Asetek A/S
Skjoldet 20
9230 Svenstrup J
Denmark

Financial Reporting for the period
January 1 to September 30, 2025

Published December 19, 2025

Company Registration (CVR) Number 34 88 05 22

Highlights

- **Nine months year-to-date revenue of $30.9 million, and adjusted EBITDA of ($0.7) million compared to $37.1 million and ($0.3) million in 2024, respectively**
- **Signed major agreement with global customer for high-end liquid cooling solutions with estimated minimum commitment of $35 million over the first two-year term**
- **Year-to-date SimSports revenue at $3.8 million, in line with expectations as U.S. import tariffs continue to impact demand ($5.4 million in first nine months of 2024)**
- **Group revenue expectation for 2025 adjusted to around $41 million (previously $45 to $53 million) with adjusted EBITDA margin at negative 3-5% (0% to 3%)**
- **Raised mid-term Liquid Cooling segment revenue-ambition**

Key figures

	Nine months ended		
Figures in USD (000's)	**30-Sept-2025**	**30-Sept-2024**	**2024**
Summary P&L:		*Unaudited*	
Revenue	30,880	37,134	52,502
Gross profit	13,489	15,504	21,945
Gross margin	*43.7%*	*41.8%*	*41.8%*
Operating income	(5,070)	(18,214)	(19,248)
Reconciliation from IFRS to EBITDA adjusted:			
Operating income	(5,070)	(18,214)	(19,248)
Add: Depreciation and amortization	3,952	3,870	5,446
Add: Share based compensation	435	265	282
Add: Special items*	-	13,791	13,791
EBITDA adjusted (unaudited)	(683)	(288)	271
Liquidity at period end:			
Working capital	8,683	5,340	4,362
Cash and equivalents	2,750	3,412	3,293
Long-term debt	19,734	21,590	19,201
Cash flow, excluding proceeds from equity transactions	(10,876)	(5,709)	(5,828)

**Special item in 2024 was a non-cash impairment charge as a consequence of an assessed impairment within the cash generating units.*

Summary

Financial results

- Asetek reported revenue for the first nine months of 2025 totaling $30.9 million compared with $37.1 million in the same period of 2024. The change in revenue mainly reflects fewer shipments of liquid cooling products.
- Gross margin was 44% for the first nine months, compared with 42% in the respective period of 2024. The gross margin increase is principally due to a supply chain issue recognized in September 2024.
- Adjusted EBITDA was ($0.7) million in the first nine months of 2025, compared with ($0.3) million in the same period of 2024.
- During the first nine months of 2025, the Company invested $1.8 million in property and equipment and $2.0 million in capitalized costs for the development of new products. In January, Asetek completed an equity rights offering, raising net proceeds of $10.3 million through the issuance of 219.9 million new common shares. At September 30, 2025, Asetek had working capital of $8.7 million, including $2.8 million of cash and cash equivalents. The lower cash balance reflects increased use of working capital in preparation for Black Friday and year-end holiday sales period.

Operations

- In October, Asetek announced a significant long-term agreement with a global gaming component supplier and long-time Asetek customer to provide high-end liquid cooling solutions, including a minimum volume commitment by the customer estimated at $35 million over the first two-year term. The agreement covers two products based on the Company's new high-performance Ingrid technology platform. Deliveries of the first product are scheduled to start in the second quarter of 2026 with deliveries for the second product scheduled to begin in the fourth quarter of next year.
- In August, at the Gamescom event in Germany, the Company announced the launch of Initium, a new mass-market SimSports product portfolio designed for the aspiring sim racer, providing high-quality sim racing at an affordable price point. Initium sim racing products are offered separately or as a complete bundle that includes compact race seat, steering wheel, wheelbase and brake & throttle pedal set.

Outlook

- For 2025, the Group outlook has been revised to a revenue of around $41 million and adjusted EBITDA margin at negative 3% to 5%. The previous Group revenue expectation was for $45 to $53 million in 2025 and adjusted EBITDA of 0% to 3% of revenue. The revised outlook reflects two major Liquid Cooling customers reducing purchasing during the year, and the impact on SimSports revenue from the import tariffs implemented by the U.S. government, most significantly related to products made in China.
- Based on the above-mentioned long-term liquid cooling agreement, the Company has revised its medium-term ambitions communicated in November 2024. For the Liquid Cooling segment, the Company now aims to reach revenue of above $65 million (previously $50 million) towards the end of the medium term. The Company expects revenue growth from 2026 and onwards aligned with previous expectations. Further, the Company aims to consistently achieve an Adjusted EBITDA margin of above 25% (previously +25%) in the medium term for the Liquid Cooling segment.

Financial review

The figures below relate to the consolidated accounts for the first nine months of 2025. The nine month period ending September 30, 2024, is unaudited.

Income Statement

Asetek reported total revenue of $30.9 million in the first nine months of 2025, compared with $37.1 million in the same period of 2024.

Sales unit volumes of sealed loop coolers for the first nine months of 2025 were 535,000 compared with 564,000 in the same period of 2024. As expected, average selling price (ASP) per unit in the first nine months of 2025 decreased from the prior year period ($50.09 and $56.28, respectively), due to a recent shift in demand toward lower cost cooling solutions.

Gross margin was 43.7% for the first nine months of 2025 compared with 41.8% in the same period of 2024. The gross margin increase is principally due to a supply chain issue recognized in September 2024.

Total operating expense excluding special items decreased 7% in the first nine months, when compared with the prior period, due to the Company's cost reduction program initiated in the third quarter of 2024. In the first nine months of 2025, operating expense excluding special items was $18.6 million compared with $19.9 million in the same period of 2024.

Personnel costs decreased to $10.0 million in the first nine months of 2025 ($10.7 million in same period of 2025), principally due to lower average headcount in 2025.

During the first nine months of 2025, the U.S. Dollar weakened by 11% versus the Danish krone. Finance income included net foreign exchange loss of $0.4 million in the first nine months of 2025 (net foreign exchange loss of $0.5 million in the same period of 2024).

Asetek reported a loss before tax of $6.3 million in the first nine months of 2025, compared with loss before tax of $18.7 million in the same period of 2024.

Income tax benefit was $12 thousand in the first nine months of 2025 compared with income tax expense of $6.7 million in the same period of 2024. Income tax expense in the 2024 period was a result of estimated lower realization of deferred tax assets.

Currency translation adjustment (CTA) of positive $5.1 million is included in other comprehensive income for the first nine months of 2025 (positive $0.3 million in the first nine months of 2024). The positive CTA adjustments in 2025 result from the 11% weakening of the U.S. dollar versus the Danish krone in the first nine months of 2025.

