

North Propulsion ApS

Matematiktorvet 307, 1., 2800 Kongens Lyngby

Company reg. no. 43 80 21 94

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 27 March 2025.

Rasmus Arnt Pedersen
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's statement	1
Practitioner's compilation report	2
Management's review	
Company information	3
Management's review	4
Financial statements 1 January - 31 December 2024	
Income statement	5
Balance sheet	6
Statement of changes in equity	8
Accounting policies	9
Notes	12

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 Managing Director has approved the annual report of North Propulsion ApS for the financial year 1 January - 31 December 2024.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

The Managing Director consider the conditions for audit exemption of the 2024 financial statements to be met.

Further, in my 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.

Kongens Lyngby, 27 March 2025

Managing Director

Rasmus Arnt Pedersen
CEO

Practitioner's compilation report

To the Shareholders of North Propulsion ApS

We have compiled the financial statements of North Propulsion ApS for the financial year 1 January - 31 December 2024 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, statement of changes in equity 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.

Copenhagen, 27 March 2025

Grant Thornton

Certified Public Accountants
Company reg. no. 34 20 99 36

Morten Høgh-Petersen

State Authorised Public Accountant
mne34283

Company information

The company

North Propulsion ApS
Matematiktorvet 307, 1.
2800 Kongens Lyngby

Company reg. no. 43 80 21 94
Financial year: 1 January - 31 December

Managing Director

Rasmus Arnt Pedersen, CEO

Management's review

Description of key activities of the company

The company's purpose is to engage in business with trade and service, as well as activities related thereto.

Significant changes in the company's activities and financial matters

The Company's income statement for 2024 shows a profit of DKK 862.057 as against a profit of DKK 162.523 in 2023. Equity in the Company's balance sheet at 31 December 2024 stood at DKK 1.064.580 as against DKK 202.523 at 31 December 2022.

Events occurring after the end of the financial year

No events have occurred after the balance sheet date of material importance to the annual report for 2024.

Income statement

All amounts in DKK.

<u>Note</u>	<u>1/1 - 31/12 2024</u>	<u>24/1 - 31/12 2023</u>
Gross profit	2.193.111	171.908
1 Staff costs	-1.007.128	0
Operating profit	1.185.983	171.908
Other financial income	806	27
Other financial expenses	-27.870	-9.412
Pre-tax net profit or loss	1.158.919	162.523
Tax on net profit or loss for the year	-296.862	0
Net profit or loss for the year	862.057	162.523
Proposed distribution of net profit:		
Transferred to retained earnings	0	34.409
Transferred to reserve for development costs	1.078.005	128.114
Allocated from retained earnings	-215.948	0
Total allocations and transfers	862.057	162.523

Balance sheet at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2024</u>	<u>2023</u>
Non-current assets			
2	Development projects in progress and prepayments for intangible assets	<u>1.546.306</u>	<u>164.248</u>
	Total intangible assets	<u>1.546.306</u>	<u>164.248</u>
3	Deposits	<u>18.560</u>	<u>0</u>
	Total investments	<u>18.560</u>	<u>0</u>
	Total non-current assets	<u>1.564.866</u>	<u>164.248</u>
Current assets			
	Other receivables	<u>16.670</u>	<u>37.533</u>
	Total receivables	<u>16.670</u>	<u>37.533</u>
	Cash and cash equivalents	<u>854.720</u>	<u>31.434</u>
	Total current assets	<u>871.390</u>	<u>68.967</u>
	Total assets	<u>2.436.256</u>	<u>233.215</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Equity		
Contributed capital	40.000	40.000
Reserve for development costs	1.206.119	128.114
Retained earnings	-181.539	34.409
Total equity	<u>1.064.580</u>	<u>202.523</u>
Provisions		
Provisions for deferred tax	296.862	0
Total provisions	<u>296.862</u>	<u>0</u>
Liabilities other than provisions		
Trade payables	91.673	30.692
Other payables	50.878	0
Deferred income	932.263	0
Total short term liabilities other than provisions	<u>1.074.814</u>	<u>30.692</u>
Total liabilities other than provisions	<u>1.074.814</u>	<u>30.692</u>
Total equity and liabilities	<u>2.436.256</u>	<u>233.215</u>

4 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity 24 January 2023	40.000	128.114	34.409	202.523
Retained earnings for the year	0	0	-215.948	-215.948
Transferred from retained earnings	0	1.078.005	0	1.078.005
	40.000	1.206.119	-181.539	1.064.580

Accounting policies

The annual report for North Propulsion 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.

Income statement

Gross profit

Gross profit comprises the own work capitalised, other operating income, and external costs.

Own work capitalised

Own work capitalised includes staff cost and other internal costs incurred during the financial year and recognised in the cost of proprietary intangible and tangible fixed assets.

Other external expenses comprise expenses incurred for administration.

Staff costs

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

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 realised and unrealised capital gains and losses relating to transactions in foreign currency.

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.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

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.

Accounting policies

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Accounting policies

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, North Propulsion ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

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

Deferred income

Payments received concerning future income are recognised under deferred income.

Notes

All amounts in DKK.

	1/1 - 31/12 2024	24/1 - 31/12 2023
1. Staff costs		
Salaries and wages	996.436	0
Other costs for social security	10.692	0
	1.007.128	0
Average number of employees	3	0
2. Development projects in progress and prepayments for intangible assets		
Cost 1 January 2024	164.248	0
Additions during the year	1.382.058	164.248
Cost 31 December 2024	1.546.306	164.248
Carrying amount, 31 December 2024	1.546.306	164.248
3. Deposits		
Additions during the year	18.560	0
Cost 31 December 2024	18.560	0
Carrying amount, 31 December 2024	18.560	0

4. Contingencies

Joint taxation

With Pedersen Heavy Industries ApS, company reg. no 42689955 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Notes

All amounts in DKK.

4. Contingencies (continued) **Joint taxation (continued)**

The company has withdrawn from the joint taxation with the former management company Pedersen Heavy Industries ApS as of 19 February 2024 and is liable for any tax claims against the other jointly taxed companies until the time of withdrawal from the joint taxation.