# ReMoni A/S

Kristiansvej 13
DK-8660 Skanderborg

CVR no. 35 21 21 24

## Annual report 2023

The annual report was presented and approved at the Company's annual general meeting

on 16 April 2023

Bo Eskerod Madsen
Chairman of the annual general meeting

# Contents

# Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of ReMoni 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 Group's and the Parent Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Group's and the Parent Company's operations and 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 activities and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

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

Skanderborg, 16 April 2024
Executive Board:

Bo Eskerod Madsen

Board of Directors:

Karl Kenneth Vinther Iversen
Chairman

Bo Eskerod Madsen

Steen Hildebrandt

Anders Hjortsholm

# Independent auditor's report

## To the shareholders of ReMoni A/S

## Opinion

We have audited the consolidated financial statements and the parent company financial statements of ReMoni A/S for the financial year 1 January – 31 December 2023 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. 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 Group's and the Parent Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations and 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 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 consolidated financial statements and the parent company 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.

## Management's responsibility for the consolidated financial statements and the parent company 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 that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

# Independent auditor's report

In preparing the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these consolidated financial statements and parent company 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 consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

# Independent auditor's report

- 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.

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 consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 consolidated financial statements or the parent company 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 consolidated financial statements and the oarent company financial statements has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 16 April 2024
**KPMG**
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Mikkel Trabjerg Knudsen
State Authorised
Public Accountant
mne34459

# Management's review

## Company details

ReMoni A/S
Kristiansvej 13
DK-8660 Skanderborg

| | |
|---|---|
| CVR no. | 35 21 21 24 |
| Established: | 5 April 2013 |
| Registered office: | Skanderborg |
| Financial year: | 1 January – 31 December |

### Board of Directors

Karl Kenneth Vinther Iversen (Chairman)
Bo Eskerod Madsen
Steen Hildebrandt
Anders Hjortsholm

### Executive Board

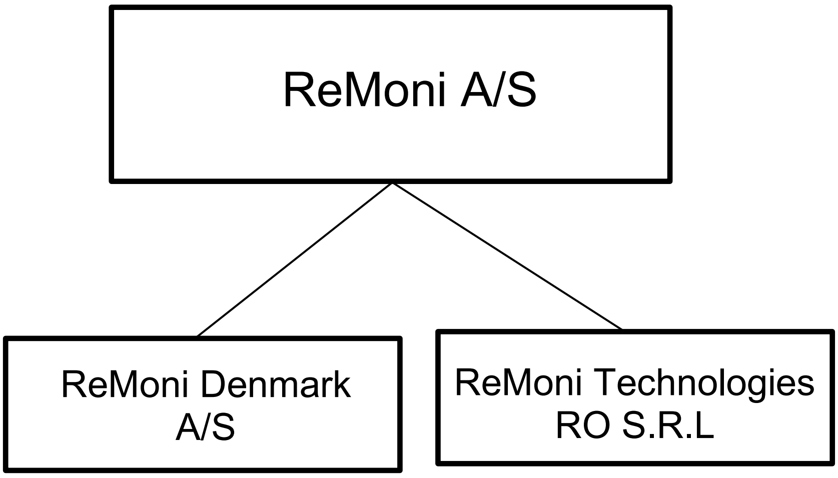
Bo Eskerod Madsen

### Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Frederiks Plads 42
DK-8000 Aarhus C

# Management's review

## Group chart as of 31 December 2023



# Management's review

## Financial highlights for the Group

| DKK | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|
| Gross profit/loss | -10,128,777 | 5,525,865 | 4,705,030 | 2,224,646 | 2,547,315 |
| Profit/loss before financial income and expenses | -15,220,942 | 2,804,114 | 3,528,731 | 1,076,132 | 1,096,491 |
| Profit/loss from financial income and expenses | 55,749 | -81,839 | -106,050 | 74,757 | -93,337 |
| Profit/loss for the year | -11,953,847 | 3,139,442 | 3,456,513 | 1,471,818 | 788,533 |
| Total assets | 134,194,073 | 106,714,238 | 98,302,242 | 63,950,159 | 35,572,832 |
| Investments in property, plant and equipment | 2,390,995 | 595,655 | 0 | 0 | 14,203 |
| Equity | 79,179,942 | 64,124,267 | 61,877,163 | 29,063,034 | 2,791,216 |
| Return on equity | -13.52% | 4.98% | 7.60% | 9.24% | 32.90% |
| Solvency ratio | 59.38% | 60.09% | 62.95% | 45.45% | 7.85% |
| Average number of full-time employees | 39 | 32 | 20 | 15 | 14 |

The financial ratios have been calculated as follows:

Return on equity $\frac{\text{Profit after tax x 100}}{\text{Average equity}}$

Solvency ratio $\frac{\text{Equity ex. non-controlling interests at year end x 100}}{\text{Total equity and liabilities at year end}}$

# Management commentary 2023

## Executive summary

**The ReMoni mission is to help you fight climate change, through optimization of energy and water in buildings, production, and utilities. We do this by combining our unique wireless clamp-on sensors with artificial intelligence. We call it Clamp-On Intelligence.**

**ReMoni is a Danish-owned tech start-up with a novel Clamp-On Intelligence platform. Our goal is to help our customers in achieving sustainability while simultaneously earning financial profit. We develop and produce the combined Clamp-On-Intelligence platform, including sensors, connectivity, cloud solution and AI analysis (Artificial Intelligence).**

**Our business areas are within:**

1. **Clamp-on measurement of water, thermal energy and other fluids from the outside of existing pipes.**
2. **Clamp-on measurement of power from the outside of existing multi-conductor cables.**
3. **Utility Clamp-On Intelligence.**
4. **Managing energy consumption in buildings and production facilities through Clamp-On Intelligence.**

**Our vision** is to develop our technology platform to help accelerate the global green transition towards sustainability by saving resources and energy in buildings, production and utilities.

This is done in strong lasting partnerships with companies, academia and with our employees as company partners and co-owners.

**Loss for the year was DKK 12 million**

As expected in the outlook for 2023, we have invested significantly in both the technology and building-up of the subscription-based commercial activities, which brought about negative results, as expected. Results were negatively influenced by contract settlement on an international development project from 2022, as well as a significant reduction in the project scope of the development project in ReMoni Technologies. Both projects were finalised in 2023, and no further impacts are therefore expected.

**Liquidity well secured** and improved by a capital investment of DKK 30 million. The rationale for the capital investment was that we have chosen to finance the development activities by way of equity and not by loans.

**Equity improved by** DKK 15 million at 31 December 2023, explained by:

- Loss after tax.
- Investments in new development of DKK 19 million
- The new investment of DKK 30 million
- Net received grants of DKK 4,4 million.

During the year, ReMoni Group capitalized development costs amounting to DKK 19 million. These cost comprised staff costs totalling DKK 15 million, external expenditure totalling DKK 4 million. In total, ReMoni Group has recognized DKK 43 million, which have been recognised as deferred income in the balance sheet.

**Growth and IPR strategy and expectations for 2024**

Due to significant new technical results in 2023 within both our flow technology and power technology, we expect to invest heavily in developing these technologies for a large international market.

