EM Industriudvikling ApS

Hørmarken 2, 3520 Farum

CVR no. 43 72 88 73

Annual report 2022/23
(As of the establishment of the Company 21 December 2022 - 31 December 2023)

Approved at the Company's annual general meeting on 3 July 2024

Chair of the meeting:

....
Kent Keiward Pham

Contents

Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of EM Industriudvikling ApS for the financial year as of the establishment of the Company 21 December 2022 - 31 December 2023.

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

In my opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2023 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year as of the establishment of the Company 21 December 2022 - 31 December 2023.

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

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

Farum, 3 July 2024
Executive Board:

Kent Keiward Pham

Independent auditor's report

To the shareholders of EM Industriudvikling ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of EM Industriudvikling ApS for the financial year as of the establishment of the Company 21 December 2022 - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year as of the establishment of the company 21 December 2022 - 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" (herinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' 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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Independent auditor's report

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Herning, 3 July 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jesper Stier State Authorised Public Accountant mne42245	Christian Jøker State Authorised Public Accountant mne31471

Management's review

Company details

Name	EM Industriudvikling ApS
Address, Postal code, City	Hørmarken 2, 3520 Farum
CVR no.	43 72 88 73
Established	21 December 2022
Registered office	Farum
Financial year	21 December 2022 - 31 December 2023
Executive Board	Kent Keiward Pham
Auditors	EY Godkendt Revisionspartnerselskab Dalgasgade 27, 3. sal, 7400 Herning, Denmark

Management's review

Financial highlights for the Group

DKK'000	2022/23 13 months
Key figures	
Gross profit/loss	30,562
Operating profit/loss	-29,823
Net financials	-3,068
Profit/loss for the year	-29,943
Total assets	149,320
Investments in property, plant and equipment	185
Equity	74,521
Financial ratios	
Financial gearing	0.0%
Return on assets	-20.0%
Current ratio	37.0%
Equity ratio	47.0%
Return on equity	-40.2%

For terms and definitions, please see the accounting policies.

Management's review

Business review

The group's main activities are provision of data insights to our customers, utilising telematics and empowering our customers with a wide number of services, to meet their requirements. Our solutions offer a positive climate impact by reducing fuel emissions through route optimisation, efficient driving interaction.

The parent company's main activity is to own shares in subsidiaries.

Recognition and measurement uncertainties

During the financial year, the Group carried out impairment tests on the recognised goodwill. The impairment test did not give rise to a write-down of the carrying values. Due to the market situation inthe financial markets, several significant assumptions for the impairment test are associated with great uncertainty, including management's expectations for the company's budget for the coming years, growth rate during the terminal period and discount factor. If the assumptions used develop negatively, there may be a need to make write-downs in future financial years.

Financial review

The income statement for 2022/23 shows a loss of DKK 29,943 thousand, and the balance sheet at 31 December 2023 shows equity of DKK 74,521 thousand. The profit for the year is therefore below expectations, which is primarily due the large amortization amounts associated with the intangible assets acquired during the year (23.9 M DKK), when the group was formed with r2p Tracking Denmark and Skycom S.à r.l in Luxembourg. This is a requirement under Danish GAAP. In addition the Group incurred 12.7 M DKK in exceptional costs associated with the formation of the group including legal, restructuring and acquisition costs. Despite of this, management finds the result for the year unsatisfactory.

The group's management continuously assesses the group's liquidity, financing and capital situation. Based on management's expectations and the current budget and forecast for 2024, which show an expected adjusted EBITDA in the range of DKK 10 million and a total cash flow after financing and acquisitions for the year in the range of DKK 2-5 million, it is the management's opinion that the available liquidity and financing are sufficient to cover the group's activities for a period of at least 12 months after the balance sheet date.

Knowledge resources

The Group continuously expands knowledge resources within the main activity. Management believes that these knowledge resources are essential to achieve the planned development of thecompany.

Financial risks and use of financial instruments

Management estimates that the company is not affected by special risks in addition to ordinarybusiness risks in the industry.

