types and customers. Therefore, the Group does not report on business segments.

The Group's activities are primarily located in Denmark, the rest of Europe, the Americas, Asia, Australia and Africa. The following table shows the Group's sales of goods (place of delivery) by geographical market.

DKK'000	2024	2023
Denmark	723,667	751,478
Rest of Europe	1,346,883	1,266,834
Americas	585,639	367,086
Asia (incl. the Middle East)	248,730	200,816
Australia	8,873	13,575
Africa	7,936	6,533
	2,921,728	**2,606,322**
Sale of goods	2,921,728	2,606,322
Selling price of the year's production output relating to construction contracts	0	0
	2,921,728	**2,606,322**

In 2024, the Group had two customers who accounted for more than 10% of group revenue. The largest customer accounted for 13.9% of revenue (DKK 406.4 million), while the second largest accounted for 12.8% (DKK 374.1 million). In 2023, the Group had one customer accounting for 12.6% of group revenue.

The below table specifies the carrying amounts and the year's additions of current and non-current property, plant and equipment and intangible assets by geographical market on the basis of the physical location of the assets.

	Non-current assets		Additions of intangible assets and property, plant and equipment	
DKK'000	2024	2023	2024	2023
Denmark	967,061	997,891	45,379	91,559
Norway	18,348	1,231	144	57
Sweden	23,345	49,451	265	3,313
Finland	88,866	95,371	2,181	16,473
Latvia	17,007	22,921	3,335	6,174
Slovakia	90,383	97,519	5,834	10,610
The Netherlands	22,055	22,244	3,662	2,519
Poland	351,777	342,490	51,548	55,690
North America	213,012	109,843	102,502	42,608
China	81,668	95,741	2,874	9,383
Thailand	3,442	4,919	95	1,993
	1,876,964	**1,839,621**	**217,819**	**240,379**

38. Acquisition of subsidiaries in 2023 and 2024

No subsidiaries were acquired in 2023 or 2024.

39. Events after the balance sheet date

No significant events have occurred between the balance sheet date and date of the publication of this annual report that have not already been incorporated or disclosed in this annual report and that change the assessment of the Group's or the Parent Company's financial position.

Notes

40. Group chart at 31 December 2024

			Nominal share capital ('000)	Ownership interest
SP Group A/S	**Denmark**	**DKK**	**24,980**	
SP Moulding A/S	Denmark	DKK	50,000	100%
SP Medical Sp. z o.o.	Poland	PLN	1,000	100%
SP Moulding Poland Sp. z o.o.	Poland	PLN	1,100	100%
Sander Tech ApS	Denmark	DKK	80	100%
Neptun Plast A/S	Denmark	DKK	950	100%
Atlantic Floats Denmark A/S	Denmark	DKK	1,000	100%
Meditec Plaststøbning A/S	Denmark	DKK	500	100%
SP Meditec Inc.	The US	USD	300	100%
SP International A/S	Denmark	DKK	5,600	100%
SP Moulding (Suzhou) Co., Ltd.	China	USD	4,080	100%
Ulstrup Plast A/S	Denmark	DKK	1,590	100%
Ulstrup Plast s.r.o.	Slovakia	EUR	7	100%
Kodaň Plast s.r.o.	Slovakia	EUR	10	52%
Coreplast Laitila Oy	Finland	EUR	50	100%
Jollmax Coating Oy	Finland	EUR	3	100%
MedicoPack A/S	Denmark	DKK	20,000	100%
Gibo Plast A/S	Denmark	DKK	40,000	100%
Gibo Danmark A/S	Denmark	DKK	6,000	100%
Gibo Sp. z o.o.	Poland	PLN	3,005	100%
Gibo Poland Sp. z o.o.	Poland	PLN	3,005	100%
Gibo Inc.	The US	USD	1,000	100%
Gibo Plast Technology co., Ltd.	China	USD	3,000	100%
Gibo Plast Co., Ltd.	China	USD	0	100%
Dan-Hill-Plast A/S	Denmark	DKK	500	100%
Plexx AS	Norway	NOK	3,541	100%
Opido Plast AB	Sweden	SEK	100	100%
SPG Fastigheter AB	Sweden	SEK	50	100%
Nycopac AB	Sweden	SEK	1,000	100%
PlexxOpido Sp. z o.o.	Poland	PLN	200	100%
Accoat A/S	Denmark	DKK	10,000	100%
Ergomat A/S	Denmark	DKK	10,000	100%
Ergomat Sp. z o.o.	Poland	PLN	2,005	100%
Ergomat Sweden AB	Sweden	SEK	100	60%
Ergomat Inc.	The US	USD	360	100%
Ergomat Canada Inc.	Canada	CAD	0	100%