It also means that significant new patents will be filed in 2024 on our core Clamp-On-Intelligence technologies.

As outlined in the annual reports for 2022 and 2023, laid out in the growth strategy, and due to our strong financial standing, we have therefore prioritized the further development of our technology platform at the expense of financial results in 2024. Therefore, we do not expect to report positive financial results in 2024, as our investments in our technology platform exceed our commercial surplus.

**Profit appropriation/distribution of loss**
It is recommended to the general meeting that no dividends be paid for 2023.

## Primary activities

**ReMoni has a global unique technology platform for measuring energy and water by wireless clamp-on sensors and adding intelligence to it – we call it Clamp-On Intelligence.**
ReMoni is all about solving the problem of saving resources in an inexpensive, intelligent, and easy way. We started out by inventing a whole new type of clamp-on sensors to help solve the problem. They differ by being able to monitor energy and flow from the outside of existing cables and pipes. The data from the sensors is automatically analysed by cloud computing using math (AI, machine learning, etc.) to deliver dense and precise measurements for optimisation and metering.

The results are utilised to measure and control the monitored systems and presented through customer-centric dashboards in our cloud solution, ReCalc. Here each single dashboard is adapted to the specific decision process it supports.

The business areas where we are using our technology platform are summarised below.

**Flow Business Area: Aiming for the world's first clamp-on solution for legal metering of flow of thermal energy and water**:

## Clamp-On Intelligence is the differentiator.

The ReMoni Clamp-on Intelligence technology differs from all others in the market in several ways:

1. The unique wireless clamp-on sensors eliminate errors that might occur during installation of the state-of-the-art invasive sensors, making the installation process much more cost-effective.

2. By combining the information collected through the clamp-on sensors, energy optimization tools utilize artificial intelligence to learn e.g. the thermal properties of a building, when the building is typically used, and of course considers the weather forecast, enabling us to forecast when a building needs additional heat. We call this Predictive Heating Optimization.

3. The advanced mathematics (AI), which has been developed in collaboration with the University of Southern Denmark, Aarhus University and Aalborg University, makes it possible to build the much simpler and more robust Clamp-On Intelligence solutions.

The ReMoni solutions are a result of investments of more than EUR 10 million and are protected by a wide range of patents. **We are the only ones in the world that can deliver this solution.**


*Figure 1. Clamp-On Intelligence delivers continuous measurements, AI optimization and control.*

- Our clamp-on sensors for legal metering will differ from all other competitors in the market by our ability to measure non-invasively from the outside of existing pipes.
- The solution will make legal metering in rental buildings much simpler, at lower risk, lower cost, and is supported by legislation.

**Power Business Area: Worlds only method to measure and analyze power from the outside of multiconductor power cables**:

- Our clamp-on sensors differ from all other competitors in the market by our ability to measure non-invasively from the outside of multi-conductor power cables.
- In the current version, it can sub-divide a main-meter reading at high resolution and precision, so that the individual devices in the building/production are monitored in high resolution.
- The low cost properties, combined with the low risk of installing, make our product unique when customers utilize our products both for energy reduction as well as Environmental Social Governance reporting
- This solution is not yet ready for legal metering.

**Utility Grids Business Area: The ReMoni Clamp-On Intelligence has multiple applications in the utility grids:**

- *Power grids:* for cable maintenance and power quality.
- *District heating grids:* for measuring flow, temperature, leakage, and pressure.
- *Water grids: for* flow, leakage, and pump efficiency.

**Building Optimization Business Area, Paid by documented energy-savings This is our building of optimization of energy, $CO_2$, indoor climate, and maintenance, covering:**

- Predictive Heating Optimization, by active AI driven control of the heating system.
- Sustainability monitoring for ESG reporting.
- Indoor climate monitoring.
- Water leakages and water waste detection and prevention.
- Identification of errors in the technical installations.

We employ a risk-free business model wherein we deliver the base package for a cost lower than actual measured energy savings we achieve and document.

**Our goal is to help our customers:**

- ✓ Deliver affordable metering to ensure fair and granular billing of sustainable energy and water.
- ✓ Optimise their technical installations to avoid loss of resources, and thereby gain stronger sustainability and economic benefits simultaneously.
- ✓ Identify dysfunctional devices, and thereby eliminate waste and ensure stable operation.
- ✓ Save energy and water by pinpointing and addressing issues within buildings or production facilities.

**Deep-tech partnerships**

R&D partnerships are essential to ReMoni - both with commercial partners and academia.

Within academia, we partner with the Danish universities. The scientists at the universities use our technology to build novel analysis models to improve operational stability, energy efficiency and indoor climate.

The partnerships are a crucial channel for ReMoni's growth in the coming years, and an area where we have allocated significant resources.

**Open data to our customers and partners is central**

Both customers and partners have open access to data through our management platform, ReCalc. It was chosen to differentiate us from the much more closed solutions in the market, where customers and partners have experienced to be challenged by vendor lock-in.

We have made a strategic decision to ensure openness through our API (Application Programming Interface) on top of our data-warehouse for integration to partners and customers. To underline the openness, the API comes with no extra cost for our customers and partners.

**Slim and agile production chain**

The ReMoni products are designed for high flexibility and scalability. A significant part of this design is the ultra-small assembly and test line: Each assembly line requires only 10 $m^2$ and is very cost-efficient to make; still it has a capacity of up till 200,000 units a year. In total, all assembly lines combined can run at 200 $m^2$.

The components used in the products are by-design made so they can be assembled by thousands of competing subcontractors around the world. We use this setup to ensure competing parallel supply chains – both for supply line stability and cost-efficiency.

It also means that the production can efficiently be scaled up in line with market demand.

**IPR assets**

Patents have been granted on inventions behind the ReMoni solutions in multiple regions, incl. the EU, US, Japan, Australia and China. The many patents are granted in eight patent families, and new patent applications are filed as technology development progresses.

## Organisation

**A strong development team and initial commercial and operational organisation**

The ReMoni development team is strong. We are very glad and humble that we have continuously been able to attract and maintain strong team members.

- **Bo Eskerod Madsen, CEO, PhD, Cand. Scient**. Bo holds significant experience leading R&D focused organisations, specialized in transitioning deep R&D research into market ready solutions. Bo has worked intensively with business development in combination with R&D, to connect the two areas. He holds a PhD in statistical data analysis (AI) from Aarhus University, Denmark, and University of Auckland, New Zealand. Furthermore, he is a trained electrician and as such has first-hand experience in how the technical installations operate.
- **Jakob Jørgensen, M.Sc.** Jakob is heading the ReMoni software development department of 15 developers. The department has three teams covering embedded software, cloud software and data science. The department has developed the ReMoni software technology platform and is responsible for full software development and operations. Jakob holds a master's degree in software development and has more than 20 years' experience in software development, serving as a lead software architect and team leader.
- **Rasmus Ladegaard, B.Sc.** Rasmus is leading the ReMoni hardware development department of 5 developers of the embedded electronics and mechanics. The department has the capabilities of designing, prototyping, and testing the developed sensors, including a full prototype production and test line. The hardware department has developed the embedded electronics of the ReMoni technology platform. Rasmus holds a degree in mechanical and electrical engineering and project management.

