Omni Technical Solutions A/S

Nørre Søgade 35, 5.
1370 Copenhagen K

Annual report for 2023

For the Danish Business Authority

The annual report is presented and approved at the Annual General Meeting

on July 10, 2024

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Conductor: Lars Blavnsfeldt

CVR no. 30 91 51 19

Contents

Management's review

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Omni Technical Solutions A/S for the financial year 1 January - 31 December 2023.

The annual report 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 of the Group and the Parent Company at 31 December 2023 and of the results of the Group's and the Parent Company's operations and the consolidated cash flows for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters and the results of the Group's and the Parent Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, July 10, 2024

Executive Board:

Lars Blavnsfeldt
CEO

Board of Directors:

Mikael Konnerup
Chairman

Andrew Robertson

Lars Blavnsfeldt

Independent auditors' report

To the shareholders of Omni Technical Solutions A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Omni Technical Solutions A/S for the financial year 1 January – 31 December 2023, which comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes, for both the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are 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 of the Group and the Parent Company at 31 December 2023 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "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' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 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 in preparing the financial statements 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.

Independent auditors’ report

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and 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 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 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 and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent auditors' report

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

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Odense, July 10, 2024
EY
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Søren Smedegaard Hvid
State Authorised
Public Accountant
MNE no.: mne31450

Emil Overlund
State Authorised
Public Accountant
MNE no.: mne47833

Management's review

Company details

Omni Technical Solutions A/S
c/o Dansk Ejerkapital
Nørre Søgade 35, 5.
1370 Copenhagen K
Denmark

Telephone:	+45 33 36 89 96
CVR No.:	30 91 51 19
Established:	16 October 2007
Registered office:	Copenhagen

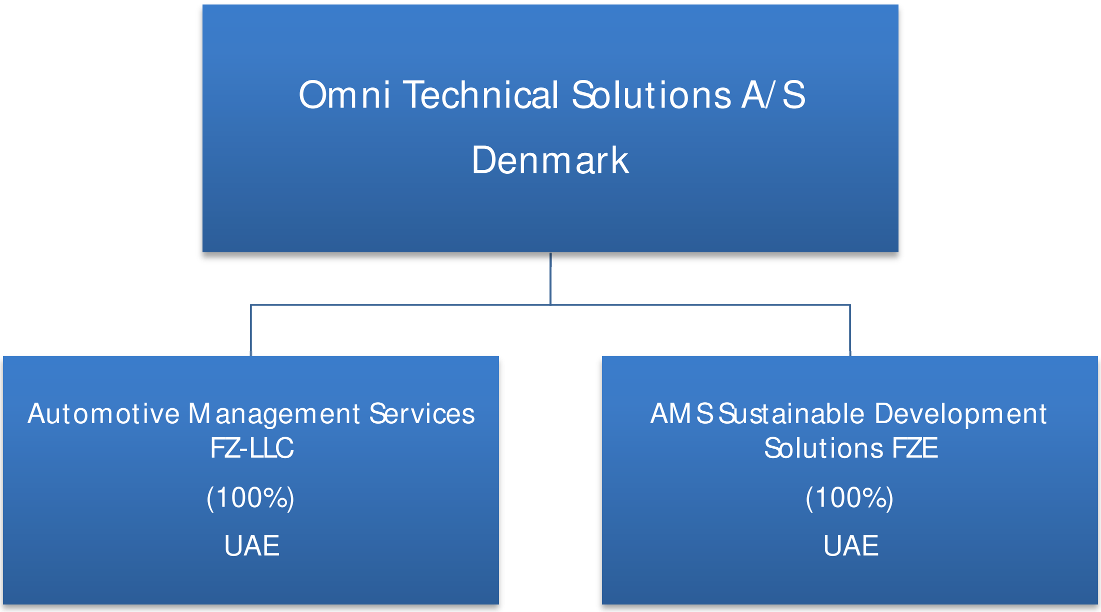
Board of Directors
Mikael Konnerup Chairman
Lars Blavnsfeldt
Andrew Robertson

Executive Board

Lars Blavnsfeldt, CEO

Auditors
EY
Godkendt Revisionspartnerselskab
Englandsgade 25,
DK-5100 Odense C

Group chart


Omni Technical Solutions A/S
Denmark
Automotive Management Services FZ-LLC
(100%)
UAE
AMS Sustainable Development Solutions FZE
(100%)
UAE

Financial highlights for the Group

Financial ratios are calculated in accordance with the recommendations of the Danish Finance Society.

