ZeroNorth A/S

Amagerfælledvej 106, DK-2300 Copenhagen S

Annual Report for 2024

CVR No. 41 05 22 36

The Annual Report was presented and adopted at the General Meeting of the company on 29/12 2025

Karsten Nelboe Gregory
Chairman of the general meeting

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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of ZeroNorth A/S for the financial year 1 January - 31 December 2024.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2024.

The annual report is a restatement of the Annual Report for the financial year 2024, which was previously submitted after adoption on the Annual General Meeting on 30 June 2025. Further details are described in note 1.

We recommend that the Annual Report be adopted at the Extraordinary General Meeting.

Copenhagen, 22 December 2025

Executive Board

Søren Christian Meyer

Board of Directors

Christian Michael Ingerslev Chairman	Maria Aagaard Pejter	Danny Brian Lange
Mikael Øpstun Skov	Eric Aboussouan	Edward Frederick Llywelyn Hughes

Independent Auditor's report

To the shareholders of ZeroNorth A/S

Opinion

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 2024 and of the results of the Group's and the Parent Company's operations as well as of the consolidated cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of ZeroNorth A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

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 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.

Emphasis of Matter

As described in note 1, this Annual Report is a restatement of the Annual Report submitted on 30 June 2025. Our conclusion is not modified in this respect.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

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 about 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 these 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 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 disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

Independent Auditor's report

Hellerup, 22 December 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Thomas Wraae Holm
State Authorised Public Accountant
mne30141

Henrik Ødegaard
State Authorised Public Accountant
mne31489

Company information

The Company	ZeroNorth A/S Amagerfælledvej 106 DK-2300 Copenhagen S Website: www.zeronorth.com CVR No: 41 05 22 36 Financial period: 1 January - 31 December Municipality of reg. office: Copenhagen
Board of Directors	Christian Michael Ingerslev, chairman Maria Aagaard Pejter Danny Brian Lange Mikael Øpstun Skov Eric Aboussouan Edward Frederick Llywelyn Hughes
Executive Board	Søren Christian Meyer
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2024	2023	2022	2021	2020
	TUSD	TUSD	TUSD	TUSD	TUSD
Key figures					
Profit/loss					
Revenue	36,851	14,342	6,781	3,102	611
Gross profit/loss	7,838	-7,266	-4,565	-2,037	-4,405
Profit/loss of primary operations	-58,766	-45,387	-35,231	-11,092	-51,100
Profit/loss of financial income and expenses	-5,728	673	-594	66	-66
Net profit/loss for the year	-65,665	-43,921	-32,772	-8,185	-4,037
Balance sheet					
Balance sheet total	152,635	50,749	59,867	19,154	15,262
Investment in property, plant and equipment	2,496	724	457	309	0
Equity	90,647	8,528	39,370	4,986	13,171
Cash flows					
Cash flows from:					
- operating activities	-39,036	-30,339	0	0	0
- investing activities	-2,639	-728	0	0	0
- financing activities	33,076	23,543	0	0	0
Change in cash and cash equivalents for the year	-8,599	-7,524	0	0	0
Number of employees	417	196	130	47	27
Ratios					
Gross margin	21.3%	-50.7%	-67.3%	-65.7%	-720.9%
Profit margin	-159.5%	-316.5%	-519.6%	-357.6%	-8363.3%
Return on assets	-38.5%	-89.4%	-58.8%	-57.9%	-334.8%
Solvency ratio	59.4%	16.8%	65.8%	26.0%	86.3%
Return on equity	-132.4%	-183.4%	-147.8%	-90.2%	-61.3%

The comparative figures for 2020, 2021 and 2022 comprise the parent company alone according to the Danish Financial Statements act section 78 (7). Furthermore, cash flows were not reported for these years.

Management's review

Key activities

ZeroNorth A/S, founded in 2020, is a technology leader committed to accelerating the energy transition in global shipping. The company operates within the maritime industry, collaborating with partners and customers to optimise operational efficiencies and support decarbonisation objectives through the application of technology and data-driven solutions, leveraging technology to transform traditional practices.