Balance Sheet and Working Capital

At September 30, 2025, Asetek's total assets were $86.3 million, compared with $79.4 million at the end of 2024.

In the first nine months of 2025, Property, plant and equipment increased by $5.0 million principally due to weakening of the U.S. dollar, partly offset by depreciation. Inventory increased by $2.7 million in the first nine months due to investment in working capital and fewer shipments than anticipated.

Total liabilities decreased by $2.6 million in the first nine months of 2025. Trade payables decreased by $2.4 million due to lower manufacturing volumes and accrued liabilities decreased by $0.7 million due to reduced personnel and other costs. Debt associated with the Company's recently constructed headquarters building increased due to weakening of the U.S. dollar, partly offset by principal payments of net $2.3 million.

Working capital (current assets minus current liabilities) was $8.7 million at September 30, 2025, compared with $4.4 million at 2024 year-end. In January 2025, Asetek raised $10.3 million of net capital from a rights offering of new common shares. A significant portion of the capital raise was utilized to pay down liabilities and invest in new products. Total cash and cash equivalents were $2.8 million at September 30, 2025.

Cash Flow

Net cash used by operating activities was $6.7 million in the first nine months of 2025 compared with $0.9 million used in the same period of 2024. The decrease was principally due to the year-to-date net loss and the paydown of trade payables and accrued liabilities in the first nine months of 2025.

Cash used by investing activities was $2.9 million in the first nine months of 2025 compared with $9.0 million used in same period of 2024. The reduction in usage in 2025 compared with 2024 is due to completion of construction of a new headquarters and R&D facility in the third quarter of 2024.

Cash provided by financing activities was $7.5 million in the first nine months of 2025 compared with $4.1 million provided in the same period of 2024. In January 2025, Asetek raised $10.3 million of net capital from a rights offering of new common shares.

Net change in cash and cash equivalents was a decrease in cash of $0.5 million in the first nine months of 2025, compared with a decrease of $5.7 million in 2024. The Company's cash conversion cycle increased to 72 days in the first nine months of 2025 from 30 days in the same period of 2024, principally from an increase in days inventory on hand due to lower sales.

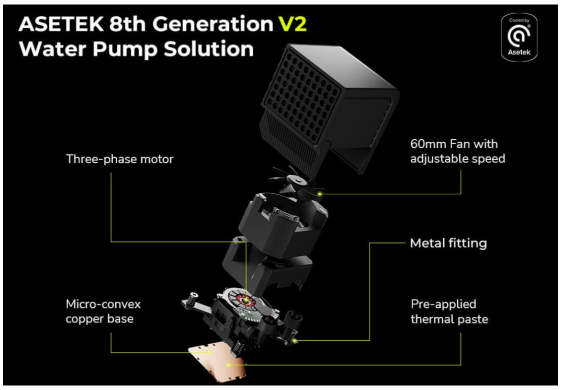
Income Tax

Asetek moved from USA to Denmark in 2013. However, USA – in a unilateral tax treaty override - still considers Asetek A/S a U.S. tax subject, resulting in double taxation of Parent earnings. Asetek has approached both countries' tax authorities with the aim of resolving the situation per an existing double taxation treaty. However, a determination may take several years, and the authorities are not obligated to resolve the problem. The Company continues to work with the tax authorities of Denmark and U.S. to possibly resolve this issue.

In June 2019, the U.S. released regulation for its Global Intangible Low-Taxed Income (GILTI) inclusion for U.S. taxation, effective beginning with tax year 2018. The GILTI regulation requires U.S. companies to report foreign corporation intangible income that exceeds 10% return on foreign invested assets. Under prior law, U.S. owners of foreign corporations were able to defer recognizing taxable income until there was a distribution of earnings back to U.S. owners. In 2024, The GILTI regulation caused incremental tax liability of approximately $0.9 million. Because of Asetek's U.S. tax status as described above, management believes that the impact of the GILTI regulation as it applies to the Company could be reformed in the future; however, such reform is not certain. The Company continues to work with its tax advisors to clarify and address these matters.

Market Update

Liquid Cooling. In October, Asetek announced a significant long-term agreement with a global gaming component supplier and long-time Asetek customer to provide high-end liquid cooling solutions, including a minimum volume commitment by the customer estimated at $35 million over the first two-year term. The agreement covers two products based on the Company's new high-performance Ingrid technology platform. Deliveries of the first product are scheduled to start in the second quarter of 2026 with deliveries for the second product scheduled to begin in the fourth quarter of next year.



Asetek's highest performance offerings now include Gen8 liquid cooling technology, which powers the ASUS RYUJIN III WB and TRYX Panorama coolers. This technology is the Company's newest and most advanced liquid cooling technology to date. Gen8 features a performance-engineered cold plate with a square design for maximum coverage, widely requested by PC enthusiasts. The new design is optimized for the latest AMD and Intel CPUs, and system enhancements enable even quieter operation compared with prior generations.

In addition to the continued development of the high-end offerings, Asetek is expanding its Liquid Cooling product range to include products for the mid-range market, aiming to capture a broader consumer base. This shift positions Asetek to meet the evolving needs of both premium and mid-market consumers.

A limited volume of mid-market coolers was successfully deployed in China as part of a local offering by a leading international OEM. In June, Asetek signed a new customer agreement with Antec, a global leader in high-performance computer components for the gaming, PC upgrade, and Do-It-Yourself markets. Antec is a previous customer returning to Asetek with deliveries of mid-market liquid cooling products in 2026.

SimSports. In August, at the Gamescom event in Germany, the Company announced the launch of Initium, a new mass-market SimSports product portfolio designed for the aspiring sim racer, providing high-quality sim racing at an affordable price point. Initium sim racing products are offered separately or as a complete bundle that includes compact race seat, steering wheel, wheelbase and brake & throttle pedal set. The Initium products offer an upgradable and flexible eco-system allowing for end-user customization. The Initium line is also the basis for the upcoming console-supported product.

In April, Asetek signed an agreement with a leading electronics retail chain in the Nordics making the new mass-market sim racing products available in stores in Sweden, Denmark, Norway, and Finland, as well as online.

SimSports revenue was $3.8 million in the first nine months of 2025 ($5.4 million in the same period of 2024), consistent with management expectations given the significant U.S. import tariffs announced early in the year.

Group Outlook

SimSports segment. The Company continues to develop its SimSports sales channels and distribution network, including offering its products on Amazon.com, while building the Asetek brand. The Company is planning to release its initial console-supported products in early 2026, with planned launches in U.S. and Europe.