Amounts in USD'000	2019	2020	2021	2022	2023
Key figures					
Revenue	203.336	223.159	117.714	16.333	928
Operating profit (EBIT)	**1.918**	**1.239**	**-7.991**	**-9.667**	**-2.317**
Profit/loss from financial income and expenses	-341	-424	33	155	-282
Profit before tax	1.590	1.263	-7.561	-9.414	-2.599
Profit for the year from continuing operations	**1.330**	**1.068**	**-7.692**	**-9.511**	**-2.642**
Profit/loss for the year from discontinued operations	-527	45	0	136	4.162
Profit/loss for the year	803	1.113	-7.692	-9.374	1.520
Non-current assets	12.735	11.169	2.638	1.872	0
Current assets	73.433	83.826	36.724	26.095	7.803
Assets from continuing operations	**86.168**	**94.995**	**39.362**	**27.968**	**7.803**
Assets from discontinued operations	2.225	120	0	0	0
Total assets	**88.393**	**95.116**	**39.362**	**27.968**	**7.803**
Share capital	4.046	4.046	4.046	4.046	58
Equity	**23.429**	**24.542**	**16.850**	**7.496**	**4.196**
Non-current liabilities	30	24	10	484	0
Current liabilities	64.880	70.550	22.502	19.988	3.607
Liabilities from continuing operations	**64.910**	**70.574**	**22.512**	**20.472**	**3.607**
Liabilities from discontinued operations	54	0	0	0	0
Total liabilities	**64.964**	**70.574**	**22.512**	**20.472**	**3.607**
Cash flows from operating activities	16.323	4.751	-5.574	-1.384	1.159
Cash flows from investing activities	-1.945	-1.082	-1.229	-1.377	880
Cash flows from financing activities	-2.974	-6	13	17	-5.304
Change in net cash funds	**11.405**	**3.663**	**-6.790**	**-2.745**	**-3.265**
Financial ratios					
Operating margin from continuing operations	0,9%	0,6%	-6,8%	-59,2%	-249,5%
Return on investments from continuing operations	2,6%	1,4%	-11,9%	-28,7%	-13,0%
Return on equity from continuing operations	5,8%	4,5%	-37,2%	-78,1%	-45,2%
Solvency ratio	26,5%	25,8%	42,8%	26,8%	53,8%
Average number of employees	**3.513**	**3.723**	**1.570**	**183**	**47**

Management's review

Operating review

Principal activity

The business foundation for Omni Technical Solutions A/S is, through subsidiaries, to offer Integrated Solutions to support Governments, Aid Agencies, and Commercial Organizations across Africa, the Middle East and Europe. The Group's international portfolio provides Maintenance, Repair & Overhaul (MRO), Supply Chain and Integrated Facilities Management services in the world's remote and challenging environments.

Development in activities and financial position

Performance for the year

In 2023, the Group realised revenue of USD 0.9 million from operations in Somalia, South Sudan, Ukraine and Middle East region.

In 2023, operating loss for the year/EBIT in Omni Technical Solutions amounted to USD -2.3 million against loss of USD -9.7 million in 2022.

During 2022, the Group has discontinued all its operations in Afghanistan and wider Asia region. In 2023, the group has disposed of some of its assets in Africa and Europe, as well as its subsidiaries in UK, Ukraine and USA. The Group has disposed of its shares in joint venture with Bin Hilal Enterprises LLC.

In 2023 the Group has discontinued its joint venture 76 North Group A/S, the company was dissolved. The Group also dissolved its subsidiary in Mali.

Investments

No significant investments were made during 2023.

Outlook

The year is budgeted with a positive operating profit.

The Group continues to actively pursue its claim against its main customer for Afghanistan with the view of securing a compensation for assets lost due to rushed demobilization of the program and its failure to provide guidance on removal of the Group's owned property.

Management's review

Liquidity and capital resources

At 31 December 2023, the Group's equity amounted to USD 4.1 million, representing 53.8% of the balance sheet total.

Based on the annual report for 2023, the budget for 2024 and the forecast for the coming years and continued close cooperation with the Group's bank, it is the Management's view that the Group will have sufficient liquidity to finance its activities. The Group targets to completely settle the existing banking facility to the Group's bank during 2024, and self-finance its main operations in the 2nd half of the year.

Events after the balance sheet date

No events have occurred since the end of the financial year, which, in our opinion, will have a negative impact on the evaluation of the annual report.

Special risks

General risks

The Group is exposed to the political and operational risks that are involved when operating in parts of the world, which are often subject to unrest.