Impact on the external environment

The Group has established an Environmental and Working Environment Policy that iscommunicated internally in the organisation and externally where it is considered relevant, e.g. to customers. We will continuously work to achieve improvements within the environment and working environment. The Group was newly formed in 2023, and is working as a core goal in 2024 to achieve ISO accreditation in terms of ISO 9001/14001 and 27001. In close collaboration with the owners, we are systematically working towards 100% EU taxonomy adjustment in our most important economic activity. In parallel, work is being done to reduce greenhouse gas emissions in accordance with the targets of the Paris Agreement in the three categories Scope 1, 2 and 3.

Research and development activities

Development activities are carried out continuously by the company in order to maintain the company's market position, which primarily concerns development of applications to enable the smarter use of data for our customers, to make an impact to their business and for the wider benefit of the environment.

Events after the balance sheet date

Management's review

No events materially affecting the Group's and the Company's financial position have occurred subsequent to the financial year-end.

Outlook

At the beginning of 2024, the group has started well and sees a number of opportunities in all markets, which gives management a reasonable belief in significant growth and positive operations for the financial year 2024. Management believes that the group has good prospects for a positive return on capital, which in the long term may exceed the annual costs for financing and depreciation of goodwill. For the financial year 2024, management expects an adjusted EBITDA between DKK 6 and 10 million for the group.

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Income statement

Note		Group	Parent company
		2022/23 13 months	2022/23 13 months
Note		DKK'000	DKK'000
	Gross profit/loss	30,562	-35
4	Staff costs	-35,960	0
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-23,971	0
	Other operating expenses	-205	0
	Profit/loss before net financials	-29,574	-35
	Financial income	345	1
5	Financial expenses	-3,413	0
	Profit/loss before tax	-32,642	-34
6	Tax for the year	2,699	0
	Profit/loss for the year	-29,943	-34
	Specification of the Group's results of operations:		
	Shareholders in EM Industriudvikling ApS	-28,194	
	Non-controlling interests	-1,749	
		-29,943	

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Balance sheet

Note		Group 2022/23 DKK'000	Parent company 2022/23 DKK'000
	ASSETS		
	Fixed assets		
8	**Intangible assets**		
	Completed development projects	11,218	0
	Acquired concessions	18,021	0
	Goodwill	92,283	0
		121,522	0
9	**Property, plant and equipment**		
	Fixtures and fittings, other plant and equipment	1,397	0
		1,397	0
10	**Investments**		
	Investments in group enterprises	0	98,546
	Investments in Participating interests	896	0
	Deposits	138	0
		1,034	98,546
	Total fixed assets	123,953	98,546
	Non-fixed assets		
	Inventories		
	Goods for resale	5,421	0
		5,421	0
	Receivables		
	Trade receivables	4,637	0
	Corporation tax receivable	783	0
	Other receivables	724	0
11	Prepayments	1,213	0
		7,357	0
	Cash	12,589	191
	Total non-fixed assets	25,367	191
	TOTAL ASSETS	149,320	98,737

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Balance sheet

Note		Group 2022/23 DKK'000	Parent company 2022/23 DKK'000
	EQUITY AND LIABILITIES		
	Equity		
12	Share capital	40	40
	Retained earnings	70,118	98,672
	Shareholders in EM Industriudvikling ApS' share of equity	70,158	98,712
	Non-controlling interests	4,363	0
	Total equity	74,521	98,712
	Provisions		
13	Deferred tax	3,669	0
	Total provisions	3,669	0
	Liabilities other than provisions		
14	**Non-current liabilities other than provisions**		
15	Derivative financial instruments	862	0
	Other payables	1,764	0
		2,626	0
	Current liabilities other than provisions		
14	Short-term part of long-term liabilities other than provisions	64	0
	Bank debt	49,167	0
	Prepayments received from customers	5,946	0
	Trade payables	4,474	25
	Payables to group enterprises	1	0
	Other payables	8,852	0
		68,504	25
	Total liabilities other than provisions	71,130	25
	TOTAL EQUITY AND LIABILITIES	149,320	98,737

1 Accounting policies
2 Recognition and measurement uncertainties
3 Capital ratio
7 Appropriation of profit/loss
16 Contractual obligations and contingencies, etc.
17 Security and collateral
18 Related parties

