



RSM

RSM Danmark

Statsautoriseret
Revisionspartnerselskab

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Parking Solutions Danmark ApS

Slotsmarken 10, 2970 Hørsholm

Company reg. no. 42 32 58 64

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 15 May 2024.

Dan Kirk
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Executive Board has approved the annual report of Parking Solutions Danmark ApS for the financial year 1 January - 31 December 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

The Executive Board consider the conditions for audit exemption of the 2023 financial statements to be met.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Hørsholm, 15 May 2024

Executive board

Dan Kirk

Philip Neil Boynes

Practitioner's compilation report

To the Shareholder of Parking Solutions Danmark ApS

We have compiled the financial statements of Parking Solutions Danmark ApS for the financial year 1 January - 31 December 2023 based on the company's bookkeeping and on information you have provided.

These financial statements comprise a summary of significant accounting policies, income statement, balance sheet and notes.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Skive, 15 May 2024

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Kenny Dam Handberg

State Authorised Public Accountant
mne43515

Company information

The company	Parking Solutions Danmark ApS Slotsmarken 10 2970 Hørsholm Company reg. no. 42 32 58 64 Financial year: 1 January - 31 December
Executive board	Dan Kirk Philip Neil Boynes
Auditors	RSM Danmark Statsautoriseret Revisionspartnerselskab Frugtparken 3 7800 Skive
Parent company	Parkingeye Limited

Management's review

The principal activities of the company

Like previous years, the principal activities of the company is facilitating fair and accurate parking-solution.

Development in activities and financial matters

The gross profit for the year totals DKK 2.974.040 against DKK -2.730.966 last year. Income or loss from ordinary activities after tax totals DKK -6.001.188 against DKK -6.540.007 last year.

The company is still in the startup phase in Denmark. The company has therefore incurred significant startup costs and as such the equity is negative. Management expects the coming years to be positive and that the equity will be reestablished through future profit. The Parent company will make sure the entity can uphold all commitments until the company can service debt by its own activity.

Accounting policies

The annual report for Parking Solutions Danmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Accounting policies

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Gross profit

Gross profit comprises the revenue and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external expenses comprise expenses incurred for sales, advertising, administration, premises and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of tangible assets, respectively.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

Property, plant, and equipment

Property is measured at cost plus revaluations and less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

Property is revaluated on the basis of regular, independent fair-value assessments. Net revaluation at fair value adjustment is recognised directly in equity less deferred tax and tied up in a particular revaluation reserve. Net impairment loss at fair value adjustment is recognised in the income statement.

The depreciable amount is cost plus revaluations at fair value less expected residual value after the end of the useful life of the asset. The amortisation period is fixed at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in company equity.

Other property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

Accounting policies

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	5 years

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Property, plant, and equipment under construction

Property, plant, and equipment under construction are measured and recognised as the total costs incurred. When the work has been completed, the total value is transferred to the relevant item under property, plant, and equipment and is amortised from the date of entry into service.

Leases

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value of the asset being leased or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

Accounting policies

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, impairment takes place at the net realisable value.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Liabilities other than provisions

Liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	2.974.040	-2.730.966
2 Staff costs	-6.226.871	-3.185.812
Depreciation and impairment of non-current assets	-1.021.638	-119.657
Operating profit	-4.274.469	-6.036.435
3 Other financial expenses	-1.726.719	-503.572
Pre-tax net profit or loss	-6.001.188	-6.540.007
Tax on net profit or loss for the year	0	0
Net profit or loss for the year	-6.001.188	-6.540.007
Proposed distribution of net profit:		
Allocated from retained earnings	-6.001.188	-6.540.007
Total allocations and transfers	-6.001.188	-6.540.007

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
Acquired concessions, patents, licenses, trademarks, and similar rights	255.006	50.206
Total intangible assets	<u>255.006</u>	<u>50.206</u>
Property	1.302.333	0
Other fixtures and fittings, tools and equipment	5.209.231	1.525.650
Property, plant, and equipment under construction and prepayments for property, plant, and equipment	<u>1.503.537</u>	<u>462.887</u>
Total property, plant, and equipment	<u>8.015.101</u>	<u>1.988.537</u>
Total non-current assets	<u>8.270.107</u>	<u>2.038.743</u>
Current assets		
Trade receivables	622.922	0
Receivables from subsidiaries	81.497	81.497
Other receivables	234.604	369.743
Prepayments	<u>84.424</u>	<u>55.739</u>
Total receivables	<u>1.023.447</u>	<u>506.979</u>
Cash and cash equivalents	<u>2.644.767</u>	<u>2.088.387</u>
Total current assets	<u>3.668.214</u>	<u>2.595.366</u>
Total assets	<u>11.938.321</u>	<u>4.634.109</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	40.000	40.000
Retained earnings	-15.360.038	-9.358.850
Total equity	-15.320.038	-9.318.850
Liabilities other than provisions		
Lease liabilities	1.288.282	0
Payables to group enterprises	18.100.000	10.600.000
Total long term liabilities other than provisions	19.388.282	10.600.000
Trade payables	322.288	66.847
Payables to group enterprises	5.643.953	3.106.847
Other payables	1.903.836	179.265
Total short term liabilities other than provisions	7.870.077	3.352.959
Total liabilities other than provisions	27.258.359	13.952.959
Total equity and liabilities	11.938.321	4.634.109

- 1 Financial Resources
- 4 Contingencies
- 5 Related parties

Notes

All amounts in DKK.

1. Financial Resources

The company is still in the startup phase in Denmark. The company has therefore incurred significant startup costs and as such the equity is negative. Management expects the coming years to be positive and that the equity will be reestablished through future profit. The Parent company will make sure the entity can uphold all commitments until the company can service debt by its own activity.

	<u>2023</u>	<u>2022</u>
2. Staff costs		
Salaries and wages	5.805.795	3.121.418
Pension costs	370.112	46.880
Other costs for social security	<u>50.964</u>	<u>17.514</u>
	<u>6.226.871</u>	<u>3.185.812</u>
Average number of employees	<u>15</u>	<u>7</u>
3. Other financial expenses		
Financial costs, group enterprises	1.559.772	417.631
Other financial costs	<u>166.947</u>	<u>85.941</u>
	<u>1.726.719</u>	<u>503.572</u>

4. Contingencies

Contingent liabilities

The company has a lease agreement in place for its offices and warehouse. This is a 3-year lease at 334,000 DKK per annum.

5. Related parties

Consolidated financial statements

The company is included in the consolidated financial statements of Peggy Holdco Limited, 40 Eaton Ave, Buckshaw Village, Chorley PR7 7NA, UK