Earlier in the year, Asetek updated its revenue outlook for the SimSports segment for the full year 2025. Revenue for the SimSports business is expected to be in the range of $5 to $10 million, with gross margin expected to be in the range of 28-33%.

The tempered outlook mainly reflects the impact of tariffs announced by the U.S. government on imports from other countries, most significantly related to products made in China and Malaysia. In 2024, approximately 50% of total revenue in the SimSports segment was derived from sales to the U.S. market.

In 2024, approximately two-thirds of the Company's production was based in China and one-third in Malaysia. The sim racing products are currently made in China while manufacturing of liquid coolers is split between both countries. In response to tariffs on Chinese goods, Asetek began expanding its production capacity in Malaysia late last year. While the U.S. has also recently announced tariffs on goods imported from Malaysia, this geographic diversification provides Asetek with a relative advantage over competitors with greater exposure to China-based manufacturing.

Due to the tariffs, Asetek has curtailed SimSports shipments to the U.S. as well as major U.S.-based consumer electronics retailers have ceased purchasing from China, which effectively means that, at present, there are reduced levels of sales being made to the U.S. market. The full-year revenue guidance for the SimSports business segment also reflects the business unit's soft start in 2025.

Liquid Cooling segment. In 2025, Asetek is expanding its product range to include products for the mid-range market, aiming to capture a broader consumer base. The Company anticipates full launch of its first offerings of mid-range liquid coolers in early 2026, via OEM partners such as Antec.

The previously discussed newly signed long-term liquid cooling agreement has enabled the Company to revise its medium-term ambitions communicated in November 2024. For the Liquid Cooling segment, the Company now aims to reach revenue of above $65 million (previously $50 million) towards the end of the medium term. The Company expects revenue growth from 2026 and onwards aligned with previous expectations. Further, the Company aims to consistently achieve an Adjusted EBITDA margin of above 25% (previously +25%) in the medium term for the Liquid Cooling segment.

Group Summary. For 2025, the Group outlook has been revised to revenue of around $41 million and adjusted EBITDA margin at negative 3% to 5%. The previous Group revenue expectation was for $45 to $53 million in 2025 and adjusted EBITDA of 0% to 3% of revenue. The revised outlook reflects two major Liquid Cooling customers reducing purchasing during the year, and the impact on SimSports revenue from the import tariffs implemented by the U.S. government, most significantly related to products made in China.

Intellectual Property

Asetek holds a portfolio of intellectual property (IP) rights including patents providing competitive advantages and high barriers to entry for competitors. As part of efforts to build and maintain its market share, Asetek continues to review and assess all competitive offerings for infringement of its patents. Asetek has strengthened its intellectual property platform and competitiveness via several positive lawsuit outcomes in prior years.

In the ordinary course of business, the Company is involved in various ongoing legal disputes, including the following matter:

On September 30, 2024, Cooler Master Co., Ltd. filed an *inter partes* review petition with the Patent Trial and Appeal Board (PTAB) of the U.S. Patent and Trademark Office to challenge the validity of Asetek's U.S. Patent No. 9,733,681. Asetek filed an opposition ("Patent Owner Response") to Cooler Master's petition, explaining flaws in the petition and requesting that the PTAB deny the petition. The PTAB agreed with Asetek and denied Cooler Master's petition. The PTAB's decision is not subject to appeal and thus is final.

Corporate Matters

The Company's annual general meeting was held on April 28, 2025, where the following matters occurred or were reported:

- The Annual Report 2024, as proposed by the Board of Directors, was approved as published.
- The proposed remuneration to be paid to the members of the Board of Directors was adopted.
- The Board of Directors on April 28, 2025 was comprised of Chairman Søren Klarskov Vilby, Vice Chairman Jakob Have, Lars Kristensen, Lasse Dannulat and Dennis Nymann.
- Mr. Dennis Nymann is Chairman of the Audit Committee and Mr. Søren Klarskov Vilby is Chairman of the Remuneration Committee.
- The Nomination Committee is comprised of Chairman Jakob Have, Søren Klarskov Vilby and Lars Kristensen.
- The Board of Directors was authorized to acquire the Company's own shares.
- PricewaterhouseCoopers, State Authorized Public Accountants, were re-elected as auditors.
- Changes to the Articles of Association that were proposed in the general meeting notification were adopted.

Risk Factors

Asetek's revenue is subject to fluctuations and is dependent on its ability to develop new, high-performance products that meet customer demands; the popularity of offerings from Asetek's customers; timely releases and availability of new GPUs and CPUs; and recurring releases of high-profile computer games in the PC industry.

In the first nine months of 2025, two customers accounted for 23% and 10% of total revenue (39% and 18% in the first nine months of 2024). In the event of a decline or loss of significant customers, replacement of the revenue stream would be difficult for Asetek to achieve in the short term. The Company is actively working with several of its customers to grow their respective market shares and order volumes.

The Company's SimSports business segment released its first products to the market in March 2022 and has required significant investment in product development and marketing to fulfill its operating plan.

The U.S. imposes tariffs on imports of goods manufactured in China and Malaysia. Asetek liquid coolers produced in China have been subject to a 25% tariff for the past several years and tariff rates are increasing. Beginning in August 2025, goods produced in Malaysia imported to the U.S. are subject to a 19% tariff. The U.S. tariff situation is volatile and subject to change. In 2024, approximately 50% of SimSports revenue was derived from the U.S. market. Due to the tariffs, Asetek has curtailed SimSports shipments to the U.S. as well as major U.S.-based consumer electronics retailers have ceased purchasing from China, which has reduced sales to the U.S. market. This has negatively impacted projected revenue.

Asetek relies upon suppliers and partners to supply products and services at competitive prices. Supply constraints, such as a global chip shortage or disruptions in the global supply chain, can have a material adverse impact on the Company's ability to fulfill customer demand. Asetek's Liquid Cooling products have been historically assembled in Xiamen, China by a single contract manufacturer. In 2023, the Company began manufacturing at an additional site in Malaysia, operated by the same contract manufacturer. In the event of a disruption with this manufacturer, it would be difficult for Asetek to establish a replacement in the short term.

Asetek has filed and defended lawsuits against competitors for patent infringement. While some of the cases have been settled or dismissed, some may continue, and new cases may be initiated. Such cases may proceed for an extended period and could potentially lead to an unfavorable outcome to Asetek. In the past, Asetek has incurred significant legal costs associated with litigation and may do so in the future to the extent management believes it is necessary to protect intellectual property.