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Statement of changes in equity

		Group				
Note	DKK'000	Share capital	Retained earnings	Total	Non-controlling interests	Total equity
	Cash payments concerning formation of enterprise	40	0	40	0	40
	Additions on corporate acquisition	0	0	0	6,112	6,112
	Capital increase	0	17,247	17,247	0	17,247
	Transfer through appropriation of loss	0	-27,830	-27,830	-1,749	-29,579
	Contribution from group	0	81,209	81,209	0	81,209
	Equity at 31 December 2023	40	70,118	70,158	4,363	74,521

		Parent company		
Note	DKK'000	Share capital	Retained earnings	Total
	Cash payments concerning formation of enterprise	40	0	40
7	Transfer, see "Appropriation of profit/loss"	0	-34	-34
	Contribution from group	0	98,706	98,706
	Equity at 31 December 2023	40	98,672	98,712

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Cash flow statement

Note		Group 2022/23 13 months DKK'000
	Profit/loss for the year	-29,943
19	Adjustments	24,339
	Cash generated from operations (operating activities)	-5,604
20	Changes in working capital	8,818
	Cash generated from operations (operating activities)	3,214
	Interest received, etc.	272
	Interest paid, etc.	-3,413
	Income taxes paid	-1,667
	Tax on changes in equity	-190
	Cash flows from operating activities	-1,784
	Additions of intangible assets	-1,186
	Additions of property, plant and equipment	-185
	Purchase of financial assets	-5
21	Acquisition of companies and activities	-137,388
	Acquisition of participating interests	-896
	Cash flows to investing activities	-139,660
	Proceeds of debt to credit institutions	50,278
	Change in credit lines in credit institutions	556
	Repayments of debt to credit institutions	-1,667
	Share capital	40
	Cash capital increase	98,706
	Cash capital increase minority interests	6,112
	Cash flows from financing activities	154,025
	Net cash flow	12,581
	Cash and cash equivalents at 21 December 2022	0
	Foreign exchange adjustments	8
22	**Cash and cash equivalents at 31 December 2023**	12,589

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

1 Accounting policies

The annual report of EM Industriudvikling ApS for 2022/23 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest.

Goodwill relating to the non-controlling interests' share of the acquiree is recognised.

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

1 **Accounting policies (continued)**

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of group entities which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

Intra-group business combinations

The book value method is applied to business combinations such as acquisition and disposal of investments, mergers, demergers, contributions of assets and share conversions, etc. in which entities controlled by the parent company are involved, provided that the combination is considered completed at the time of acquisition without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly in equity.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Land and buildings	5 years

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

1 **Accounting policies (continued)**

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Acquired goodwill is measured at cost value less depreciation. The depreciation period is set at 10 years based on the following:

- The acquired activities are related to gaining a larger market share in the fleet tracking market. It is assessed that the underlying data from the purchase of the subsidiaries supports upholding the value for approximately 10 years.

- Gathering of cross-border activities is expected to have a further positive impact on the market share, as well as streamlining processes across the entities for a more cost-efficient approach.

Development costs comprise expenses, salaries and amortisation directly or 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 areidentifiable 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 and development costs. Other development costs are recognised in the income statement as incurred.

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

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 3 years.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight line basis over the remaining term of the patent, and licences are amortised over the term of the licence, but not exceeding # years.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

1 **Accounting policies (continued)**

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

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Deposits

Deposits are measured at cost value and comprises deposits related to rented premises.

Investments in group entities and participating interests

Investments in group entities and associates are measured at cost. Dividends received that exceed the accumulated earnings in the group entity or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in group entities is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

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

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

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

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

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

1 **Accounting policies (continued)**

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

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

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

Other liabilities are measured at net realisable value.

Prepayments received from customers

Prepayment received from customers comprises payments from customers related to income for the coming financial years.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

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 paid corporate income tax.

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

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

1 **Accounting policies (continued)**

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

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines.