## The ReMoni 2024 Board

Kenneth Iversen is Chairman and co-owner. Kenneth holds a HD(R), HD(A) and HD(O) from the Copenhagen and Aarhus Schools of Business and has more than 30 years' experience as CEO for Unimerco, where he successfully built a strong international company based on market leading solutions led by solid values and high integrity.

Steen Hildebrandt is a Danish academic and author on sustainability, business, organizational theory, and management. He is Professor Emeritus of Management Studies at the Aarhus School of Business, University of Aarhus and associated professor with Copenhagen Business School.

Anne Ginderskov Hansen has vast experience when it comes to setting the agenda and creating visibility. As director at Rud Pedersen, and as part of DI- Danish Industry, she is a well-known name within communication and politics. Anne holds a degree as Cand. Scient. Pol. Anne will join the board in 2024.

Anders Hjortsholm has many years' of experience with management and international business development and holds a background as lawyer.

Bo Eskerod Madsen is CEO and co-owner. Bo has a background as leader in R&D-heavy organisations, where his area of expertise has been the transformation of deep R&D knowledge to market ready products. Bo holds a PhD in statistical data analysis (Data Science) from Aarhus University, Denmark,

*Figure 2. The board of ReMoni. From left to right: Bo Eskerod Madsen, Kenneth Iversen, Anne Ginderskov Hansen, Anders Hjortsholm, and Steen Hildebrandt.*

- **Anders Hjortsholm, CCO, Cand. Jur.** Anders is head of the Commercial Department. The department covers sales, business development, marketing, implementation and operation of the ReMoni services, both nationally and internationally. Anders brings extensive top management experience from prominent corporations with more than 10 years' experience.
- **Anders Steen Mortensen, MSc. Eng.** Anders is leading the sales team, which run the sales activities in Denmark. He also contributes significantly to business development as a very active part of the management team. Anders has several years of experience as technical and commercial manager from large companies and holds a master's degree in operations and Innovation Management.
- **Jakob Farver-Vestergaard, CFO, Cand. Oecon.** As CFO, Jakob is head of the Finance Department, and he drives the Sustainability agenda commercially. He has extensive experience in equity-owned firms as financial director with a focus on strategy execution and performance management. Furthermore, his experience from management consulting includes post-merger integration, ESG reporting and performance management implementation.

By end of 2023, ReMoni Group had a total of 45 employees, with 37 FTEs (Full-Time Equivalents) whereof 25 FTEs are developers.

# Company values

### Sustainability and decency

The Company is managed through a set of values:

- Technology Must serve good purposes. It should help build a more sustainable lifestyle and not cause harm.
- Profitability is necessary and important for our business and a prerequisite for ensuring stability, progress, and commitment among our owners.
- Decency is key - both in relation to employees, partners and society. We believe that decency goes both ways - we strive to live by it and expect the same from our employees and partners.
- Work must be good and secure, with room for diversity and different preferences.
- Transparency and fairness are core values for us – we believe in decency, justice and anti-corruption pay-off in the long run.
- Good and wise people must be respected and rewarded, whether they are colleagues or collaborators - we function as an organism, not a machine.
  Only in this way ReMoni can set a good example and make our small contribution to building a better world.

### History

ReMoni was founded by a desire to combat climate change and pollution through less waste of resources. It all began back in 2014, and since then ReMoni has grown, thanks to national and international projects and investors. It all started with a completely new type of clamp-on sensors, which differs by being able to measure energy and flow from the outside of existing cables and pipes. Data from the sensors is automatically analysed using cloud computers and artificial intelligence with the aim of saving resources. Therefore, our name is Resource Monitoring.

# Development in activities and finances

### New technological breakthroughs

The year was characterised by new technological breakthroughs:

1. On the flow area, we have won a new development project, which has already delivered very interesting results on the clamp-on measurements of flow of liquids non-intrusively from the outside of existing pipes.
2. On the power area, we have developed a method for using our clamp-on power sensors to disaggregate the main meter, so that power usage can be monitored in high resolution for each single device easily.
3. On the building optimisation area, the combined solution has been improved on all the back-office and commissioning tools, and the large package of hardware and software for the solution has been streamlined and optimised for scale.

### New R&D projects won

In the past financial year, ReMoni A/S has achieved significant success in expanding the R&D portfolio by successfully securing multiple new projects:

- *EUDP: PowerGrid Optimizer – DKK 7.8 million.* The project will optimize underground power grids utilization and investments with a profound positive impact on the environment.
- *Danish Innovation Fund – MissionBooster DKK 4.9 million. Clamp-on flow measurement*.
- *EUDP: DanRETwin – DKK 1.5 million.* Digital twin for optimal energy retrofitting of the Danish building stock with a focus on decarbonization.
- *EU: WaterAI – DKK 767 thousand.* Early detection of water leakage.
- *WeBuildDenmark – Sensors on construction sites – DKK 400 thousand.* Sensors for automated ESG reporting and optimization.

## Financial highlights

1. Profit after tax for the year amounted to a negative of DKK 12 million (2022: a profit of DKK 3.1 million).
2. The 108% tax deduction for R&D costs has had a positive impact on results for the year, because we invest intensively in our patented technology platform.
3. During the year, ReMoni A/S capitalized development costs amounting to DKK 11 million, consisting of staff costs amounting to DKK 9 million, external costs amounting to DKK 2 million. In total, ReMoni A/S has recognized DKK 34 million in grants, which have been recognised under deferred income in the balance sheet.
4. As part of the growth strategy adopted at the beginning of 2022, a net capital increase of DKK 30 million was made in 2023.

## Business performance principle

According to business performance principle, equity at 31 December 2023 came in at DKK 113 million.

The Company has received government grants provided on the basis of incurred development costs and has capitalised these development costs. The grants obtained are both fully earned and irrevocable by the Government, as, management considers them part of equity (business performance principle) from a capital management perspective.

From an accounting perspective, accounting regulations require that grants related to asset investments are initially to be recognised as deferred income and are subsequently to be recognised on a straight-line basis in the income statement over the amortisation period of the assets to which the grants relate. This means that the grants will only affect equity as the assets are being amortised.

In accordance with our business performance principle, we find it more appropriate to present irrevocable public grants as part of equity similar to shareholder contributions. Therefore, under the business performance principle, we present the grants obtained as part of the raising of capital.

There are no other differences between the business performance principle and the accounting policies.

The business performance principle is included in the balance sheet on page 32.

# Outlook

**Focus on development of technology and business in 2024 and 2025.**

For 2024, ReMoni A/S and our subsidiaries expect to spend DKK 13 million on R&D.

In the coming years, the core focus of ReMoni will be:

1. To develop our core patented clamp-on sensors and data cloud platform towards comprehensive legal metering of power, water, heat, and cooling, from the outside of the existing cables and pipes.
2. To further develop the building management subscription services to include a broader suite of services for this business area.
3. To start testing the first solutions in prototype test for the utility areas.