Asetek moved from USA to Denmark in 2013. However, USA still considers Asetek A/S a U.S. tax subject, resulting in double taxation of Parent earnings. Asetek has approached both countries' tax authorities with the aim of resolving the situation per the double taxation treaty. However, the authorities are not obligated to resolve it. Also, recent U.S. regulations on taxation of foreign earnings impact Asetek's tax liability. Asetek is working with its advisors to address these matters.

Asetek operates internationally in Denmark, USA, China, Malaysia and Taiwan and is subject to foreign exchange risk. Asetek's principal cash holdings are maintained in U.S. Dollar and Danish Krone.

For more information, refer to the Company's 2024 Prospectus and the Company's Annual Report for 2024, available at the Company's website: www.asetek.com

Condensed Interim Financial Statements

Consolidated Statement of Comprehensive Income

	Nine months ended		
Figures in USD (000's)	**30-Sept-2025**	**30-Sept-2024**	**2024**
		Unaudited	
Revenue	$ 30,880	$ 37,134	$ 52,502
Cost of sales	17,391	21,630	30,557
Gross profit	13,489	15,504	21,945
Research and development	6,351	6,003	8,295
Selling, general and administrative	12,208	13,924	19,107
Special items	-	13,791	13,791
Total operating expenses	18,559	33,718	41,193
Operating income (loss)	(5,070)	(18,214)	(19,248)
Foreign exchange (loss) gain	(351)	(501)	1,444
Finance income (costs)	(858)	(28)	(413)
Total financial income (expenses)	(1,209)	(529)	1,031
Income before tax	(6,279)	(18,743)	(18,217)
Income tax (expense) benefit	12	(6,699)	(5,719)
Income (loss) for the period	(6,267)	(25,442)	(23,936)
Other comprehensive income items that may be reclassified to profit or loss in subsequent periods:			
Foreign currency translation adjustments	5,092	286	(1,337)
Total comprehensive income (loss)	$ (1,175)	$ (25,156)	$ (25,273)
Income per share (in USD):			
Basic	$ (0.02)	$ (0.26)	$ (0.25)
Diluted	$ (0.02)	$ (0.26)	$ (0.25)

These financial statements should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

Figures in USD (000's)		30 Sept 2025		31 Dec 2024
ASSETS				
Non-current assets				
Intangible assets	$	11,742	$	10,943
Property, plant and equipment		49,994		44,992
Other assets		43		39
Total non-current assets		61,779		55,974
Current assets				
Inventory		9,345		6,604
Trade and other receivables		12,440		13,492
Cash and cash equivalents		2,750		3,293
Total current assets		24,535		23,389
Total assets	$	86,314	$	79,363
EQUITY AND LIABILITIES				
Equity				
Share capital	$	4,552	$	1,478
Retained earnings		53,802		52,375
Translation and treasury share reserves		(7,626)		(12,718)
Total equity		50,728		41,135
Non-current liabilities				
Long-term debt		19,734		19,201
Total non-current liabilities		19,734		19,201
Current liabilities				
Short-term debt		2,775		2,860
Accrued liabilities		1,868		2,646
Accrued compensation & employee benefits		1,321		1,250
Trade payables		9,888		12,271
Total current liabilities		15,852		19,027
Total liabilities		35,586		38,228
Total equity and liabilities	$	86,314	$	79,363

These financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

Figures in USD (000's)	Share capital	Share premium	Translation reserves	Treasury share reserves	Retained earnings	Total
Equity at January 1, 2025	$ 1,478	$ -	$ (1,512)	$ (11,206)	$ 52,375	$ 41,135
Total comprehensive income - nine months ended Sept 30, 2025						
Income for the period	-	-	-	-	(6,267)	(6,267)
Foreign currency translation adjustments	-	-	5,092	-	-	5,092
Total comprehensive income - nine months ended Sept 30, 2025	-	-	5,092	-	(6,267)	(1,175)
Transactions with owners - nine months ended Sept 30, 2025						
Shares issued in rights offering, net of issuance costs	3,074	7,259	-	-	-	10,333
Transfer	-	(7,259)	-	-	7,259	-
Share based payment expense	-	-	-	-	435	435
Transactions with owners - nine months ended Sept 30, 2025	3,074	-	-	-	7,694	10,768
Equity at September 30, 2025	$ 4,552	$ -	$ 3,580	$ (11,206)	$ 53,802	$ 50,728
Unaudited						
Equity at January 1, 2024	$ 1,478	$ -	$ (175)	$ (11,206)	$ 76,029	$ 66,126
Total comprehensive income - nine months ended Sept 30, 2024						
Income for the period	-	-	-	-	(25,442)	(25,442)
Foreign currency translation adjustments	-	-	286	-	-	286
Total comprehensive income - nine months ended Sept 30, 2024	-	-	286	-	(25,442)	(25,156)
Transactions with owners - nine months ended Sept 30, 2024						
Share based payment expense	-	-	-	-	265	265
Transactions with owners - nine months ended Sept 30, 2024	-	-	-	-	265	265
Equity at September 30, 2024	$ 1,478	$ -	$ 111	$ (11,206)	$ 50,852	$ 41,235

These financial statements should be read in conjunction with the accompanying notes.

Consolidated Cash Flow Statement

	Nine months ended		
Figures in USD (000's)	30-Sept-2025	30-Sept-2024	2024
		Unaudited	
Cash flows from operating activities			
Income for the period	$ (6,267)	$ (25,442)	$ (23,936)
Depreciation and amortization	3,952	3,870	5,446
Impairment of property, plant and equipment	-	13,791	13,791
Impairment of intangible assets	-	95	211
Finance income recognized	(21)	(87)	(99)
Finance costs recognized	880	967	1,494
Finance income, cash received	21	87	99
Finance costs, cash paid	(874)	(947)	(1,472)
Impairment of deferred tax assets	-	4,209	4,209
Income tax expense (benefit)	(12)	2,490	1,510
Cash receipt (payment) for income tax	(295)	(71)	(1,480)
Share based payments expense	435	265	282
Changes in trade receivables, inventories, other assets	283	3,756	1,836
Changes in trade payables and accrued liabilities	(4,806)	(3,900)	(678)
Net cash provided by (used in) operating activities	(6,704)	(917)	1,213
Cash flows from investing activities			
Additions to intangible assets	(1,976)	(1,659)	(2,320)
Purchase of property, plant and equipment	(975)	(7,380)	(7,823)
Disposal of property, plant and equipment	28	-	47
Net cash used in investing activities	(2,923)	(9,039)	(10,096)
Cash flows from financing activities			
Borrowings (repayment) on line of credit	(2,282)	4,787	5,759
Net proceeds from issuance of share capital	12,296	-	-
Costs incurred for issuance of share capital	(1,963)	-	-
Financing of previously purchased equipment	-	38	171
Principal payments on equipment financing	(248)	(193)	(262)
Principal payments on leases	(286)	(559)	(709)
Net cash provided by (used in) financing activities	7,517	4,073	4,959
Effect of exchange rate changes on cash and cash equivalents	1,567	174	(1,904)
Net changes in cash and cash equivalents	(543)	(5,709)	(5,828)
Cash and cash equivalents at beginning of period	3,293	9,121	9,121
Cash and cash equivalents at end of period	$ 2,750	$ 3,412	$ 3,293
Supplemental disclosures -			
Assets acquired under leases	$ 776	$ 152	$ 152