Financial risks

Currency risks

As the Group primarily buys and sells in USD or AED (which is pegged to USD), the above exposure is considered immaterial. Together with the launch of new operations in Europe the Group will start to have limited number of transactions dealing in EUR and GBP. The group targets to hedge the currency exposure risk via natural hedging by balancing receivables and payables in same currency.

Management's review

Credit risks

Credit risk refers the risk arising on account of a default by counterparty on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Group annually. The Group uses its own trading records to rate its major customers.

The Group is exposed to credit risk from its operating activities primarily from trade and other receivables, deposits with banks and other financial instruments. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group does not hold collateral as security.

Environmental & Climate issues

The material risks the company faces regarding environmental and climate issues are its negative impact on the marine life, waste generation and CO2 emissions stemming from our activities.

Our main goals in upcoming year with regards to environmental & climate issues are:

- To improve efficiency in water usage
- To increase the percentage of recycled water
- To foster behavior that reduces the use of water.

We achieve this through upgrades in our water and sanitation facilities as well as increasing awareness and changing behaviors around water usage among staff, clients, and guests.

Many of our operations are in locations without water infrastructure and many are also in arid landscapes. Providing water and maximizing the efficiency of its use is critical to our operations. We used borehole water in locations where there is no mains supply, where necessary borehole water is treated, for example for excess salinity in our Somalia operation. We provided our workforce with clean water for kitchens, laundry, showers and toilets and potable water.

We also used water in construction, for irrigation and for operations such as car washing. We aim to maximize the use of treated grey water for operational requirements, for example the dirty water from our car washing operation in Somalia was processed through a sediment separation tank and cleaned through a threestage osmosis process. The cleaned water was either reused for car washing or is used to irrigate banana plants. We follow strict operating procedures and use only WHO approved chemicals. All sewage water is treated and what is not being recycled, is drained into soakaways, which pose no risk to the environment.

Another initiative taken by the group is Responsible Production and Consumption.

Management's review

In each of our locations, the Group worked to establish a way to safely dispose, recycle, and minimize the waste we produce. By minimizing the amount of waste we produce, we are reducing costs and more importantly, our carbon footprint.

Our goals are:

- To reduce waste generation.
- To increase the amount of waste composted and recycled.

Typical solutions from across our operations include:

- Donating plastics waste to be recycled into clothing and accessories.
- Procuring food locally to reduce food waste.
- Supporting local organizations with donations of excess food.

Similar initiatives are expected to be implemented in the coming years.

We recognize the importance of maintaining an environmental focus no matter the location. The onus rests on the company to continue to reduce, recycle and reuse. Company operated out of shared coworking spaces to minimize our environmental footprint in US, UAE, Uganda, and Kenya offices.

Financial statements 1 January - 31 December 2023

Accounting policies

The annual report of Omni Technical Solutions A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

The financial statements have been prepared in accordance with the same accounting policies as last year.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company, Omni Technical Solutions A/S, and subsidiaries in which Omni Technical Solutions A/S directly or indirectly holds more than 50% of the voting rights or over which it otherwise exercises control.

The consolidated financial statements have been prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated.

In the consolidated financial statements, the items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the Group's profit/loss and equity, respectively, but are disclosed separately.

Business combinations

Recently acquired or formed entities are recognised in the consolidated financial statements from the date of acquisition or formation. Entities sold or otherwise disposed of are recognised in the consolidated income statement until the date of disposal. Comparative figures are not restated in respect of recently acquired or sold entities.

Gains or losses on disposal of subsidiaries and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal plus non-amortised goodwill and anticipated selling costs.

Corporate acquisitions are accounted for using the purchase method according to which the acquired entity identifiable assets and liabilities are measured at fair value at the date of acquisition. Restructuring costs recognised in the acquired entity before the date of acquisition and not agreed as part of the acquisition are part of the acquisition balance sheet and, hence, the calculation of goodwill. Costs relating to restructuring decided by the acquiring entity must be recognised in the income statement. The tax effect of the restatement of assets and liabilities is taken into account.

Any excess of the cost over the fair value of the identifiable assets and liabilities acquired (goodwill) is recognised as intangible assets and amortised on a systematic basis in the income statement based on an individual assessment of the useful life of the asset.

Financial statements 1 January - 31 December 2023

Accounting policies

Negative differences (negative goodwill) are recognised as income in the income statement at the time of acquisition when the general revenue recognition criteria are met.

Goodwill and negative goodwill from acquired entities may be adjusted until 12 months after the year of acquisition.