ZeroNorth delivers a multi-service platform leveraging data analytics and artificial intelligence to provide actionable insights that enhances decision-making for stakeholders across the global trade ecosystem. The platform integrates voyage, vessel, and bunker optimisation functionalities, enabling its customers to maximise revenue while minimising CO2 emissions. ZeroNorth's solutions are trusted by over 225 entities, including shipping companies, energy majors and commodity traders, to navigate the complexities of the energy transition through optimised fuel consumption and emissions reduction strategies.

Key operational and strategic developments

●In February 2024, ZeroNorth and Alpha Ori Technologies joined forces, creating a leading entity in maritime optimisation and accelerating the digital transformation of the shipping industry. This partnership accelerates ZeroNorth's ability to enhance its data flywheel, providing customers with increasingly powerful insights as the platform gathers and analyses more data. Specifically, it enhances ZeroNorth's IoT sensor integration and data analytics capabilities, facilitating the delivery of high-frequency data insights that enable smarter decision-making and greater operational efficiency across the maritime value chain.

●In April 2024, ZeroNorth acquired CMB.TECH's FAST platform, which collects high-frequency data from sensors across Euronav's fleet to improve ship reporting, voyage optimisation and overall vessel optimisation.

●In April 2024, ZeroNorth launched a service to facilitate the integration of eBDN (electronic Bunker Delivery Notes) data between suppliers and buyers, enhancing transparency and accuracy. The initial rollout occurred in Singapore, a key bunkering hub where the Maritime and Port Authority of Singapore (MPA) is progressing towards mandatory eBDN adoption, to establish a digital infrastructure.

●In June 2024, ZeroNorth partnered with Hapag-Lloyd to introduce an advanced bunker procurement and planning solution.

●In October 2024, ZeroNorth partnered with RightShip to further industry decarbonisation by integrating RightShip's GHG 2.0 Rating and ZeroNorth's CII Emissions Analytics solution.

●In November 2024, ZeroNorth and Vitol initiated a digital bunkering trial at the Port of Rotterdam. This collaboration assessed the benefits of digital bunker delivery notes compared to manual processes, focusing on improving time efficiencies, operational performance, and data integrity.

●In December 2024, ZeroNorth A/S secured a USD 20 million credit facility from CIBC Innovation Banking. In December 2025, the Group renegotiated better terms on its revolving credit facility with CIBC.

Development in the year

For the financial year 2024, the Group reported a net loss of USD 65.7 million (2023: USD -43.9 million). As of 31 December 2024, the Group's balance sheet reflects a positive equity of USD 90.6 million (2023: USD 8.5 million). As a result of joining forces with Alpha Ori Technologies the company grew the Annual Recurring Revenue (ARR) with 124%.

Throughout 2024, the Group focused on international expansion, scaling operations and growing the global footprint as well as strategic realignment of products and workforce while realising synergies.

Further a key strategic initiative to drive towards profitability was rigorously closing the invoicing gap between contracted and billed ARR, thereby improving cash flow.

In December 2024, the Group achieved its first month of positive EBITDA, driven by substantial growth, with Billed Annual Recurring Revenue (ARR) reaching USD 38.7 million for the year.

Management's review

The past year and follow-up on development expectations from last year

The Group delivered more than its prior year outlook for 2024, where recognised revenue demonstrated a year-over-year growth of 155%. This growth indicates the increasing adoption of ZeroNorth's technology and data-driven solutions within the maritime industry and contribution from the additional Alpha Ori Technologies revenue.

With the inclusion of the Alpha Ori Technologies revenue, Group Annual Recurring Revenue (ARR) was slightly below the 2024 expectations, while adjusted EBITDA was better than the expectation. One-off items in 2024 primarily consisted of expenses related to integration activities and M&A costs, which are considered investments in the company's long-term strategy to enhance its technology and market position.

The net loss for the year of USD 65.7 million was furthermore impacted by amortisations, depreciations and impairment losses of USD 31.1 million, primarily related to joining forces with Alpha Ori Technologies.

Targets and expectations for the year ahead

The Group is progressing towards its goals for 2025, with double-digit year-over-year revenue growth, demonstrating continued strong adoption of ZeroNorth's platform. Synergies from joining forces with Alpha Ori Technologies have largely been realised, demonstrating the Company's proficiency in integration and its ability to effectively scale its technology solutions.