			Nominal share capital ('000)	Ownership interest
SP Group A/S	**Denmark**	**DKK**	**24,980**	
Tinby A/S	Denmark	DKK	10,000	100%
Tinby Denmark A/S	Denmark	DKK	500	100%
Tinby Sp. z o.o.	Poland	PLN	50	100%
Tinby Inc.	The US	USD	100	100%
Tinby Co., Ltd.	China	USD	210	100%
Tinby SIA	Latvia	EUR	2,503	100%
TPI Polytechniek B.V.	The Netherlands	EUR	113	100%
TPI Polytechnics Inc.	The US	USD	0	100%
TPI Polytechnics Co., Ltd.	China	USD	0	100%
Bröderna Bourghardt AB	Sweden	SEK	100	100%
SEA Radomes Company, Ltd.	Thailand	THB	4,000	100%
Baltic Rim SIA	Latvia	EUR	3	100%
MM Composite A/S	Denmark	DKK	500	100%
MM Composite Inc.	The US	USD	0	100%
DAVINCI 3D A/S	Denmark	DKK	500	100%
Bovil ApS	Denmark	DKK	125	100%
SP Moulding Denmark A/S	Denmark	DKK	500	100%
SP Technology ApS	Denmark	DKK	200	100%
SP R&D A/S	Denmark	DKK	1,000	100%
SPG Ejendomme 1 ApS	Denmark	DKK	81	100%
SPG Ejendomme 2 ApS	Denmark	DKK	125	100%
SPG Ejendomme 3 ApS	Denmark	DKK	125	100%
SPG Ejendomme 4 ApS	Denmark	DKK	500	100%
SPG Ejendomme 5 ApS	Denmark	DKK	40	100%
SPG Ejendomme 6 ApS	Denmark	DKK	500	100%
SP Real Estate LLC	The US	USD	12,000	100%

In 2024, Tinby SIA was sold to Tinby A/S.
In 2024, MM Composite Co., Ltd. was wound up.
In 2024, MM Trading Co., Ltd. was wound up.

Statement by Management and auditor's reports

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Management's Statement

The Board of Directors and Executive Board have today considered and adopted the Annual Report of SP Group 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, the Management's review includes a 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.

Additionally, the sustainability statement, which is part of Management's review, has been prepared, in all material respects, in accordance with section 99 a of the Danish Financial Statements Act. This includes compliance with the European Sustainability Reporting Standards (ESRS) including that the process undertaken by Management to identify the reported information (the "Process") is in accordance with the description set out in the sections "Description of the process to identify and assess material impacts, risks and opportunities", "Result of the identification and assessment phase", and "Double materiality matrix". Furthermore, disclosures in the subsection titled "Taxonomy reporting" in the environmental section of the sustainability statement are, in all material respects, in accordance with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

The year 2024 marks the initial implementation of paragraph 99 a of the Danish Financial Statements Act concerning compliance with ESRS. As such, more clear guidance and practice are anticipated in various areas, which are expected to be issued in the coming years. Furthermore, the sustainability statement includes forward-looking statements based on disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

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

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

Søndersø, 31 March 2025

Executive Board and Group Management

Lars Ravn Bering
CEO

Søren Ulstrup
Executive Vice President

Tilde Kejlhof
Group CFO

Board of Directors

Hans Wilhelm Schur
Chair

Erik Preben Holm
Deputy Chair

Hans-Henrik Eriksen

Bente Overgaard

Marie Bakholdt Lund

Independent Auditor's Reports

To the shareholders of SP Group A/S

Report on the audit of the Financial Statements

Our opinion
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 SP Group A/S] for the financial year 1 January to 31 December 2024 comprise income statement and 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 SP Group A/S on 25 April 2024 for the financial year 2024.

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.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Revenue is recognized when control over the individual identifiable performance obligation is transferred to the customer. The recognized revenue is measured at the fair value of the agreed consideration, excluding VAT and taxes collected on behalf of third parties. All types of discounts given are included in the revenue. We focused on revenue recognition due to the significance of the amount and because it comprises a considerable number of individual transactions. Reference is made to note 3 in the financial statements.	We considered the appropriateness of the Group's accounting policies for revenue recognition and assessed compliance with applicable accounting standards. We performed risk assessment procedures to obtain an understanding of IT-systems and applications, business processes, and relevant controls related to revenue recognition. We applied data analysis to selected revenue streams to identify and test transactions outside the normal transaction flow. We performed detailed testing of invoicing to assess the accounting treatment applied. We tested the timing to ensure that revenues are recognized in the correct financial year. We also assessed the adequacy of the disclosures provided by management in the financial statements.