The development areas all build on the same core technology and comprise:

a. Measure flow of water/fluids from the outside of existing pipes.

b. Measure flow of heat/cooling from the outside of existing pipes.

c. Measure power consumption/production from the outside of existing multi-conductor cables, and thereby obtain cost-efficient monitoring to achieve higher productivity of the monitored units.

d. Establish a redundant self-healing wireless network around the sensors, to ensure unprecedented network stability.

e. Extend our cloud platform to support the new family of resource-saving analysis modules and user-centric dashboards.

The core secret in this patented Clamp-On Intelligence solution is to combine the clamp-on sensors with the cloud-based math (AI) to map the “non-sense” data acquired by the clamp-on sensors into the actual underlying flows and signals and to optimise the technical installations in buildings, production and utility grids.

Both the commercial outlook and the outlook for our technology platform give us great confidence and optimism for the future. We have a strong development team, a strong ownership and a solution which is perfectly aligned with the international green sustainability mega-trend.

# Financial capacity

**Strong financial reserves**

Due to new investments raised, financial reserves are very solid as shown in the financial statements. Furthermore, we have won large R&D projects for delivery in 2024/26.

It means that there are more than sufficient reserves and liquidity to ensure financial stability till the general meeting in 2025 and beyond.

# Events after the balance sheet date

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

## Awards

We have received several awards and won grants for our novel technology.

Innovation Fund Denmark

We won the MissionBooster and InnoBooster from the Danish Innovation Fund, in order to support our flow metering solution, FlowMoni.

EUDP

We have won support from the EUDP to develop of our core technology behind our Clamp-on Intelligence Power solutions.

INCENSe
Internet Cleantech Enablers Spark

ReMoni won the INCENSe price as one of the most innovative start-ups in Europe. INternet Cleantech ENablers Spark (INCENSe) aims to foster innovation and high-tech employment in the European Energy Sector through the provision of funding and top-level acceleration services to support entrepreneurs in the creation of innovative market-oriented solutions that are able to make energy smarter, reliable and efficient.

Horizon 2020

We have won the highly competitive Fast Track to Innovation grant from the European Union's Horizon 2020 research and innovation program under grant agreement No. 958600.

eurostars™

We have won the Eurostars. Eurostars is an inter European program that supports highly innovative small and medium-sized enterprises developing innovative products.

# Consolidated financial statements 1 January – 31 December

## Income statement

| DKK | Note | 2023 | 2022 |
|---|---|---|---|
| **Gross profit/loss** | | -10,128,777 | 5,525,865 |
| Staff costs | 2 | -3,977,433 | -1,836,642 |
| Depreciation, amortisation and impairment losses | | -1,114,732 | -885,109 |
| **Operating profit/loss** | | -15,220,942 | 2,804,114 |
| Other financial income | | 172,428 | 73,054 |
| Other financial expenses | | -116,679 | -154,893 |
| **Profit before tax/loss** | | -15,165,193 | 2,722,275 |
| Tax on profit/**loss** | 3 | 3,211,346 | 417,167 |
| **Profit/loss for the year** | 4 | -11,953,847 | 3,139,442 |

# Consolidated financial statements 1 January – 31 December

## Balance sheet

| DKK | Note | 2023 | 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **Fixed assets** | | | |
| **Intangible assets** | 5 | | |
| Completed development projects | | 16,981,581 | 12,072,512 |
| Patents, licences and trademarks | | 1,947,616 | 1,712,000 |
| Development projects in progress | | 72,274,498 | 59,238,768 |
| | | 91,203,695 | 73,023,280 |
| **Property, plant and equipment** | 6 | | |
| Fixtures and fittings, tools and equipment | | 2,705,384 | 549,000 |
| | | 2,705,384 | 549,000 |
| **Investments** | | | |
| Deposits | | 337,950 | 337,950 |
| | | 337,950 | 337,950 |
| **Total fixed assets** | | 94,247,029 | 73,910,230 |
| **Current assets** | | | |
| **Inventories** | | | |
| Manufactured goods and goods for resale | 7 | 2,811,436 | 5,492,349 |
| | | 2,811,436 | 5,492,349 |
| **Receivables** | | | |
| Trade receivables | | 714,266 | 4,466,790 |
| Receivable grants | | 7,648,615 | 7,071,451 |
| Other receivables | | 895,175 | 613,463 |
| Corporation tax | | 3,489,232 | 4,314,406 |
| Prepayments | | 1,152,760 | 202,005 |
| | | 13,900,048 | 16,668,115 |
| **Cash at bank and in hand** | 8 | 23,235,560 | 10,643,544 |
| **Total current assets** | | 39,947,044 | 32,804,008 |
| **TOTAL ASSETS** | | 134,194,073 | 106,714,238 |

# Consolidated financial statements 1 January – 31 December

## Balance sheet

| DKK | Note | 31/12 2023 Business perfor-mance | Adjust-ments | 31/12 2023 | 31/12 2022 |
|---|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | | |
| **Equity** | 9,10 | | | | |
| Contributed capital | | 3,417,528 | 0 | 3,417,528 | 3,083,764 |
| Reserve for development costs | | 69,619,742 | 0 | 69,619,742 | 54,072,024 |
| Deferred income | | 43,391,600 | -43,391,600 | 0 | 0 |
| Retained earnings | | 6,142,672 | 0 | 6,142,672 | 6,968,479 |
| **Total equity** | | 122,571,542 | -43,391,600 | 79,179,942 | 64,124,267 |
| **Provisions** | | | | | |
| Deferred tax | 11 | 9,122,788 | 0 | 9,122,788 | 8,943,498 |
| **Total provisions** | | 9,122,788 | 0 | 9,122,788 | 8,943,498 |
| **Liabilities other than provisions** | | | | | |
| **Non-current liabilities other than provisions** | 12 | | | | |
| Other payables | | 623,140 | 0 | 623,140 | 601,738 |
| Deferred income | 13 | 0 | 42,313,796 | 42,313,796 | 30,361,454 |
| | | 623,140 | 42,313,796 | 42,936,936 | 30,963,192 |

# Consolidated financial statements 1 January – 31 December

## Balance sheet

| DKK | Note | 31/12 2023 Business perfor-mance | Adjust-ments | 31/12 2023 | 31/12 2022 |
|---|---|---|---|---|---|
| **Current liabilities other than provisions** | | | | | |
| Current portion of non-current liabilities | 12 | 0 | 1,077,804 | 1,077,804 | 436,555 |
| Trade payables | | 664,766 | 0 | 664,766 | 441,273 |
| Corporation tax | | 0 | 0 | 0 | 763,730 |
| Other payables | | 1,211,837 | 0 | 1,211,837 | 1,041,723 |
| Prepayments | | 0 | 0 | 0 | 0 |
| | | 1,876,603 | 1,077,804 | 2,954,407 | 2,683,281 |
| **Total liabilities other than provisions** | | 2,499,743 | 43,391,600 | 45,891,343 | 33,646,473 |
| **TOTAL EQUITY AND LIABILITIES** | | 134,194,073 | 0 | 134,194,073 | 106,714,238 |

### Business performance principle

The Group has received government grants provided on the basis of development costs incurred. The Group capitalises certain development costs. The grants obtained are earned and irrevocable by the government.