These financial statements should be read in conjunction with the accompanying notes.

Notes to the interim financial statements

1. General information

Asetek A/S ('the Company'), and its subsidiaries (together, 'Asetek Group', 'the Group' or 'Asetek') designs, develops and markets gaming hardware for computers. The Group's core products utilize liquid cooling technology to provide improved performance, acoustics and energy efficiency. The Company is based in Aalborg, Denmark with personnel in USA, China and Taiwan. The Company's shares trade on the Nasdaq Copenhagen under the symbol 'ASTK.

These condensed consolidated financial statements for the nine months ended September 30, 2025 have been prepared on a historical cost convention in accordance with International Accounting Standard 34 (IAS 34) 'Interim Financial Reporting' as adopted by the European Union (EU) and do not include all of the information and disclosure required in the annual consolidated financial statements. These statements should be read in conjunction with the Asetek A/S 2024 Annual Report.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. **Basis of preparation.** The consolidated financial statements have been prepared on a historical cost convention, in accordance with International Accounting Standard 34 (IAS34) 'Interim Financial Reporting' as adopted by the European Union (EU). The accounting policies applied in the Financial Reporting for the period January 1 to September 30, 2025are unchanged from those applied in the Group's Annual Report for 2024.

2.2. **Consolidation**. The consolidated financial statements comprise the Company and its consolidated subsidiaries. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Intercompany transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from the intercompany transactions that are recognized in assets are also eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

2.3. **Foreign currency**. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of the Company's operations in the United States of America, Denmark and China are the U.S. dollar, Danish kroner, and Chinese Yuan Renminbi, respectively. The consolidated financial statements are presented in U.S. dollars, which is the Group's presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized as operating expense in the income statement in foreign exchange (loss)/gain. Group companies that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

// Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

// Income and expenses for each income statement are translated at average exchange rates;

// All resulting exchange differences are recognized in other comprehensive income

2.4. **Property and equipment.** Property and equipment are stated at historical cost less accumulated depreciation. For assets constructed, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the historical cost (Note 2.16). Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Depreciation is provided over the estimated useful lives of the depreciable assets, generally three to five years, using the straight-line method. The assets' useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized as other income or expense in the consolidated income statement.

2.5. **Research and development.** Research costs are expensed as incurred. Costs directly attributable to the design and testing of new or improved products to be held for sale by the Group are recognized as intangible assets within development projects when all of the following criteria are met:

// it is technically feasible to complete the product so that it will be available for sale;

// management intends to complete the product and use or sell it;

// there is an ability to use or sell the product;

// it can be demonstrated how the product will generate probable future economic benefits;

// adequate technical, financial and other resources to complete the development and to use or sell the product are available; and

// the expenditures attributable to the product during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the product include the employee costs associated with development. Other development expenditures that do not meet these criteria are recognized as expense when incurred. Development costs previously recognized as expense are not recognized as an asset in a subsequent period. Development costs recognized as assets are amortized on a straight-line basis over their estimated useful lives, which generally range between three and sixty months. Amortization expense related to capitalized development costs is included in research and development expense.

2.6. Impairment of non-financial assets. Assets that are subject to amortization are reviewed for impairment annually, and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of 1) an asset's fair value less costs to sell or 2) its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that previously suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired. If an impairment loss on goodwill is identified, it is recognized as an expense and is not reversed in a subsequent period.

2.7. **Financial assets recognition and measurement** The Group determines the classification of its financial assets at initial recognition. Financial assets within the scope of IFRS 9 Financial Instruments are classified as follows:

// 'Amortized cost' are financial assets representing contractual cash flows held for collection, where such cash flows solely represent payment of principal and interest.

// 'Fair value'. All other financial assets, representing other debt and equity instruments that do not meet the 'amortized cost' criteria, are recognized at fair value. All fair value movements on financial assets are taken through the income statement, or for certain debt instruments that qualify, through other comprehensive income.

For all years presented, the Group's financial assets are all classified as 'amortized cost'.

Impairment of financial assets. For financial assets carried at amortized cost, the Group measures at the end of each reporting period the expected credit losses to be incurred for a financial asset or group of financial assets. The Company utilizes historical experience, evaluation of possible outcomes, current conditions and forecasts of future economic conditions to determine expected credit losses. Evidence may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2.8. **Financial liabilities.** Recognition and measurement. Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, or other liabilities. The Group determines the classification of its financial liabilities at initial recognition. Financial liabilities are recognized initially at fair value less, in the case of other liabilities, directly attributable transaction costs. The measurement of financial liabilities depends on their classification as follows:

// 'Financial liabilities at fair value through profit or loss' are derivatives entered into that do not meet the hedge accounting criteria as defined by IFRS 9. Gains or losses on liabilities held for trading are recognized in profit and loss. At September 30, 2025, the Company has no liabilities measured at fair value through profit and loss.

// 'Other liabilities' – After initial recognition, interest bearing debt is subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the amortization process. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

Offsetting of financial instruments. Financial assets and financial liabilities are offset, and the net amount reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2.9. **Inventories.** Inventories are stated at the lower of actual cost or net realizable value. Cost is determined using the first-in, first-out (FIFO) method. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. Adjustments to reduce the cost of inventory to its net realizable value, if required, are made for estimated excess, obsolescence, or impaired balances.

2.10. **Trade receivables**. Trade receivables are amounts due from customers for product sold in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less any provision for expected credit losses. If collection is expected in one year or less, trade receivables are classified as current assets. Expected credit losses are determined utilizing the simplified approach allowed under IFRS 9 Financial Instruments.