2 **Recognition and measurement uncertainties**

During the financial year, the Group carried out impairment tests on the recognised goodwill. The impairment test did not give rise to a write-down of the carrying values. Due to the market situation inthe financial markets, several significant assumptions for the impairment test are associated with great uncertainty, including management's expectations for the company's budget for the coming years, growth rate during the terminal period and discount factor. If the assumptions used develop negatively, there may be a need to make write-downs in future financial years.

3 **Capital ratio**

The group's management continuously assesses the group's liquidity, financing and capital situation. Based on management's expectations and the current budget and forecast for 2024, which show an expected adjusted EBITDA in the range of DKK 10 million and a total cash flow after financing and acquisitions for the year in the range of DKK 2-5 million, it is the management's opinion that the available liquidity and financing are sufficient to cover the group's activities for a period of at least 12 months after the balance sheet date.

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

		Group	Parent company
		2022/23 13 months DKK'000	2022/23 13 months DKK'000
4	**Staff costs**		
	Wages/salaries	34,233	0
	Pensions	769	0
	Other social security costs	2,144	0
	Staff costs transferred to non-current assets	-1,186	0
		35,960	0

Group

The Group did not pay any remuneration to Management during the financial year.

Parent company

The parent Company has no employees.

		Group	Parent company
5	**Financial expenses**		
	Interest expenses, group entities	12	0
	Other financial expenses	3,401	0
		3,413	0
6	**Tax for the year**		
	Estimated tax charge for the year	1,067	0
	Deferred tax	-3,766	0
		-2,699	0

		Parent company
		2022/23 13 months DKK'000
7	**Appropriation of profit/loss**	
	Recommended appropriation of profit/loss	
	Retained earnings/accumulated loss	-34
		-34

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

8 Intangible assets

	Group			
DKK'000	Completed development projects	Acquired concessions	Goodwill	Total
Cost at 21 December 2022	0	0	0	0
Forreign exchange adjustments	8	7	44	59
Additions through mergers and business combinations	33,572	26,341	103,167	163,080
Additions	1,186	0	0	1,186
Disposals	-288	0	0	-288
Cost at 31 December 2023	34,478	26,348	103,211	164,037
Impairment losses and amortisation at 21 December 2022	0	0	0	0
Foreign exchange adjustments	0	0	1	1
Impairment losses and amortisation of additions through mergers and business combinations	18,060	0	1,482	19,542
Amortisation for the year	5,283	8,327	9,445	23,055
Amortisation and impairment losses of disposals for the year	-83	0	0	-83
Impairment losses and amortisation at 31 December 2023	23,260	8,327	10,928	42,515
Carrying amount at 31 December 2023	11,218	18,021	92,283	121,522

Completed development projects

Completed development projects include continous development of software related to tracking and other similar projects.

Management has not identified any indication of impairment in relation to the carrying amount of the development projects.

9 Property, plant and equipment

	Group
DKK'000	Fixtures and fittings, other plant and equipment
Additions on merger/corporate acquisition	8,585
Additions	185
Cost at 31 December 2023	8,770
Accumulated impairment losses and depreciation of additions through mergers and business combinations	7,324
Depreciation	49
Impairment losses and depreciation at 31 December 2023	7,373
Carrying amount at 31 December 2023	1,397

Note 17 provides more details on security for loans, etc. as regards property, plant and equipment.

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

10 Investments

DKK'000	Group: Investments in Participating interests	Group: Deposits	Group: Total
Cost at 21 December 2022	0	0	0
Additions on merger/corporate acquisition	896	133	1,029
Additions	0	5	5
Cost at 31 December 2023	896	138	1,034
Carrying amount at 31 December 2023	896	138	1,034

Group

Participating interests

Name	Domicile	Interest
S.A.R.L Winfleet France	France	20.00%

DKK'000	Parent company: Investments in group enterprises
Cost at 21 December 2022	0
Additions	98,546
Cost at 31 December 2023	98,546
Carrying amount at 31 December 2023	98,546

Parent company

Name	Domicile	Interest
EcoMobility Holding ApS	Farum, Denmark	94.15%
EcoMobility Group ApS	Viborg, Denmark	94.15%
EcoMobility ApS	Viborg, Denmark	94.15%
EcoMobility S.à r.l.	Luxembourg	94.15%
EcoMobility AS	Norway	94.15%

11 Prepayments

Group

Prepayments include accrual of expenses relating to subsequent financial years, including rent, insurance policies and similar costs.