As grants are fully earned, Management considers them from a capital management perspective as part of equity (business performance principle). From an accounting perspective, accounting regulations require that grants related to asset investments are initially recognised as deferred income and subsequently recognised on a straight-line basis in the income statement over the amortisation period of the assets to which the grants relate. This means that the grants will only affect equity as the assets are amortised.

In accordance with our business performance principle, we find it more appropriate to present irrevocable public grants as part of equity, similar to shareholder contributions. Therefore, under the business performance principle, we present the grants obtained as part of the raising of capital.

Apart from this difference, the business performance principle and the accounting policies are aligned.

# Consolidated financial statements 1 January – 31 December

## Statement of changes in equity

| DKK | Contri-buted capital | Reserve for develop-ment costs | Retained earnings | Total |
|---|---|---|---|---|
| **Equity at 1 January 2023** | 3,083,764 | 54,072,024 | 6,968,479 | 64,124,267 |
| Capital increase | 333,764 | 0 | 29,666,236 | 30,000,000 |
| Acquisition of treasury shares | 0 | 0 | -2,990,478 | -2,990,478 |
| Transferred over the distribution of loss | 0 | 15,547,718 | -27,501,565 | -11,953,847 |
| **Equity at 31 December 2023** | 3,417,528 | 69,619,742 | 6,142,672 | 79,179,942 |

# Consolidated financial statements 1 January – 31 December

## Cash flow statement

| DKK | Note | Group 2023 | Group 2022 |
|---|---|---|---|
| Profit/loss before tax for the year | | -15,165,193 | 2,722,275 |
| Depreciation, amortisation and impairment losses | | 1,114,732 | 885,109 |
| Other adjustments of non-cash operating items | 16 | -55,839 | 96,750 |
| Cash generated from operations before changes in working capital | | -14,106,300 | 3,704,134 |
| Changes in working capital | 17 | 17,632,318 | -5,936,188 |
| Cash generated from operations | | 3,526,018 | -2,232,054 |
| Interest income | | 172,428 | 73,054 |
| Interest expense | | -116,679 | -154,893 |
| Corporation tax paid | | 3,452,016 | 1,975,367 |
| **Cash flows from operating activities** | | 7,033,783 | -338,526 |
| Capitalisation of intangible assets | | -19,060,474 | -18,981,618 |
| Acquisition of property, plant and equipment | | -2,390,995 | -595,655 |
| Payment of deposit | | 0 | -89,050 |
| **Cash flows from investing activities** | | -21,451,469 | -19,666,323 |
| External financing: | | | |
| Repayment of long-term debt | | 0 | 0 |
| Shareholders: | | | |
| Contribution of capital | | 30,000,000 | 0 |
| Acquisition of treasury shares | | -2,990,478 | -1,042,338 |
| Disposal of treasury shares | | 0 | 150,000 |
| **Cash flows from financing activities** | | 27,009,522 | -892,338 |
| **Cash flows for the year** | | 12,592,016 | -20,897,187 |
| Cash and cash equivalents at the beginning of the year | | 10,643,544 | 31,540,731 |
| **Cash and cash equivalents at year end** | | 23,235,560 | 10,643,544 |

# Consolidated financial statements 1 January – 31 December

## Notes

### 2 Staff costs

| DKK | 2023 | 2022 |
|---|---|---|
| Wages and salaries | 20,114,085 | 15,884,927 |
| Pensions | 997,948 | 907,498 |
| Other social security costs | 250,621 | 226,154 |
| Capitalised staff costs under development projects | -17,385,221 | -15,181,937 |
| | 3,977,433 | 1,836,642 |
| Average number of full-time employees | 39 | 32 |

The Company has an incentive scheme under which employees have the possibility to receive a part of their salary as shares.

Pursuant to section 98b(3) of the Danish Financial Statements Act, the Company did not disclose remuneration of Management for 2023 as only one member of the Board of Directors and Executive Board is remunerated.

| DKK | 2023 | 2022 |
|---|---|---|

### 3 Tax on profit/loss

| | | |
|---|---|---|
| Current tax for the year | 4,475,466 | -3,550,677 |
| Change in deferred tax | -1,265,524 | 3,100,305 |
| Adjustment of tax concerning previous years | 1,404 | 33,205 |
| | 3,211,346 | -417,167 |

### 4 Proposed profit appropriation/distribution of loss

| | | |
|---|---|---|
| Reserve for development costs | 18,613,234 | 12,279,136 |
| Retained earnings | -30,567,081 | -9,139,694 |
| | -11,953,847 | 3,139,442 |

# Consolidated financial statements 1 January – 31 December

## Notes

### 5 Intangible assets

| DKK | Completed develop-ment projects | Patents, licences and trademarks | Develop-ment projects in progress | Total |
|---|---|---|---|---|
| Cost at 1 January 2023 | 14,446,979 | 1,994,478 | 59,238,768 | 75,680,225 |
| Additions | 0 | 345,967 | 18,714,510 | 19,060,477 |
| Transferred | 5,678,780 | 0 | -5,678,780 | 0 |
| Cost at 31 December 2023 | 20,125,759 | 2,340,445 | 72,274,498 | 94,740,702 |
| Amortisation and impairment losses at 1 January 2023 | -2,374,467 | -282,478 | 0 | -2,656,945 |
| Amortisation for the year | -769,711 | -110,351 | 0 | -880,062 |
| Amortisation and impairment losses at 31 December 2023 | -3,144,178 | -392,829 | 0 | -3,537,007 |
| **Carrying amount at 31 December 2023** | 16,981,581 | 1,947,616 | 72,274,498 | 91,203,695 |

### Completed development projects and development in progress

The capitalised development costs relate to various new products in progress for monitoring of technical installations in professional buildings in order to reap operating as well as environmental profits.

Naturally, there is uncertainty associated with development projects, and the timeframe for completing multiple development projects is uncertain.

As a result of the above, the company's management has assessed income potentials supporting the notion that the value of completed and ongoing development projects exceeds their accounting value, hence no write-downs have been made.

The Company has received grants provided on the basis of capitalised intangible assets. The grants received are recognised in the financial statements under deferred income. Deferred income amounts to DKK 43,392 thousand.

# Consolidated financial statements 1 January – 31 December

## Notes

### 6 Property, plant and equipment

| DKK | Fixtures and fittings, tools and equipment |
|---|---|
| Cost at 1 January 2023 | 741,457 |
| Additions | 2,390,996 |
| Cost at 31 December 2023 | 3,132,453 |
| Depreciation and impairment losses at 1 January 2023 | -192,457 |
| Depreciation for the year | -234,611 |
| Depreciation and impairment losses at 31 December 2023 | -427,068 |
| **Carrying amount at 31 December 2023** | 2,705,384 |

### 7 Inventories

Extraordinary write-down of DKK 2,725 thousand was made during the financial year. The goods are still usable and expected to be used in own production or for sale.