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' ownership share or at the non-controlling interests' proportionate share of the fair value of the acquired entity's identifiable assets, liabilities and contingent liabilities.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated into USD at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rate at the transaction date and the rate at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated into USD at closing rates. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

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

Foreign exchange adjustments of balances with separate foreign subsidiaries which are considered part of the total investment in the subsidiary are taken directly to equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

Income statement

Revenue

Income from the sale of spare parts is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Financial statements 1 January - 31 December 2023

Accounting policies

Income from the sale of services, which include service contracts is recognised on a straight-line basis as the services are rendered.

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Direct costs

Direct costs comprise costs, including salaries, incurred in generating the year's revenue. Such costs include direct and indirect costs related to raw materials and consumables, wages and salaries, rent and leases.

Other income

Other income comprises items secondary to the entities' activities, including gains on disposal of intangible assets and items of property, plant and equipment. In the parent company other income also comprise management fee.

Sales and distribution costs

Sales and distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc. carried out in the year, including costs related to sales staff, advertising, and exhibitions.

Administrative expenses

Administrative expenses comprise costs incurred in the year to manage and administer the Company, including expenses related to administrative staff, management, office premises, office expenses and amortisation/depreciation.

Other costs

Other costs comprise items secondary to the entities' activities, including losses on disposal of intangible assets and items of property, plant and equipment.

Profit/loss after tax from investments in subsidiaries

The proportionate share of the profit/loss after tax of the individual subsidiaries is recognised in the income statement of the Parent Company after full elimination of intra-group profits/losses.

Financial statements 1 January - 31 December 2023

Accounting policies

Financial income and expenses

Financial income and expenses comprise interest income and expenses, gains and losses on payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

The tax expense for the year, which comprises the year's current tax charge and changes in the deferred tax charge – including changes arising from changes in tax rates – is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Financial statements 1 January - 31 December 2023

Accounting policies

Balance sheet

Intangible assets

Goodwill and other intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is between 5 and 20 years. The amortisation period is fixed on the basis of the expected repayment horizon, longest for strategically acquired business enterprises with strong market positions and long-term earnings profiles.

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. As a result of this analysis, management has recognised an impairment charge equal to the full net book value of the goodwill in the current year. The impairment charge is recorded in the statement of comprehensive income.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Other intangible assets are amortised on a straight-line basis over 4 years.

Gains and losses on the disposal of other intangible assets are determined as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other income or other expenses, respectively.

Amortisation is recognised as administrative expenses.

Property, plant and equipment

Leasehold improvements, hire equipment, technical equipment and machines as well as fixtures and fittings are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, and wages and salaries.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Leasehold improvements	4 years

Financial statements 1 January - 31 December 2023

Accounting policies

Technical equipment and fixtures	3-4 years
Company cars	4 years

The basis of depreciation is based on the residual value of the asset at the end of its useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Depreciation is recognised in the income statement as administrative costs.

Gains and losses on the disposal of items of property, plant and equipment are calculated as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Investments in subsidiaries

Investments in subsidiaries are measured according to the equity method.

Investments in subsidiaries are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies minus or plus unrealised intra-group profits and losses and plus or minus any residual value of positive or negative goodwill determined in accordance with the purchase method of accounting.

Investments in subsidiaries with negative net asset values are measured at USD 0 (nil), and any amounts owed by such entities are written down in so far as the amount receivable is considered irrecoverable. If the Parent Company has a legal or constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognised under provisions.

Net revaluation of investments in subsidiaries is recognised in the reserve for net revaluation according to the equity method in equity where the carrying amount exceeds cost. Dividends from subsidiaries which are expected to be declared before the annual report of Omni Technical Solutions A/S is adopted are not taken to the net revaluation reserve.

The purchase method of accounting is applied to corporate acquisitions, see the above description under "Consolidated financial statements".

Impairment of assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries is tested annually for impairment.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. Assets are written down to the lower of the carrying amount and the recoverable amount.

Financial statements 1 January - 31 December 2023

Accounting policies

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the net present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

Inventories comprise goods for resale. Inventories are measured at cost, comprising the basic purchase price of the goods with the addition of cost directly related to the acquisition. Inventories are measured at cost in accordance with the weighted average cost method.

Where the net realisable value is lower than cost, inventories are written down to this lower value.

Receivables

Receivables are measured at amortised cost.

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

Impairment losses are calculated as the difference between the carrying amount of the receivables and the net present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Current assets" comprise expenses incurred concerning subsequent financial years.

Equity

Reserve for net revaluation according to the equity method

Net revaluation of investments in subsidiaries is recognised at cost in the reserve for net revaluation according to the equity method.

The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates.