12 Share capital

The parent's share capital has remained DKK 40 thousand since the establishment.

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

		Group	Parent company
		2022/23 DKK'000	2022/23 DKK'000
13	**Deferred tax**		
	Deferred tax from merger/corporate acquisition	7,435	0
	Deferred tax adjustment for the year	-3,766	0
	Deferred tax at 31 December 2023	3,669	0

14 **Non-current liabilities other than provisions**

	Group			
DKK'000	Total debt at 31/12 2023	Short-term portion	Long-term portion	Outstanding debt after 5 years
Derivative financial instruments	862	0	862	0
Other payables	1,828	64	1,764	1,723
	2,690	64	2,626	1,723

15 **Derivative financial instruments**

Group

The Group as well as the parent company has entered into an interest swap with a fair value of 862 tDKK. The interest swap expires in september 2028.

16 **Contingencies, etc.**

Other financial obligations

	Cars	Rent	Total
Within 1 year	225	513	738
Between 1 and 5 years	505	307	812
	730	820	1,550

Parent company

The company is jointly taxed with other Danish companies in the group. As a wholly-owned subsidiary, the company is liable unlimitedly and jointly and severally with the other companies in the jointtaxation circle for Danish corporation taxes within the joint taxation.

Corporate taxes due within the joint taxation are set out in the annual report of ABI Invest Industriudvikling ApS, CVR no. 42 73 21 33, to which reference is made. Any subsequent corrections of the taxable joint taxation income may result in the company's liability amounting to a larger amount.

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

17 **Security and collateral**

Group

The group has not provided any security or other collateral in assets at 31 December 2023.

Parent company

The parent Company has not provided any security or other collateral in assets at 31 December 2023.

18 **Related parties**

EM Industriudvikling ApS' related parties comprise the following:

Significant influence

Related party	Domicile	Basis for significant influence
Alder II AB	Sturegatan 34, 114 36 Stockholm, Sweden	Ultimate parent company

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

Consolidated financial statements and parent company financial statements for the period 21 December 2022 - 31 December 2023

Notes to the financial statements

		Group 2022/23 13 months DKK'000
19	**Adjustments**	
	Amortisation/depreciation and impairment losses	23,971
	Financial income	-345
	Financial expenses	3,413
	Tax for the year	-2,700
		24,339
20	**Changes in working capital**	
	Change in inventories	-5,421
	Change in receivables	-6,574
	Change in trade and other payables	20,813
		8,818
21	**Acquisition of enterprises and activities**	
	Inventories	-6,187
	Receivables	-5,866
	Cash	-4,105
	Trade payables	2,018
	Other payables	22,505
	Cost of acquisition	8,365
	Cash	129,023
	Cost of acquisition paid in cash	137,388
22	**Cash and cash equivalents at year-end**	
	Cash according to the balance sheet	12,589
		12,589

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Kent Keiward Pham
Executive Board
On behalf of: EM Industriudvikling ApS
Serial number: 8931917833fe60[...]f3f4022336c72
IP: 194.132.xxx.xxx
2024-07-03 13:44:18 UTC

Kent Keiward Pham
Chairman
On behalf of: EM Industriudvikling ApS
Serial number: 8931917833fe60[...]f3f4022336c72
IP: 194.132.xxx.xxx
2024-07-03 13:44:18 UTC

Jesper Stier
State Authorised Public Accountant
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: 1bff6dba-b2c7-4e9f-9d67-849721ba494f
IP: 165.225.xxx.xxx
2024-07-03 14:00:40 UTC

Christian Lindegaard Jøker
EY Godkendt Revisionspartnerselskab CVR: 30700228
State Authorised Public Accountant
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: da407044-93b0-43c6-9139-126b918dd166
IP: 165.225.xxx.xxx
2024-07-03 14:02:56 UTC