### 8 Cash at bank and in hand

The Company has deposited DKK 10 million into a closed bank deposit account until 22 February 2024 to receive higher interest.

### 9 Treasury shares

| DKK | Number | Nominal value | Share of contributed capital |
|---|---|---|---|
| Portfolio of treasury shares: | | | |
| Treasury shares | 99,904 | 99,904 | 2.92% |

During the year, the Company repurchased treasury shares amounting to DKK 2,990 thousand, nom. 33,272 thousand.

### 10 Equity

Contributed capital consists of 3,083,764 shares of a nom. value of DKK 1 each.

All shares rank equally.

# Consolidated financial statements 1 January – 31 December

## Notes

### 11 Deferred tax

| DKK'000 | 31/12 2023 | 31/12 2022 |
|---|---|---|
| Deferred tax at 1 January | 8,943,498 | 5,906,751 |
| Deferred tax adjustment for the year in the income statement | 179,290 | 3,036,747 |
| | 9,122,788 | 8,943,498 |

Deferred tax mainly relates to development costs and deferred income.

### 12 Non-current liabilities other than provisions

| DKK | 2023 | 2022 |
|---|---|---|
| Other payables, including taxes payable: | | |
| 1-5 years | 623,140 | 601,738 |
| Deferred income: | | |
| 0-1 years | 1,077,804 | 436,555 |
| 1-5 years | 42,313,796 | 30,361,454 |
| | 43,391,600 | 30,798,009 |

The Company has no liabilities which is outstanding after 5 years, other than deferred income. The Company has deferred income consisting of grants received relating to capitalised development projects. Since deferred income relates to ongoing projects, it is not possible to determine the outstanding amount after 5 years.

### 13 Long-term deferred income

Deferred income of DKK 43,392 thousand (2022: DKK 30,798 thousand) comprise grants received relating to capitalised development projects in progress, see note 5. The grants received are not subject to repayment but will be recognized as income as the related development project is amortised.

# Consolidated financial statements 1 January – 31 December

## Notes

### 14 Contractual obligations, contingencies, etc.

#### Operating lease obligations

The Company has entered into rent agreements with a residual term of up to 16 months. The liability at 31 December 2023 totalled DKK 825 thousand.

### 15 Related party disclosures

In accordance with section 98 c(7) of the Danish Financial Statements Act, related party transactions have not been disclosed in the consolidated financial statements and parent company financial statements, as they were conducted on an arm's length basis.

| DKK'000 | 2023 | 2022 |
|---|---|---|
| **16 Other adjustments** | | |
| Other financial income | -172,428 | -73,054 |
| Financial expenses | 116,589 | 154,893 |
| Other | 0 | 14,911 |
| | -55,839 | 96,750 |
| **17 Changes in working capital** | | |
| Change in inventories | 2,680,913 | -2,531,955 |
| Change in receivables | 3,752,524 | -2,423,087 |
| Change in receivable grants | -577,164 | -3,996,834 |
| Change in other receivables | -281,712 | -249,930 |
| Change in prepayments | -950,756 | -7,685 |
| Change in trade and other payables | 414,922 | -667,559 |
| Change in deferred income | 12,593,591 | 3,940,862 |
| | 17,632,318 | -5,936,188 |

# Parent company financial statements 1 January – 31 December

## Income statement

| DKK | Note | 2023 | 2022 |
|---|---|---|---|
| **Gross profit/loss** | | -3,978,336 | 1,531,442 |
| Staff costs | 2 | -3,977,433 | -1,552,081 |
| Depreciation, amortisation and impairment losses | | -968,425 | -844,842 |
| **Operating profit/loss** | | -8,924,194 | -865,481 |
| Income from equity investments in group entities | | -5,313,012 | 2,807,401 |
| Other financial income | | 160,213 | 0 |
| Other financial expenses | | -1,964 | -54,182 |
| **Profit/loss before tax** | | -14,078,957 | 1,887,738 |
| Tax on profit/**loss** | 3 | 2,125,112 | 1,251,704 |
| **Profit/loss for the year** | 4 | -11,953,845 | 3,139,442 |

# Parent company financial statements 1 January – 31 December

## Balance sheet

| DKK | Note | 2023 | 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **Fixed assets** | | | |
| **Intangible assets** | 5 | | |
| Completed development projects | | 16,981,581 | 12,072,512 |
| Patents, licences and trademarks | | 1,947,616 | 1,712,000 |
| Development projects in progress | | 62,721,119 | 57,250,596 |
| | | 81,650,316 | 71,035,108 |
| **Property, plant and equipment** | 6 | | |
| Fixtures and fittings, tools and equipment | | 393,426 | 286,428 |
| | | 393,426 | 286,428 |
| **Investments** | 7 | | |
| Equity investments in group entities | | 447,422 | 3,360,312 |
| Receivables from group entities | | 16,255,640 | 0 |
| Deposits | | 301,716 | 301,716 |
| | | 17,004,778 | 3,662,028 |
| **Total fixed assets** | | 99,048,520 | 74,983,564 |
| **Current assets** | | | |
| **Receivables** | | | |
| Trade receivables | | 0 | 2,350 |
| Receivables from group entities | | 0 | 12,632,250 |
| Receivable grants | 8 | 3,098,120 | 2,191,379 |
| Other receivables | | 0 | 103,738 |
| Corporation tax | | 3,489,232 | 4,314,406 |
| Prepayments | | 8,015 | 202,004 |
| | | 6,595,367 | 19,446,127 |
| **Cash at bank and in hand** | 9 | 19,683,575 | 9,076,114 |
| **Total current assets** | | 26,278,942 | 28,522,241 |
| **TOTAL ASSETS** | | 125,327,462 | 103,505,805 |

# Parent company financial statements 1 January – 31 December

## Balance sheet

| DKK | Note | 31/12 2023 Business perfor-mance | Adjust-ments | 31/12 2023 | 31/12 2022 |
|---|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | | |
| **Equity** | 10,11 | | | | |
| Contributed capital | | 3,417,528 | 0 | 3,417,528 | 3,083,764 |
| Reserve for net revaluation under equity method | | 0 | 0 | 0 | 3,209,176 |
| Reserve for development costs | | 62,168,106 | 0 | 62,168,106 | 54,072,024 |
| Deferred income | | 33,958,686 | -33,958,686 | 0 | 0 |
| Retained earnings | | 13,594,308 | 0 | 13,594,308 | 3,759,305 |
| **Total equity** | | 113,138,628 | -33,958,686 | 79,179,942 | 64,124,269 |
| **Provisions** | | | | | |
| Deferred tax | | 10,207,471 | 0 | 10,207,471 | 8,941,947 |
| **Total provisions** | | 10,207,471 | 0 | 10,207,471 | 8,941,947 |
| **Liabilities other than provisions** | | | | | |
| **Non-current liabilities other than provisions** | 12 | | | | |
| Other payables | | 623,140 | 0 | 623,140 | 601,738 |
| Deferred income | 13 | 0 | 33,362,443 | 33,362,443 | 28,640,582 |
| | | 623,140 | 33,362,443 | 33,985,583 | 29,242,320 |