The reserve cannot be recognised at a negative amount.

Financial statements 1 January - 31 December 2023

Accounting policies

Dividends

Dividend proposed for the year is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is disclosed as a separate item under equity.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Presentation of discontinued operations

Discontinued operations comprise a separate, major line of business whose activities and cash flows are clearly distinguishable, operationally and for financial reporting purposes, from the Company's other lines of business and where the line of business has either been disposed of or separated as held for sale and the sale is expected to be effected within one year in accordance with a formal plan. Discontinued operations also include entities which are classified as "held for sale" in connection with the acquisition.

The profit/loss from discontinued operations and value adjustments after tax of related assets and liabilities and gains and losses on disposal are presented as a separate line item in the income statement, and comparative figures are restated accordingly. Revenue, expenses, value adjustments and tax relating to discontinued operations are disclosed in the notes. Assets and relating liabilities in respect of discontinued operations are presented as separate line items in the balance sheet without restatement of comparative figures, and the main items are specified in the notes.

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of entities is shown separately in cash flows from investing activities. Cash flows from corporate acquisitions are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Financial statements 1 January - 31 December 2023

Accounting policies

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital and income taxes paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and financial assets.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt, and payment of dividend to shareholders.

Net cash funds

Net cash fund comprises cash funds and short-term debt to credit institutions.

Segment information

Segment information is excluded for competitive reasons.

Financial statements 1 January - 31 December 2023

Accounting policies

Financial ratios

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Operating margin from continuing operations:

<u>Operating profit/loss from continuing operations x 100</u>
Revenue from continuing operations

Return on investment from continuing operations:

<u>Operating profit/loss from continuing operations + financial income x 100</u>
Average assets from continuing operations

Return on equity from continuing operations:

<u>Profit/loss for the year from continuing operations x 100</u>
Average equity

Solvency ratio:

<u>Equity at year end x 100</u>
Total equity and liabilities at year end

Income statement

For the period 1 January - 31 December 2023

Notes	USD'000	Group		Parent company	
		2023	2022	2023	2022
	Revenue	928	16.333	0	0
	Direct costs	864	21.277	0	0
	Contribution margin	**64**	**-4.944**	**0**	**0**
	Other income	953	50	953	0
	Other costs	0	919	0	458
	Gross profit	**1.017**	**-5.813**	**953**	**-458**
	Sales and distribution costs	9	10	0	0
1	Administrative expenses	3.325	3.844	85	118
	Operating profit/loss from continuing operations (EBIT)	**-2.317**	**-9.667**	**868**	**-577**
2	Shares of net profit/loss in subsidiaries	0	0	728	-8.848
2	Share of Net Profit/Loss in Associates	0	98	0	0
3	Financial income	272	381	180	76
3	Financial expenses	554	225	256	26
	Profit before tax from continuing operations	**-2.599**	**-9.414**	**1.520**	**-9.374**
4	Tax on profit for the year	-43	-97	0	0
	Profit/loss for the year from continuing operations	**-2.642**	**-9.511**	**1.520**	**-9.374**
	Profit/loss for the year from discontinued operations	4.162	136	0	0
	Profit/loss for the year	**1.520**	**-9.374**	**1.520**	**-9.374**
	Breakdown of the consolidated results				
	Shareholders	1.520	-9.352		
	Non -controlling interests	0	-22		
		1.520	**-9.374**		

Balance sheet
at 31 December

Notes	USD'000	Group 2023	Group 2022	Parent company 2023	Parent company 2022
	ASSETS				
	Non-current assets				
	Property, plant and equipment:				
1	Leasehold improvements	0	343	0	0
1	Technical equipment and fixtures	0	77	0	0
1	Company cars	0	443	0	0
		0	863	0	0
	Investments				
2	Investments in subsidiaries	0	0	3.880	6.140
2	Investments in associated companies	0	1.009	0	0
		0	1.009	3.880	6.140
	Total non-current assets	**0**	**1.872**	**3.880**	**6.140**
	Inventories	0	138	0	0
	Assets of discontinued operations	0	0	0	0
8	Receivables from service contracts etc.	3.030	7.118	0	0
2	Receivables from subsidiaries and shareholders	0	0	0	0
	Other receivables	3.071	10.730	0	0
5	Prepayments	142	2.249	0	0
	Other receivebles	0	0	0	0
		6.243	20.097	0	0
	Cash funds	1.560	5.861	1.414	5.190
	Total current assets	**7.803**	**26.095**	**1.414**	**5.190**
	TOTAL ASSETS	**7.803**	**27.968**	**5.294**	**11.330**