2.11. **Cash and cash equivalents**. Cash and cash equivalents includes cash on hand, deposits with banks, overdrafts and other short-term highly liquid investments with original maturities of three months or less.

2.12. **Share capital**. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are recorded against equity in the period the equity transaction closes, as a deduction net of tax, from the proceeds.

2.13. **Share-based payments**. The Company issues options (or warrants) that allow management and key personnel to acquire shares in the Company. Through equity-settled, share-based compensation plans, the Company receives services from employees as consideration for the granting of equity options to purchase shares in the Company at a fixed exercise price. The fair value of the employee services received in exchange for the grant of the options is recognized as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions. The grant date fair value of options granted is recognized as an employee expense with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options (vesting period). The fair value of the options granted is measured using the Black-Scholes model, taking into account the terms and conditions as set forth in the share option program. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility, weighted average expected life of the instruments (based on historical experience and general option holder behavior), expected dividends, and the risk- free interest rate. Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value. At each reporting date, the Company revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. The impact of the revision to original estimates, if any, is recognized in the Statement of Comprehensive Income, with a corresponding adjustment to equity.

2.14. **Current and deferred income tax**. The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Management establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15. **Revenue recognition and other income**. Revenue represents sale of the Group's products to customers which are principally resellers and original equipment manufacturers. Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, sales tax, returns and after eliminating sales within the Group. The Group's revenue is predominantly comprised of shipment of Asetek products in fulfillment of customer purchase orders. As such, the Company recognizes revenue when a valid contract is in place and control of the goods have transferred to the customer. Customer purchase orders and/or contracts are used as evidence of an arrangement. Delivery occurs and control of the goods is deemed to transfer when products are shipped to the specified location and the risks of obsolescence and loss have been transferred to the customer. For certain customers with vendor-managed inventory, delivery does not occur until product is acquired by the customer from the vendor-managed inventory location. The Company assesses collectability based primarily on the creditworthiness of the customer as determined by credit checks and customer payment history. Customers do not generally have a right of return. Income received as a result of patent litigation settlement is recorded as other income as an offset to operating expense in the period the award is granted. Estimated costs for future product returns under warranty are charged to cost of sales and included in accrued liabilities.

2.16. **Borrowings and related costs.** Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

2.17. **Leases**. Lease liabilities are accounted for under IFRS 16 Leases and measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate. Lease liabilities include the net present value of: fixed lease payments, amounts expected to be payable under residual value guarantees, any purchase options that are reasonably expected to be exercised, and any penalties for termination reflected in the lease term. The corresponding rental obligations, net of finance charges, are included in other long-term debt. Amounts due within one year are included in short-term debt.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period to reflect a constant periodic rate of interest on the remaining balance of the liability for each period.

Leased assets are recognized as a right-of-use asset at the date at which the leased asset is available for use by the Group, initially measured at the present value of the lease liability and included in Property and equipment on the balance sheet.

2.18. **Provisions.** A provision is recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. If the impact of time value is significant, the provision is calculated by discounting anticipated future cash flow using a discount rate before tax that reflects the market's pricing of the present value of money and, if relevant, risks specifically associated with the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

2.19. **Contingent liabilities**. Contingent liabilities are not recognized in the financial statements. Significant contingent liabilities are disclosed, with the exception of contingent liabilities where the probability of the liability occurring is remote.

2.20. **Segment reporting.** Business segmentation. The Group is reporting on three segments, Liquid cooling, SimSports and Data center. The three segments are identified by their specific sets of products and specific sets of customers. The splitting of operating expenses between segments is based on the Company's best judgment and done by using the Company's employee/project time tracking system to capture total hours charged by project code. Operating expenses that are not divisible by nature (rent, telecommunication expenses, etc.) have been split according to actual time spent on the three businesses, and the Company's best estimate for attribution. Costs incurred for intellectual property defense and headquarters administration have been classified separately as headquarters costs and excluded from segment operating expenses. The CEO is the Group's chief operating decision maker. The CEO assesses the performance of the Group principally on measures of revenue and adjusted EBITDA.

Geographical segmentation. Each of the Group's offices in its three principal geographies fulfills a particular function that serves the Asetek Group as a whole. The majority of costs incurred in each of the geographies are generally incurred for the benefit of the entire Group and not to generate revenue in the respective geography. As a result, the financial results of the Group are not divided between multiple geographical segments for key operating decision-making.

2.21. **Cash flow statement**. The cash flow statement is prepared using the indirect method.

2.22. **Critical accounting estimates and judgments.** The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Areas where significant judgment has been applied are:

// Impairment of non-current assets: In October 2024, management identified external indicators of impairment to the Company's net asset book value, including a significant decrease in the Group's market capitalization as reflected on Nasdaq Copenhagen compared with the equity value as of mid-2024. In performing an impairment test, management measured the net book value of equity for the Group against the net present value of future prospective cash flows. As a result of the test, management estimated impairment to the Group's equity value of approximately $18 million to be applied to long-term assets in 2024. Current assets were not impaired because they are stated at net realizable value. Deferred tax assets were determined to be impaired as specified in the following paragraph. In property, plant and equipment, the Group's headquarters building had shown signs of impairment during a recent assessment of its alternative uses. As a result, management used judgment to apply $13.8 million impairment to the headquarters building. This impairment charge is classified as a special item within operating expense in 2024 consolidated income. At September 30, 2025, management did not identify further impairment indicators. However, if circumstances change indicating revised assumptions are required in the projection of future cash flows, additional impairment charges may be recognized in the future.

// Valuation of deferred tax assets: Deferred income tax assets are recognized to the extent that the realization of the tax benefit to offset future tax liabilities is considered to be probable. In prior years, the Company has recorded deferred tax assets representing the estimated amount of net operating losses that will be utilized to offset future taxable income for the next five years. In 2024, management determined that it is not probable that the tax assets available to the Company would be utilized within five years, and therefore recorded impairment of $4.2 million in the third quarter of 2024 and valued the assets at zero on the balance sheet at December 31, 2024. The deferred tax asset impairment charge is included in income tax expense in the consolidated income statement in 2024. Refer to the previous paragraph regarding the impairment of other non-current assets. In future periods, management will continue to assess the probability of realization of the assets' value and adjust the valuation in accordance with IAS 12. As of September 30, 2025, the Company's determination of the usability of deferred tax assets has not changed from the assessment in 2024 and thus continues to value deferred tax assets at zero on the balance sheet.