# Parent company financial statements 1 January – 31 December

## Balance sheet

| DKK | Note | 31/12 2023 Business perfor- mance | Adjust- ments | 31/12 2023 | 31/12 2022 |
|---|---|---|---|---|---|
| **Current liabilities other than provisions** | | | | | |
| Current portion of non-current liabilities | 12 | 0 | 596,243 | 596,243 | 436,555 |
| Trade payables | | 50,041 | 0 | 50,041 | 267,934 |
| Other payables | | 1,308,182 | 0 | 1,308,182 | 492,780 |
| | | 1,358,223 | 596,243 | 1,954,466 | 1,197,269 |
| **Total liabilities other than provisions** | | 1,981363 | 33,958,686 | 35,940,049 | 30,439,589 |
| **TOTAL EQUITY AND LIABILITIES** | | 125,327,462 | 0 | 125,327,462 | 103,505,805 |

### Business performance principle

The Company has received government grants provided on the basis of incurred development costs. The Company capitalises certain development costs. The grants obtained are earned and irrevocable by the government.

As grants are fully earned, Management considers them from a capital management perspective as part of equity (business performance principle). From an accounting perspective, accounting regulations require that grants related to asset investments are initially recognised as deferred income and are subsequently recognised straight-line in the income statement over the amortisation period of the assets to which the grants relate. This means that the grants will only affect equity as the assets are amortised.

In accordance with our business performance principle, we find it more appropriate to present irrevocable public grants as part of equity, similar to shareholder contributions. Therefore, under the business performance principle, we present the grants obtained as part of the raising of capital.

Apart from this difference, the business performance principle and the accounting policies are aligned.

# Parent company financial statements 1 January – 31 December

## Statement of changes in equity

| DKK | Contributed capital | Reserve for net revaluation under equity method | Reserve for development costs | Retained earnings | Total equity |
|---|---|---|---|---|---|
| **Equity at 1 January 2023** | 3,083,764 | 3,209,176 | 54,072,024 | 3,759,305 | 64,124,269 |
| Capital increase | 333,764 | 0 | 0 | 29,666,236 | 30,000,000 |
| Acquisition of treasury shares | 0 | 0 | 0 | -2,990,482 | -2,990,482 |
| Transferred over the distribution of loss | 0 | -3,209,176 | 8,096,082 | -16,840,751 | -11,953,845 |
| **Equity at 31 December 2023** | 3,417,528 | 0 | 62,168,106 | 13,594,308 | 79,179,942 |

# Parent company financial statements 1 January – 31 December

## Notes

### 1 Accounting policies

The annual report of ReMoni A/S for 2022 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

Besides relying on the provisions applying to reporting class c medium-sized entities and the preparation of consolidated financial statements for 2022, the Company has made no changes to recognition and measurement.

### Consolidated financial statements

The consolidated financial statements comprise the Parent Company, ReMoni A/S, and subsidiaries in which ReMoni A/S directly or indirectly holds more than 50% of the votes or in some other way exercises control over.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Equity investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

### Foreign currency translation

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

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. 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.

### Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

## Income statement

### Revenue

Income from the sale of goods, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ®2020.

Revenue from the sale of goods where installation is a condition for major risks being considered transferred to the buyer is recognised as revenue when installation has been completed.

Revenue from the sale of goods where delivery has been postponed upon the buyer's request is recognised as revenue when ownership of the goods has been transferred to the buyer.

# Parent company financial statements 1 January – 31 December

## Notes

### 1 Accounting policies (continued)

A contract is broken down by individual transactions when the fair value of the individual sales transactions may be reliably measured, and the individual sales transactions are of separate value to the buyer. Sales transactions are deemed to be of a separate value to the buyer when the transaction is individually identifiable and usually sold individually. The contract price is broken down by the individual sales transactions in accordance with the relative current cost approach. The separate sales transactions are recognised as revenue when complying with the criteria applying to the sale of goods and services.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are deducted from revenue.

For products with a high degree of customisation, revenue is recognised as production takes place, and accordingly, revenue corresponds to the selling price of the work performed for the year (the percentage of completion method). When total income and costs attributable to the contract or the stage of completion at the balance sheet date cannot be estimated reliably, revenue is recognised only at costs incurred and only to the extent that the recovery thereof is likely.

Revenue from the sale of services, is recognised on a straight-line basis in the income statement as the services are provided.

Services based on time spent are recognised in revenue as the work is performed.

### Own work capitalised

Own work capitalised comprises staff costs and other costs including financial costs incurred in the financial year and recognised in the cost of proprietary intangible assets.

### Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

### Other external costs

Other external costs comprise costs for distribution and sales costs, costs for advertising, administrative expenses, costs of premises, bad debts, operating leases, etc.

### Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, excluding reimbursements from public authorities.

### Income from equity investments in group entities

The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Company's income statement after full elimination of intra-group gains/losses and amortisation of goodwill.

### Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, 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.

# Parent company financial statements 1 January – 31 December

## Notes

### Tax on profit/loss

The Parent Company is comprised by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

## Balance sheet

### Intangible assets

#### *Development projects*

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well development costs. Other development costs are recognised in the income statement as incurred.

Development costs recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Upon completion of development work, development costs are amortised on a straight-line basis over the estimated useful lives. The amortisation period is usually 10-20 years.

The amortisation period of 20 years relates to basic research as mathematical algorithms for all future products.

#### *Patents, licences and trademarks*

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining life of the patent, and licences are amortised over the contract period, however, not exceeding 20 years.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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.

# Parent company financial statements 1 January – 31 December

## Notes

### 1 Accounting policies (continued)

### Property, plant and equipment

Fixtures and fittings, tools and equipment 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 on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

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.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

| | |
|---|---|
| Fixtures and fittings, tools and equipment | 5 years |

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

### Investments

Equity investments in group entities are measured at the proportionate share of the entities' net asset value calculated in accordance with the Company's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Equity investments in group entities with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised as provisions.

Net revaluation of equity investments in group entities is tied as a net revaluation reserve under equity according to the equity method to the extent that the carrying amount exceeds cost. Dividends from group entities expected to be adopted in the group entities prior to the approval of the Company's annual report, are not tied up in the revaluation reserve.

### Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

# Financial statements 1 January – 31 December

## Notes

### 1 Accounting policies (continued)

#### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

#### Equity

*Net revaluation reserve according to the equity method*

Net revaluation reserve according to the equity method comprises net revaluation of associates in proportion to cost.

Dividends that expected to be received before the balance sheet date are not tied to the reserve.

Reserves may be eliminated in connection with loss, realisation of equity investments or changes in accounting estimates.

Reserves cannot be recognised at a negative amount.

*Reserve for development costs*

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

#### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

# Financial statements 1 January – 31 December

## Notes

### 1 Accounting policies (continued)

#### Liabilities other than provisions

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

Finance lease obligation comprise the capitalised residual lease obligation of finance leases.

Other liabilities are measured at net realisable value.

#### Deferred income

Deferred income comprises payments received regarding income in subsequent years.