Balance sheet

at 31 December

Notes	USD'000	Group 2023	Group 2022	Parent company 2023	Parent company 2022
	EQUITY AND LIABILITIES				
	Equity				
	Share capital	58	4.046	58	4.046
	Revaluation according to the equity method	0	0	1.357	3.637
	Proposed dividends	0	0	0	0
	Treasury shares	0	-108	0	-108
	Retained earnings	4.138	3.537	2.781	-79
	Equity attributable to equity holders of Omni Technical Solutions A/S	4.196	7.474	4.196	7.496
	Non-controlling interest	0	22	0	0
	Total equity	**4.196**	**7.496**	**4.196**	**7.496**
	Liabilities other than provisions				
6	**Non-current liabilities:**				
	Loans	0	484	0	0
	Total Non-current liabilities	0	484	0	0
	Current liabilities:				
	Trade payables	1.049	12.125	0	1.000
	Bank debt	1.207	2.243	0	0
4	Corporation tax payable	11	77	0	0
	Payables to subsidiaries and shareholders	1.039	0	1.045	2.794
	Prepayments from customers	0	137	0	0
7	Other payables	301	5.407	53	40
	Liabilities from discontinued operations	0	0	0	0
	Total current liabilities	3.607	19.988	1.098	3.834
	Total liabilities other than provisions	**3.607**	**20.472**	**1.098**	**3.834**
	TOTAL EQUITY AND LIABILITIES	**7.803**	**27.968**	**5.294**	**11.330**

9 Charges, collateral and contingent liabilities
10 Fees for auditors appointed at annual general meeting
11 Employees
12 Related party disclosures
13 Appropriation of profit and loss

Cash flow statement

For the period 1 January - 31 December

USD'000	Group	
	2023	2022
Cash flows from operating activities		
Profit before tax	-2.599	-9.414
Adjustments	318	0
Profit/loss for the year from discontinued operations with cash effect	4.162	136
Depreciation/amortisation for the year	192	640
Loss on disposal of property and equipment	261	1.068
Impairment	606	0
Gain on disposal of assets	-68	0
Paid taxes	-109	97
Funds generated from operations	**2.763**	**-7.472**
Change in inventory	138	3.319
Change in receivables, prepayments	13.851	686
Change in receivables from and payables to subsidiaries and shareholders	1.169	-102
Change in trade payables	-11.753	-414
Change in other payables, prepayments/deferred income, etc.	-5.009	2.599
Net cashflow attributed to operating activities from discontinued operations	0	0
Cash flows from operating activities	**1.159**	**-1.384**
Investing activities		
Net value of purchase and sale of non-current assets	-72	-13
Proceeds from disposal of property of plant and equipment	550	0
Investment in associates	-125	-1.364
Disinvestment from discontinued activities	527	0
Cash flows from investing activities	**880**	**-1.377**
Financing activities		
Non-current liabilities	-484	17
Capital reduction	-4.820	0
Net cashflow attributed to financing activities from discontinued operations	0	0
Cash flows from financing activities	**-5.304**	**17**
Change in net cash funds for the year	**-3.265**	**-2.745**
Net cash funds at 1 January	3.618	6.363
Change in net cash funds	-3.265	-2.745
Net cash funds at 31 December	**353**	**3.618**

The item "net cash funds" represents cash funds plus short-term debt to credit institutions.

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

Statement of changes in equity

At 31 December

	Group				
USD'000	Share capital	Proposed dividend	Treasury shares	Retained earnings	Total
Equity at 1 January 2022	4.046	0	-108	12.912	16.850
Payment of dividends	0	0	0	0	0
Transferred from profit appropriation account	0	0	0	-9.375	-9.375
Reduction in minority interest	0	0	0	22	22
Reserve for development costs	0	0	0	0	0
Equity at 31 December 2022	4.046	0	-108	3.559	7.496
Capital reduction	-4.820	0	108	-108	-4.820
Foreign exchange adjustments	832	0	0	-832	0
Payment of dividend	0	0	0	0	0
Transferred from profit appropriation account	0	0	0	1.520	1.520
Reduction in minority interest	0	0	0	0	0
Reserve for development costs	0	0	0	0	0
Equity at 31 December 2023	58	0	0	4.138	4.196

Liquidity and capital resources

Based on the Group's budgets for 2024 and forecasts for the following years, positive self-financing from operating activities is expected, primarily via positive operating results.

Based on the annual report for 2023, the budget for 2024 and the forecast for the coming years and continued close cooperation with the Group's bank, it is Management's view that the Group will have sufficient credit facilities.