The 2025 financial outlook includes a positive adjusted EBITDA of USD 0-2 million for the full year. Consequently, the financial statements have been prepared on a going-concern basis.

Non-Financial Performance Indicators

ZeroNorth's end-to-end platform enables customers to optimise operational efficiencies and reduce carbon emissions through services that leverage technology and data to provide advanced fuel modeling, facilitate route optimisation and reduce fuel consumption.

In 2024, ZeroNorth’s customers optimised 72,000 voyage legs, generating 1.5 million voyages through the platform, which resulted in significant reductions in fuel consumption and, consequently, CO2 emissions for our customers. This demonstrates the platform's tangible impact on improving sustainability outcomes through technology.

Key Resources

ZeroNorth's business involves the provision of advanced software solutions for the maritime industry, which requires a high level of specialised expertise among its employees as well as sophisticated business processes to effectively deliver and support these solutions. The recruitment and retention of highly skilled employees in software solutions, data platforms and maritime operations is critical for the company’s ability to innovate and deliver these solutions.

The business is further highly dependent on the availability and quality of data, including weather, navigational, vessel and voyage data. High-quality data is the foundation of the ZeroNorth platform. Recognising the industry is historically known for customer data inaccuracy, we made a strategic decision to bolster our data quality. Therefore, in 2024, we developed a new vessel reporting solution with three-layer data validation to further enhance vessel and voyage data.

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2024	2023	2024	2023
		USD	USD	USD	USD
Revenue		36,851,074	14,342,091	17,521,005	10,880,415
Other operating income		82,234	17,434	1,698,339	1,603,625
Other external expenses		-29,095,568	-21,625,534	-26,832,869	-21,889,695
Gross profit/loss		**7,837,740**	**-7,266,009**	**-7,613,525**	**-9,405,655**
Staff expenses	4	-35,468,536	-28,896,783	-21,247,681	-25,706,515
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-31,135,320	-9,224,144	-9,926,180	-5,863,351
Profit/loss before financial income and expenses		**-58,766,116**	**-45,386,936**	**-38,787,386**	**-40,975,521**
Income from investments in subsidiaries		0	0	-19,938,803	0
Financial income	5	573,637	1,401,725	620,284	1,387,538
Financial expenses	6	-6,301,569	-728,814	-8,210,928	-1,180,527
Profit/loss before tax		**-64,494,048**	**-44,714,025**	**-66,316,833**	**-40,768,510**
Tax on profit/loss for the year	7	-1,170,971	792,902	-861,642	4,014,095
Net profit/loss for the year	8	**-65,665,019**	**-43,921,123**	**-67,178,475**	**-36,754,415**

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2024	2023	2024	2023
		USD	USD	USD	USD
Acquired other similar rights		25,057,443	9,388,561	13,447,231	19,750,555
Goodwill		102,980,187	13,969,135	417,167	1,418,600
Intangible assets	9	**128,037,630**	**23,357,696**	**13,864,398**	**21,169,155**
Land and buildings		2,579,474	1,005,239	2,238,928	750,667
Property, plant and equipment	10	**2,579,474**	**1,005,239**	**2,238,928**	**750,667**
Investments in subsidiaries	11	0	0	121,606,575	20,711,051
Fixed asset investments		**0**	**0**	**121,606,575**	**20,711,051**
Fixed assets		**130,617,104**	**24,362,935**	**137,709,901**	**42,630,873**
Trade receivables		7,907,325	3,265,592	3,699,409	2,341,741
Receivables from group enterprises		0	0	21,490,007	4,360,828
Other receivables		5,733,970	1,813,218	2,908,126	1,735,060
Corporation tax receivable from group enterprises		1,058,960	5,391,192	1,058,960	5,659,355
Receivables		**14,700,255**	**10,470,002**	**29,156,502**	**14,096,984**
Cash at bank and in hand		**7,317,428**	**15,916,010**	**2,330,077**	**15,173,532**
Current assets		**22,017,683**	**26,386,012**	**31,486,579**	**29,270,516**
Assets		**152,634,787**	**50,748,947**	**169,196,480**	**71,901,389**