## Cash flow statement

The cash flow statement shows the Company'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 Company's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

#### Cash flows from operating activities

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

#### Cash flows from investing activities

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

#### Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's share capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividends to owners.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

# Parent company financial statements 1 January – 31 December

## Notes

### 2 Staff costs

| DKK | 2023 | 2022 |
|---|---|---|
| Wages and salaries | 13,418,723 | 13,612,194 |
| Pensions | 997,948 | 907,498 |
| Other social security costs | 250,621 | 226,154 |
| Capitalised staff costs under development projects | -10,689,859 | -13,193,765 |
| | 3,977,433 | 1,552,081 |
| Average number of full-time employees | 29 | 27 |

The Company has an incentive scheme where employees have the possibility to receive a part of the salary as shares.

In accordance with section 98b(3) of the Danish Financial Statements Act, remuneration of the Executive Board and the Board of Directors is presented as an aggregate single amount.

| DKK | 2023 | 2022 |
|---|---|---|

### 3 Tax on profit/loss

| | | |
|---|---|---|
| Current tax for the year | -3,389,232 | -4,314,407 |
| Change in deferred tax | 1,265,524 | 3,029,498 |
| Adjustment of tax concerning previous years | -1,404 | 33,205 |
| | -2,125,112 | -1,251,704 |

### 4 Proposed profit appropriation/distribution of loss

| | | |
|---|---|---|
| Reserve for development costs | 8,096,082 | 12,279,136 |
| Reserve for net revaluation under equity method | -3,209,176 | -1,585,067 |
| Retained earnings | -16,840,751 | -7,554,627 |
| | -11,953,845 | 3,139,442 |

# Parent company financial statements 1 January – 31 December

## Notes

### 5 Intangible assets

| DKK | Completed develop-ment projects | Patents, licences and trademarks | Develop-ment projects in progress | Total |
|---|---|---|---|---|
| Cost at 1 January 2023 | 14,446,979 | 1,994,478 | 57,250,596 | 73,692,053 |
| Additions | 0 | 345,967 | 11,149,303 | 11,495,270 |
| Transferred | 5,678,780 | 0 | -5,678,780 | 0 |
| Cost at 31 December 2023 | 20,125,759 | 2,340,445 | 62,721,119 | 85,187,323 |
| Amortisation and impairment losses at 1 January 2023 | -2,374,467 | -282,478 | 0 | -2,656,945 |
| Amortisation for the year | -769,711 | -110,351 | 0 | -880,062 |
| Amortisation and impairment losses at 31 December 2023 | -3,144,178 | -392,829 | 0 | -3,537,007 |
| **Carrying amount at 31 December 2023** | 16,981,581 | 1,947,616 | 62,721,119 | 81,650,316 |

### Completed development projects and development projects in progress

The capitalised development costs relate to various new products in progress for monitoring of technical installations in professional buildings in order to reap operating as well as environmental profits.

Naturally, there is uncertainty associated with development projects, and the timeframe for completing multiple development projects is uncertain.

As a result of the above, the company's management has assessed income potentials supporting the notion that the value of completed and ongoing development projects exceeds their accounting value, hence no write-downs have been made.

The Company has received grants provided on the basis of capitalised intangible assets. The grants received are recognised in the financial statements under deferred income. Deferred income amounts to DKK 33,959 thousand.

# Parent company financial statements 1 January – 31 December

## Notes

### 6 Property, plant and equipment

| DKK | Fixtures and fittings, tools and equipment |
|---|---|
| Cost at 1 January 2023 | 436,738 |
| Additions for the year | 195,300 |
| Cost at 31 December 2023 | 632,038 |
| Depreciation and impairment losses at 1 January 2023 | -150,310 |
| Depreciation for the year | -88,302 |
| Depreciation and impairment losses at 31 December 2023 | -238,612 |
| **Carrying amount at 31 December 2023** | 393,426 |

### 7 Investments

| DKK | Investments in group entities | Deposits |
|---|---|---|
| Cost at 1 January 2023 | 73,898 | 301,716 |
| Additions for the year | 3,900,000 | 0 |
| Disposal for the year | -33,597 | |
| Cost at 31 December 2023 | 3,940,301 | 301,716 |
| Revaluations at 1 January 2023 | 3,286,414 | 0 |
| Share of profit for the year | -5,313,012 | 0 |
| Dividends received | -2,960,011 | 0 |
| Disposals for the year | 33,597 | 0 |
| Equity investments with negative net asset value written down over receivables | 1,460,133 | 0 |
| Revaluations at 31 December 2023 | -3,492,879 | 0 |
| **Carrying amount at 31 December 2023** | 447,422 | 301,716 |

| Name/legal form | Registered office | Equity interest |
|---|---|---|
| Subsidiaries: | | |
| ReMoni Danmark A/S | Skanderborg, Denmark | 100% |
| ReMoni Technologies RO S.R.L | Iasi, Romania | 100% |

As of 25th January 2023, ReMoni Norge AS has been liquidated.

As of 15th August 2023, ReMoni Inc. has been liquidated.

# Parent company financial statements 1 January – 31 December

## Notes

### 8 Receivable grants

The total value of receivable grants contracts amounts to DKK 14,646 thousand.

### 9 Cash at bank and in hand

The Company has deposited DKK 10 million into a closed bank deposit account until 22 February 2024 to receive higher interest.

### 10 Treasury shares

| DKK | Number | Nominal value | Share of contributed capital |
|---|---|---|---|
| Portfolio of treasury shares: | | | |
| Treasury shares | 99,904 | 99,904 | 2.92% |

During the year, the Company repurchased treasury shares amounting to DKK 2,990 thousand, nom. DKK 33,272 thousand.

### 11 Equity

Contributed capital consists of 3,417,528 shares of a nom. value of DKK 1 each. All shares rank equally.

### 12 Non-current liabilities other than provisions

| DKK | 2023 | 2022 |
|---|---|---|
| Other payables, including taxes payable: | | |
| 1-5 years | 623,140 | 601,738 |
| Deferred income: | | |
| 0-1 years | 596,243 | 436,555 |
| 1-5 years | 33,362,443 | 28,640,582 |
| | 33,958,686 | 29,077,137 |

The Company has no liabilities which are outstanding after five years other than deferred income. The Company has deferred income consisting of grants received relating to capitalised development projects. Since deferred income relates to projects in progress, it is not possible to determine the outstanding amount after five years.

### 13 Long-term deferred income

Deferred income of DKK 33,362 thousand (2022: DKK 28,641 thousand) comprises grants received relating to capitalised development projects in progress, see note 5. The grants received are not subject to repayment but will be amortised as the related development project is amortised.

# Parent company financial statements 1 January – 31 December

## Notes

### 14 Contractual obligations, contingencies, etc.

#### Operating lease obligations

The Company has entered into rent agreements with a residual term of up to 16 months. The liability at 31 December 2023 totalled DKK 825 thousand.

### 15 Related party disclosures

In accordance with section 98 c(7) of the Danish Financial Statements Act, related party transactions have not been disclosed in the consolidated financial statements and parent company financial statements, as they were conducted on an arm's length basis.