	Parent company					
USD'000	Share capital	Reserve acc. to the equity method	Proposed dividends	Treasury shares	Retained earnings	Total
Equity at 1 January 2022	4.046	12.465	0	-108	447	16.850
Payment of dividends	0	0	0	0	0	0
Transferred from profit appropriation account	0	-8.828	0	0	-526	-9.354
Equity at 31 December 2022	4.046	3.637	0	-108	-79	7.496
Capital reduction	-4.820	0	0	108	-108	-4.820
Foreign exchange adjustments	832	-274	0	0	-558	0
Payment of dividend		-2.734	0	0	2.734	0
Transferred from profit appropriation account	0	728	0	0	792	1.520
Equity at 31 December 2023	58	1.357	0	0	2.781	4.196

The share capital comprises 400,000 shares of a nominal amount of DKK 1. No shares carry special rights.

Notes to the financial statements

Notes USD'000

1 **PROPERTY, PLANT AND EQUIPMENT**

	Group		
	Leasehold improvements	Technical equipment and fixtures	Company cars (technical equipment)
Cost at 1 January 2023	2.664	2.877	3.243
Additions during the year	0	1	72
Disposal at cost	-2.664	-2.878	-3.315
Cost at 31 December 2023	**0**	**0**	**0**
Depreciation at 1 January 2023	2.321	2.801	2.800
Depreciation on disposals for the year	-2.322	-2.818	-2.974
Depreciation for the period	1	17	174
Depreciation at 31 December 2023	**0**	**0**	**0**
Carrying amount at 31 December 2023	**0**	**0**	**0**
Carrying amount at 31 December 2022	**343**	**77**	**443**

Depreciation for the year are allocated in the income statement as follows:

Administrative expenses	1	17	174

Notes to the financial statements

Notes USD'000

2 Investments in subsidiaries and associated companies
at 31 December

USD'000	Group 2023	Group 2022	Parent company 2023	Parent company 2022
Cost at 1 January	**1.113**	**24**	**2.523**	**293**
Additions during the year	125	1.089	0	2.230
Cost at 31 December	**1.238**	**1.113**	**2.523**	**2.523**
Adjustments at 1 January	-104	902	3.617	12.465
Prior period adjustment	-44	-791	-254	0
Dividends	-528	-313	-2.734	0
Profit for the period	0	98	728	-8.849
Impairment	-562	0	0	0
Value adjustments at 31 December	**-1.238**	**-104**	**1.357**	**3.617**
Carrying amount at 31 December	**0**	**1.009**	**3.880**	**6.140**

Investments in subsidiaries are specified as follows:

USD'000	Ownership	Share capital	Equity at 31 December	Profit/loss for the period at 31 December
AMS Integrated Solutions FZ-LLC	100%	273	1.545	724
AMS Sustainable Development Soluions FZE	100%	27	2.334	4
Carrying amount at 31 December 2023			**3.880**	**728**

Investments in associated companies are specified as follows:

USD'000	Ownership	Share capital	Equity at 31 December	Profit/loss for the period at 31 December
Automotive Maintenance Solutions SARL	49%	2.059	0	0
			0	**0**

Receivables from subsidiaries, associated companies and shareholders
at 31 December

USD'000	Group 2023	Group 2022	Parent company 2023	Parent company 2022
Carrying amount at 1 January	0	7.171	0	0
Additions for the year	0	-7.171	0	0
Carrying amount at 31 December	**0**	**0**	**0**	**0**

Notes to the financial statements

Notes USD'000

Notes		Group		Parent company	
		2023	2022	2023	2022
3	**FINANCIAL INCOME AND EXPENSES**				
	Financial income				
	Interest income from subsidiaries	87	305	0	0
	Other financial income	185	76	180	76
	Other Interest Income	0	0	0	0
		272	**381**	**180**	**76**
	Financial expenses				
	Interest expenses to subsidiaries	0	0	0	0
	Interest expenses to shareholders	0	0	0	0
	Other interest expenses	140	225	0	0
	Other financial expenses	415	0	256	26
		554	**225**	**256**	**26**

Notes		Group		Parent company	
		2023	2022	2023	2022
4	**CORPORATION TAX PAYABLE**				
	Corporation tax payable at 1 January	77	28	0	0
	Tax on profit for the year	43	97	0	0
	Correction previous years	0	0	0	0
	Tax paid during the year	-109	-48	0	0
	Corporation tax deferred	0	0	0	0
	Corporation tax payable at 31 December	11	77	0	0

5 **PREPAYMENTS**

Prepayments comprise payments in advance for rent of operating facility, offices, insurance, etc.