// Capitalization of development costs: the Group's business includes a significant element of research and development activity. Under IAS 38, there is a requirement to capitalize and amortize development spend to match costs to expected benefits from projects deemed to be commercially viable. The application of this policy involves the ongoing consideration by management of the forecasted economic benefit from such projects compared to the level of capitalized costs, together with the selection of amortization periods appropriate to the life of the associated revenue from the product. If customer demand for products or the useful lives of products vary from estimates, impairment charges on intangibles could occur.

2.23. **Defined contribution plan.** In 2008, the Company established a defined contribution savings plan (the "Plan") in the U.S. that meets the requirements under Section 401(k) of the U.S. Internal Revenue Code. This Plan covers U.S. employees who meet the minimum age and service requirements and allows participants to defer a portion of their annual compensation on a pre-tax basis. Company contributions to the Plan may be made at the discretion of the Board of Directors.

2.24. **Special items**. The Company may identify special items that are significant non-recurring items that management does not consider to be part of the Group's ordinary activities. Such special items may include one-time impairment costs, restructuring, and strategic considerations regarding the future of the business, and are presented separately in the Consolidated Statement of Comprehensive Income to provide a more comparable basis for the Company's operations. Management assesses which items are to be identified as special items and shown separately, in order to give a correct presentation of the statement of profit or loss and other comprehensive income.

3. Segment information

The Company reports on two segments: Liquid cooling and SimSports. Data center results were not material for all periods presented. The Group's chief operating decision-maker, the CEO, assesses the performance of each segment principally on measures of revenue and adjusted EBITDA. The following tables present results by operating segment and disaggregation of revenue:

Nine months ended September 30, 2025

(USD 000s)	Liquid Cooling	Data Center	SimSports	Not allocated	Total
Revenue	26,776	-	3,755	349	30,880
Gross margin	45%	-	29%	-	44%
Personnel expense	(4,150)	-	(3,834)	(1,925)	(9,909)
Adj EBITDA	7,748	-	(5,791)	(2,640)	(683)

Nine months ended September 30, 2024
(Unaudited)

(USD 000s)	Liquid Cooling	Data Center	SimSports	Not allocated	Total
Revenue	31,721	-	5,413	-	37,134
Gross margin	45%	-	23%	-	42%
Personnel expense	(4,206)	-	(4,807)	(1,667)	(10,680)
Adj EBITDA	9,425	-	(6,879)	(2,834)	(288)

Revenue Disaggregation (USD 000's)	Nine months ended 9/30/2025	Nine months ended 9/30/2024
		(Unaudited)
OEM and System Integrators	26,776	31,721
Retailers (mainly SimSports)	1,736	2,547
Direct to consumer (mainly SimSports)	2,019	2,866
Office lease	349	-
TOTAL REVENUE	**30,880**	**37,134**

Reconciliation to income before tax (USD 000's)	Nine months ended 9/30/2025	Nine months ended 9/30/2024
		(Unaudited)
EBITDA, adjusted - Liquid cooling	7,748	9,425
EBITDA, adjusted - Data center	-	-
EBITDA, adjusted - SimSports	(5,791)	(6,879)
Special items	-	(13,791)
Headquarters costs, net	(2,640)	(2,834)
Share based compensation	(435)	(265)
Depreciation and amortization	(3,952)	(3,870)
Total financial income (expenses)	(1,209)	(529)
Consolidated income before tax	(6,279)	(18,743)

4. Earnings (losses) per share

IAS 33 requires disclosure of basic and diluted earnings per share for entities whose shares are publicly traded. Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is calculated by adjusting the number of common shares outstanding used in the Basic calculation for the effect of dilutive equity instruments, which include options and warrants to the extent their inclusion in the calculation would be dilutive.

	Nine months ended 9/30/2025	Nine months ended 9/30/2024
		(Unaudited)
Income attributable to equity holders of the Company (USD 000s)	(6,267)	(25,442)
Weighted average number of common shares outstanding (000s)	312,483	97,058
Basic and diluted loss per share	$ (0.02)	$ (0.26)

5. Property, plant and equipment

Property plant and equipment, net (PP&E) totaled $50.0 million at September 30, 2025 compared with $45.0 million at December 31, 2024. Additions to PP&E in the first nine months of 2025 totaled $1.8 million. The increase in PP&E resulted principally from the 11% weakening of the U.S. dollar versus the Danish krone in the first nine months of 2025.

6. Intangible assets

The Group's business includes a significant element of research and development activity. Under IAS 38, there is a requirement to capitalize and amortize development spend to match costs to expected benefits from projects deemed to be commercially viable. Costs capitalized are recorded on the balance sheet as intangible assets, net of amortization. A summary of intangible assets at the balance sheet date is as follows:

Intangible Assets (USD 000's)	Balance 9/30/2025	Balance 12/31/2024
Goodwill	576	513
Capitalized development costs	5,818	5,162
Other assets	5,348	5,268
Total Intangible Assets	11,742	10,943

7. Trade receivables and other

(USD 000's)	Balance 9/30/2025	Balance 12/31/2024
Gross trade receivables	9,261	11,349
Provision for uncollectible accounts	(74)	(32)
NET TRADE RECEIVABLES	**9,187**	**11,317**
Other receivables	2,327	1,236
Prepaid assets	926	939
TOTAL TRADE RECEIVABLES AND OTHER	**12,440**	**13,492**

The aging of trade receivables as of the reporting date is as follows:

			Past due:		
(USD 000's)	**Total**	**Not yet due**	**1 to 30 days**	**31 to 60 days**	**Over 60 days**
September 30, 2025	9,261	5,812	1,813	599	1,037
December 31, 2024	11,349	9,225	1,400	517	207

Credit Loss Provision Matrix - September 30, 2025

			Past due:		
(USD 000's)	**Total**	**Not yet due**	**1 to 30 days**	**31 to 60 days**	**Over 60 days**
Gross carrying amount	9,261	5,812	1,813	599	1,037
Expected credit loss rate		0.2%	0.4%	0.3%	5.3%
Lifetime expected credit loss	(74)	(10)	(7)	(2)	(55)

Credit Loss Provision Matrix - December 31, 2024

			Past due:		
(USD 000's)	**Total**	**Not yet due**	**1 to 30 days**	**31 to 60 days**	**Over 60 days**
Gross carrying amount	11,349	9,225	1,400	517	207
Expected credit loss rate		0.1%	0.5%	1.9%	2.9%
Lifetime expected credit loss	(32)	(9)	(7)	(10)	(6)

8. Inventories

(USD 000's)	Balance 9/30/2025	Balance 12/31/2024
Raw materials and work-in-process	3,402	3,197
Finished goods	6,796	4,390
Total gross inventories	**10,198**	**7,587**
Less provision for inventory reserves	(853)	(983)
TOTAL NET INVENTORIES	**9,345**	**6,604**