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 as part of the audit 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. This does not include the requirements in paragraph 99 a related to the sustainability statement covered by the separate auditor's limited assurance report hereon.

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, except for the requirements in paragraph 99 a related to the sustainability statement, cf. above. 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 SP Group A/S for the financial year 1 January to 31 December 2024 with the filename SPGroup-2024-12-31-da.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 SP Group A/S for the financial year 1 January to 31 December 2024 with the file name SPGroup-2024-12-31-da.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Hellerup, 31 March 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no 33 77 12 31

Michael Groth Hansen
State Authorised
Public Accountant
mne33228

Line Hedam
State Authorised
Public Accountant
mne27768

Independent auditor's limited assurance report on the Sustainability Statement

To the stakeholders of SP Group A/S

Limited assurance conclusion
We have conducted a limited assurance engagement on the sustainability statement of SP Group A/S (the "Group") included in the Management's Review (the "Sustainability Statement"), page 44 – 121, for the financial year 1 January – 31 December 2024.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Danish Financial Statements Act paragraph 99 a, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the management to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in the sections "Description of the process to identify and assess material impacts, risks and opportunities", "Result of the identification- and assessment phase", and "Double materiality matrix"; and
- compliance of the disclosures in section "Taxonomy reporting" of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion
We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)") and the additional requirements applicable in Denmark.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the *Auditor's responsibilities for the assurance engagement* section of our report.

Our independence and quality management
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.

Our firm applies *International Standard on Quality Management 1*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Management's responsibilities for the Sustainability Statement
Management is responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process as included in the sections "Description of the process to identify and assess material impacts, risks and opportunities", "Result of the identification- and assessment phase", and "Double materiality matrix" of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, which includes the information identified by the Process, in accordance with the Danish Financial Statements Act paragraph 99 a, including:

- compliance with the ESRS;
- preparing the disclosures as included in section "Taxonomy reporting" of the Sustainability Statement, in compliance with Article 8 of the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement
In reporting forward-looking information in accordance with ESRS, Management is required to prepare forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Auditor's responsibilities for the assurance engagement
Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Process include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in the sections "Description of the process to identify and assess material impacts, risks and opportunities", "Result of

the identification- and assessment phase", and "Double materiality matrix".

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and

- Designing and performing procedures responsive to disclosures in the Sustainability Statement where material misstatements are likely to arise. 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.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability Statement.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by performing inquiries to understand the sources of the information used by management; and reviewing the Group's internal documentation of its Process; and

- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in the sections "Description of the process to identify and assess material impacts, risks and opportunities", "Result of the identification- and assessment phase", and "Double materiality matrix".

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement including the consolidation processes by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Sustainability Statement but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;

- Evaluated whether the information identified by the Process is included in the Sustainability Statement;

- Evaluated whether the structure and the presentation of the Sustainability Statement are in accordance with the ESRS;

- Performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statement;

- Performed substantive assurance procedures on selected information in the Sustainability Statement;

- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and Management's Review;

- Evaluated the methods, assumptions and data for developing estimates and forward-looking information; and

- Obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement.

Other matter
The comparative information included in the Sustainability Statement is not in scope of the assurance engagement. Our conclusion is not modified in respect of this limitation of scope.

Hellerup, 31 March 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no 33 77 12 31

Michael Groth Hansen
State Authorised
Public Accountant
mne33228

Line Hedam
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Company information

The Company

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Snavevej 6-10
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CVR no.: 15 70 13 15

Financial year: 1 January – 31 December
Municipality of registered office: Nordfyn Municipality
Website: www.sp-group.dk
E-mail: info@sp-group.dk

Board of Directors

Hans Wilhelm Schur (Chairman)
Erik Preben Holm (Deputy Chairman)
Hans-Henrik Eriksen
Bente Overgaard
Marie Bakholdt Lund

Executive Board

Lars Bering, CEO
Søren Ulstrup, Executive Vice President
Tilde Kejlhof, CFO

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

General meeting

The annual general meeting will be held on Thursday, 24 April 2025 at 12:00 noon at MedicoPack A/S, Industrivej 6, DK-5550 Langeskov

SP Group A/S

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