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2024	2023	2024	2023
		USD	USD	USD	USD
Share capital		249,741	138,506	249,741	138,506
Retained earnings		90,397,204	8,389,721	90,932,725	10,778,885
Equity		**90,646,945**	**8,528,227**	**91,182,466**	**10,917,391**
Other provisions	12	939,720	0	0	0
Provisions		**939,720**	**0**	**0**	**0**
Convertible and profit-yielding instruments of debt		36,047,419	0	36,047,419	0
Lease obligations		2,004,745	270,224	1,964,412	134,839
Corporation tax		2,528,275	2,528,275	0	0
Other payables		2,993,541	0	2,993,541	0
Long-term debt	13	**43,573,980**	**2,798,499**	**41,005,372**	**134,839**
Lease obligations	13	532,035	627,926	292,620	535,437
Trade payables		2,573,870	699,805	1,542,681	624,202
Payables to group enterprises		0	0	27,197,954	31,559,529
Payables to owners and Management		0	7,173,286	0	7,173,286
Corporation tax		445,193	0	0	0
Other payables	13	13,923,044	30,921,204	7,975,387	20,956,705
Short-term debt		**17,474,142**	**39,422,221**	**37,008,642**	**60,849,159**
Debt		**61,048,122**	**42,220,720**	**78,014,014**	**60,983,998**
Liabilities and equity		**152,634,787**	**50,748,947**	**169,196,480**	**71,901,389**

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Statement of changes in equity

Group

	Share capital	Retained earnings	Total
	USD	USD	USD
Equity at 1 January	138,506	8,389,721	8,528,227
Capital increase	111,235	146,147,642	146,258,877
Purchase of treasury shares	0	-253,171	-253,171
Share based payments	0	1,437,844	1,437,844
Exchange adjustments	0	340,187	340,187
Net profit/loss for the year	0	-65,665,019	-65,665,019
Equity at 31 December	**249,741**	**90,397,204**	**90,646,945**

Parent company

	Share capital	Retained earnings	Total
	USD	USD	USD
Equity at 1 January	138,506	10,778,885	10,917,391
Capital increase	111,235	146,147,642	146,258,877
Purchase of treasury shares	0	-253,171	-253,171
Share based payments	0	1,437,844	1,437,844
Net profit/loss for the year	0	-67,178,475	-67,178,475
Equity at 31 December	**249,741**	**90,932,725**	**91,182,466**

Cash flow statement 1 January - 31 December

	Note	Group 2024	Group 2023
		USD	USD
Result of the year		-65,665,019	-43,921,123
Adjustments	14	37,634,223	7,758,331
Change in working capital	15	-9,016,360	2,995,954
Cash flow from operations before financial items		**-37,047,156**	**-33,166,838**
Financial income		573,637	1,401,725
Financial expenses		-6,301,569	-728,814
Cash flows from ordinary activities		**-42,775,088**	**-32,493,927**
Corporation tax paid		3,738,753	2,154,739
Cash flows from operating activities		**-39,036,335**	**-30,339,188**
Purchase of property, plant and equipment		-2,638,721	-728,398
Cash flows from investing activities		**-2,638,721**	**-728,398**
Lease obligations incurred		1,638,630	181,039
Cash capital increase		0	5,403,323
Shareholder loan		30,000,000	15,060,102
Warrent program		1,437,844	2,898,312
Cash flows from financing activities		**33,076,474**	**23,542,776**
Change in cash and cash equivalents		**-8,598,582**	**-7,524,810**
Cash and cash equivalents at 1 January		15,916,010	23,440,820
Cash and cash equivalents at 31 December		**7,317,428**	**15,916,010**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		7,317,428	15,916,010
Cash and cash equivalents at 31 December		**7,317,428**	**15,916,010**

Notes to the Financial Statements

1. Restatement of Annual Report

The Company's Annual Report was published by the Danish Business Authority on 30 June 2025. The Consolidated Financial Statements of the Company were not completed as described in note 1 "Disclaimer of opinion" to the published Annual Report.

Subsequently, the matters described in the note have been completed and the auditors have been able to obtain sufficient appropriate audit evidence over the Consolidated Financial Statements including the opening balance of the acquired companies.

The Consolidated Financial Statements for 2024 has been adjusted with an increase in revenue of TUSD 300, an increase in the year's loss TUSD 540, and an increase in total assets of TUSD 400. Equity has been reduced by the net amount of TUSD 3,068.