Notes to the financial statements

Notes USD'000

6 NON-CURRENT LIABILITIES

	Group 2023	Group 2022	Parent company 2023	Parent company 2022
Liabilities are allocated as follows:				
Loans				
Short-term	0	0	0	0
Long-term	0	484	0	0
Total liabilities	0	484	0	0
Liabilities are included in the balance sheet as follows:				
Current liabilities	0	0	0	0
Non-current liabilities	0	484	0	0
	0	484	0	0
Liabilities' payment plan:				
More than 5 years	0	0	0	0
2-5 years	0	484	0	0
0-1 years	0	0	0	0
	0	484	0	0

7 OTHER PAYABLES

	Group 2023	Group 2022	Parent company 2023	Parent company 2022
Staff payables	0	1.566	0	0
Other payables	301	3.840	53	40
	301	**5.407**	**53**	**40**

Other payables include pre-billed parts not yet delivered, accrued VAT, other public taxes and other creditors, etc.

8 RECEIVABLES FROM SERVICE CONTRACTS ETC.

Receivables from service contracts and other receivables consists of receivables from service contracts, accrued employee costs and accrued income.

9 CHARGES, COLLATERAL AND CONTINGENT LIABILITIES

Group

The Group has provided bank guarantees to customers and suppliers at a total value of USD 117 thousand.

At the balance sheet date, the Group's noncancelable rent payments amounted to USD 425 thousand.

Parent company

The parent company has provided guarantee on USD 1,3 million for the bank debt of Automotive Integrated Solutions FZ LLC.

Notes to the financial statements

Notes USD'000

10 EMPLOYEES

	Group		Parent company	
	2023	2022	2023	2022
Wages, salaries and remuneration	1.095	1.862	0	0
Pension contributions	0	0	0	0
Other social security costs	26	-84	0	0
Other staff costs	106	50	2	2
	1.228	**1.828**	**2**	**2**
Remuneration to the Board of Directors and the Executive Board	47	40	47	40
Average number of employees in the period was	**47**	**183**	**1**	**1**

11 RELATED PARTY DISCLOSURES

Section 98c(7) of the Danish Financial Statements Act is applied regarding related party transactions

The related parties of Omni Technical Solutions A/S are:

Related parties exercising significant influence

Related parties exercising significant influence comprise the subsidiary, as mentioned in note 2, shareholders, the Group's Board of Directors and the Executive Boards, executive employees and their family members. Further, other companies in which the above persons have substantial interests.

Subsidiaries

The Group's subsidiaries are as follows:
AMS Integrated Solutions FZ-LLC, Dubai, UAE, 100%
AMS Sustainable Development Soluions FZE, UAE, 100%

12 PROFIT AND LOSS APPROPRIATED AS FOLLOWS:

	Parent company	
	2023	2022
Transferred to next year	792	-526
Paid Interim dividend	0	0
Transferred to reserve according to the equity method	728	-8.868
	1.520	**-9.394**

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"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Mikael Konnerup
Chairman
På vegne af: Omni Technical Solutions A/S
Serienummer: 6df12cb2-8aa9-415f-ba36-d43d8f1fc4cf
IP: 176.22.xxx.xxx
2024-07-10 14:47:30 UTC

Lars Blavnsfeldt
Board Member
På vegne af: Omni Technical Solutions A/S
Serienummer: 4f208447-2625-4064-bcfc-7aec1e018786
IP: 80.167.xxx.xxx
2024-07-10 15:06:58 UTC

Lars Blavnsfeldt
CEO
På vegne af: Omni Technical Solutions A/S
Serienummer: 4f208447-2625-4064-bcfc-7aec1e018786
IP: 80.167.xxx.xxx
2024-07-10 15:09:05 UTC

Lars Blavnsfeldt
Conductor
På vegne af: Omni Technical Solutions A/S
Serienummer: 4f208447-2625-4064-bcfc-7aec1e018786
IP: 80.167.xxx.xxx
2024-07-10 15:10:16 UTC

Søren Smedegaard Hvid
Statsaut. revisor
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: 679f8e4e-cbe2-40c1-8b8a-b3f72863eea1
IP: 87.49.xxx.xxx
2024-07-10 15:11:54 UTC

Emil Overlund
EY Godkendt Revisionspartnerselskab CVR: 30700228
Statsaut. revisor
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: 4c786f59-b82b-4795-aebe-f336a01b4e94
IP: 37.96.xxx.xxx
2024-07-10 15:16:41 UTC