Provision for inventory reserves (USD 000's)	Nine months ended 9/30/2025	Fiscal year ended 12/31/2024
Balance at January 1	(983)	(1,262)
Additions	(853)	(983)
Write-offs	983	1,262
BALANCE AT END OF PERIOD	**(853)**	**(983)**

9. Share capital

On January 6, 2025, the Company issued 219,925,366 new shares in a rights offering, raising net proceeds of $10.3 million after deduction of total issuance costs of $2.0 million. The shares were issued through an offering to then-existing shareholders to purchase three common shares for each share held at a price of DKK 0.40 per share. The transaction meets the requirements for exemption from accounting for derivative financial instruments per IAS 32 Financial Instruments Presentation. At September 30, 2025, there were 318,239,258 common shares issued including 1,256,115 shares held in treasury. Treasury shares may be used to fulfill employee options as they are exercised.

On January 27, 2025, the Company granted to senior management 15.5 million options with an exercise price of DKK 0.43 per share and estimated fair value of $0.7 million. Also on January 27, 2025, the Company reduced the exercise prices by 51% on all then-outstanding options (4.1 million) to compensate for dilution.

On April 28, 2025, the Company granted to members of management 3.1 million options with an exercise price of DKK 0.77 per share and estimated fair value of $0.3 million. Also on April 28, 2025, the Company granted 173,533 restricted stock units (RSU's) to senior management employees having an estimated fair value of $20,000. The RSU's will mature three years following the grant date. At September 30, 2025, there were a total of 22.9 million options and RSU's outstanding.

Share capital (000's)	Nine months ended 9/30/2025	Nine months ended 9/30/2024
		(Unaudited)
Common shares outstanding - January 1	97,058	97,058
Common shares issued in rights offering	219,925	-
Common shares outstanding - end of period	316,983	97,058

10. Net debt

A summary of the Company's net debt as of the balance sheet date is as follows:

(USD 000's)	Balance 9/30/2025	Balance 12/31/2024
Line of credit - due within one year	(1,992)	(2,213)
Equipment financing - due within one year	(504)	(320)
Leases - amounts due within one year	(279)	(327)
DEBT INCLUDED IN CURRENT LIABILITIES	(2,775)	(2,860)
Line of credit - due after one year	(19,039)	(18,634)
Equipment financing - due after one year	(236)	(556)
Leases - amounts due after one year	(459)	(11)
LONG-TERM DEBT	(19,734)	(19,201)
TOTAL DEBT	(22,509)	(22,061)
Less cash and cash equivalents	2,750	3,293
NET DEBT	**(19,759)**	**(18,768)**

11. Related parties

The Company's CEO serves as Chairman of the Board for a vendor that supplies information technology services to the Company. In the first nine months of 2025, the Company purchased services totaling $0.6 million ($0.7 million in the first nine months of 2024) from this vendor. At September 30, 2025 and December 31, 2024, the Company had outstanding payables to this vendor of $70,000 and $56,000.

12. Post balance sheet events

The Company has evaluated the period after September 30, 2025 up through the date of the Management Statement and determined that there were no transactions that required recognition in the Company's financial statements, except for the following:

On November 25, 2025, the Company entered into a binding agreement with CQXA Holdings Pte. Ltd. (the "Offeror") pursuant to which the Offeror will make an all-cash voluntary recommended public takeover offer to the shareholders of Asetek to acquire all shares in Asetek for an offer price of DKK 1.72 per share. For full details refer to the Nasdaq Copenhagen stock exchange release issued by Asetek on November 25, 2025.

Statement by the Board of Directors and Management

The Board of Directors and the Management have considered and adopted the Asetek A/S Financial Reporting for the period 1 January – 30 September 2025 ("the Report"). The Report is presented in accordance with the International Accounting Standard IAS 34 on Interim Financial Reporting. The accounting policies applied in the Report are unchanged from those applied in the Group's Annual Report for 2024.

We consider the accounting policies appropriate, the accounting estimates reasonable and the overall presentation of the Report adequate. Accordingly, we believe that the Report gives a true and fair view of Asetek's consolidated financial position, results of operations and cash flows for the period.

In our opinion, the Report includes a true and fair account of the matters addressed and describes the most significant risks and elements of uncertainty facing Asetek, which are described in further detail in the Company's Annual Report for 2024.

Asetek A/S
Aalborg, 19 December 2025

Management:

DocuSigned by:
André Sloth Eriksen
André S. Eriksen
CEO

DocuSigned by:
Peter Dam Madsen
CFO

Board of Directors:

Signed by:
Søren Villby
Søren Klarskov Vilby
Chairman

Signed by:
Jakob Have
Vice chairman

Signed by:
Lars Kristensen
Member

Signed by:
Lasse Dannulat
Lasse Dannulat
Member

DocuSigned by:
Dennis Nymann
Dennis Nymann
Member

Asetek

Independent Auditor's Report on Consolidated Financial Statements for the period 1 January – 30 September 2025

To the Management of Asetek A/S

Opinion

In our opinion, the Consolidated Financial Statements for the period 1 January – 30 September 2025 are, in all material respects, prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU. We have audited the Consolidated Financial Statements for the period 1 January – 30 September 2025 of Asetek A/S (pages 10 – 24), which comprise statement of comprehensive income, condensed balance sheet, statement of changes in equity, cashflow statement and selected explanatory notes, including material accounting policy information ("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 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

In accordance with the entered binding agreement with CQXA Holdings Pte. Ltd. dated 25 November 2025, Asetek A/S has included certain comparative figures in the Financial Statements for the period 1 January – 30 September 2024. Please note that these comparative figures have not been audited, which also appears from the Financial Statements.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

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

• Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

• Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 to cease to continue as a going concern.

• 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 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.

Aalborg, 19 December 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Signed by: Mads Melgaard 9A56D98406D24AD...	Signed by: Line Borregaard 68B94ADA424E428...
Mads Melgaard	Line Borregaard
State Authorised Public Accountant	State Authorised Public Accountant
mne34354	mne34353

Asetek A/S Contact:

André S. Eriksen, CEO: +45 2125 7076

Peter Dam Madsen, CFO: +45 2080 7200

Company Information:

Asetek A/S
Skjoldet 20
DK9230 Svenstrup J
Denmark

Phone:	+45 9645 0047
Fax:	+45 9645 0048
Web site:	www.asetek.com
Email:	investor.relations@asetek.com