2. Uncertainty relating to recognition and measurement

Uncertainty relating to recognition and measurement

The preparation of the Financial Statements requires Management to make certain estimates and judgments, which serve as the foundation for recognizing and measuring the Company's income, expenses, assets, and liabilities.

These estimates rely on historical data and other factors deemed relevant by Management given the circumstances; however, they involve inherent uncertainties and unpredictability. As such, assumptions may be incomplete or imprecise, and unexpected events or conditions could arise.

Additionally, the Company faces risks and uncertainties that may lead to outcomes differing from these estimates. Changes to prior estimates may become necessary due to modifications in underlying assumptions, new information, or events that impact the current and future periods.

Management assess that significant accounting estimates and judgements relates to purchase price allocation, impairment and useful life of intangible assets and impairment of receivables and investment in subsidairies in the Parent Company.

3. Subsequent events

In June 2025, the convertible loan from shareholders was converted into equity and in July 2025, the Company raised an additional USD 8 million from a new investor. Terms on the Groups revolving credit facility with CIBC was renegotiated and agreed in December 2025.

No other significant events have occurred after the balance sheet date that would require adjustment to or disclosure in these financial statements.

4. Staff expenses

	Group		Parent company	
	2024	2023	2024	2023
	USD	USD	USD	USD
Wages and salaries	32,488,755	26,329,055	19,472,271	23,545,455
Pensions	1,839,426	1,905,034	1,598,444	1,828,892
Other social security expenses	1,140,355	662,694	176,966	332,168
	35,468,536	**28,896,783**	**21,247,681**	**25,706,515**
Including remuneration to the Executive Board and Board of Directors	**1,005,389**	**1,615,882**	**1,005,389**	**1,615,882**
Average number of employees	**417**	**196**	**123**	**137**

An incentive scheme in the form of a warrant program was offered to certain employees. The amount expensed in wages and salaries relating to share-based payments is USD 1,437,846 (2023: USD 2,898,312).

The total warrants granted at 31 December 2022 was 83,474 with an average exercise price of USD 61. In 2023 15,240 warrants were granted with an average exercise price of USD 175. Furthermore, 533 warrants were exercised and 17,601 warrants lapsed during 2023. The total warrants granted at 31 December 2023 was 80,580 with an average exercise price of USD 69.

Furthermore, 5,333 warrants were exercised and 23,487 warrants lapsed during 2024. Total warrants granted at 31 December 2024 was 51,760 with an average exercise price of USD 62. The total vested warrants at 31 December 2024 is 28,882. The vesting period is on average 5 years and each warrant gives the holder the right to subscribe to one share and employment is required for utilization of warrants.

In 2024 no warrants were issued, but a new warrant programme was created and warrants have subsequently been granted in 2025.

Executive Management has a total of 25,220 warrants at 31 December 2024 with an average exercise price of USD 61. No warrants were issued to the Board of Directors.

5. Financial income

	Group		Parent company	
	2024	2023	2024	2023
	USD	USD	USD	USD
Interest from group enterprises	0	0	370,555	27,229
Other financial income	573,637	1,401,725	249,729	1,360,309
	573,637	**1,401,725**	**620,284**	**1,387,538**

6. Financial expenses

	Group		Parent company	
	2024	2023	2024	2023
	USD	USD	USD	USD
Interest to group enterprises	0	0	942,162	583,094
Other financial expenses	6,301,569	728,814	7,268,766	597,433
	6,301,569	**728,814**	**8,210,928**	**1,180,527**

7. Income tax expense

	Group		Parent company	
	2024	2023	2024	2023
	USD	USD	USD	USD
Current tax for the year	-749,631	-2,438,162	-1,058,960	-5,659,355
Adjustment of tax concerning previous years	1,920,602	1,645,260	1,920,602	1,645,260
	1,170,971	**-792,902**	**861,642**	**-4,014,095**

8. Profit allocation

	Parent company	
	2024	2023
	USD	USD
Retained earnings	-67,178,475	-36,754,415
	-67,178,475	**-36,754,415**

9. Intangible fixed assets

	Group		Parent company	
	Acquired other similar rights	Goodwill	Acquired other similar rights	Goodwill
	USD	USD	USD	USD
Cost at 1 January	15,656,967	21,593,952	26,592,229	5,006,000
Net effect from merger and acquisition	20,754,096	113,282,374	0	0
Additions for the year	1,985,958	0	1,985,958	0
Cost at 31 December	38,397,021	134,876,326	28,578,187	5,006,000
Impairment losses and amortisation at 1 January	6,268,406	7,624,817	6,841,674	3,587,633
Impairment losses for the year	0	1,138,803	0	0
Amortisation for the year	7,071,172	23,132,519	8,289,282	1,001,200
Impairment losses and amortisation at 31 December	13,339,578	31,896,139	15,130,956	4,588,833
Carrying amount at 31 December	**25,057,443**	**102,980,187**	**13,447,231**	**417,167**

10. Property, plant and equipment

	Group	Parent company
	Land and buildings	Land and buildings
	USD	USD
Cost at 1 January	2,261,270	1,923,466
Net effect from merger and acquisition	8,574	0
Additions for the year	2,496,366	2,123,959
Cost at 31 December	4,766,210	4,047,425
Impairment losses and depreciation at 1 January	1,256,031	1,172,799
Depreciation for the year	930,705	635,698
Impairment losses and depreciation at 31 December	2,186,736	1,808,497
Carrying amount at 31 December	**2,579,474**	**2,238,928**
Including assets under finance leases amounting to	2,257,032	2,257,032

11. Investments in subsidiaries

	Parent company	
	2024	2023
	USD	USD
Cost at 1 January	24,631,051	22,104,000
Additions for the year	120,834,327	2,527,051
Cost at 31 December	145,465,378	24,631,051
Value adjustments at 1 January	-3,920,000	-3,920,000
Impairment losses for the year	-19,938,803	0
Value adjustments at 31 December	-23,858,803	-3,920,000
Carrying amount at 31 December	**121,606,575**	**20,711,051**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Owner-ship and Votes	Equity	Net profit/loss for the year
ZeroNorth US, Inc.	USA	100%	0	0
Clearlynx LLC	USA	100%	0	0
BTS Pte. Ltd. (SGD)	Singapore	100%	2,021,111	1,914,918
Z-North Singapore Pte. Ltd. (SGD)	Singapore	100%	632,444	-238,086
ZeroNorth India Pte. Ltd.	India	99%	16,943,000	16,943,000
ZeroNorth Bulgaria EOOD (BGN)	Bulgaria	100%	10,000	29,000
ZeroNorth Greece S.A (EUR)	Greece	100%	174,992	149,992
ZeroNorth Norway AS (NOK)	Norway	100%	117,252,056	18,877,146
Alpha Ori Technology Holdings Pte. Ltd. (SGD)	Singapore	100%	1,572,451	-5,071,193
Alpha Ori Technologies Pte. Ltd. (SGD)	Singapore	100%	-22,112,032	-5,690,656
Alpha Ori Technologies LLC	Singapore	100%	0	0
Alpha Ori India Pte. Ltd (INR)	India	99%	210,664,000	40,350,000
ZeroNorth Japan G.K.	Japan	100%	0	0
			327,158,022	**67,264,121**

The above figures are stated in local currency.

	Group		Parent company	
	2024	2023	2024	2023
	USD	USD	USD	USD

12. Other provisions

Other provisions	939,720	0	0	0
	939,720	**0**	**0**	**0**
The provisions are expected to mature as follows:				
After 5 years	939,720	0	0	0
	939,720	**0**	**0**	**0**

	Group		Parent company	
	2024	2023	2024	2023
	USD	USD	USD	USD

13. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Convertible and profit-yielding instruments of debt				
After 5 years	0	0	0	0
Between 1 and 5 years	36,047,419	0	36,047,419	0
Long-term part	36,047,419	0	36,047,419	0
Within 1 year	0	0	0	0
	36,047,419	**0**	**36,047,419**	**0**
Lease obligations				
After 5 years	273,874	0	273,874	0
Between 1 and 5 years	1,730,871	270,224	1,690,538	134,839
Long-term part	2,004,745	270,224	1,964,412	134,839
Within 1 year	532,035	627,926	292,620	535,437
	2,536,780	**898,150**	**2,257,032**	**670,276**

13. Long-term debt

	Group		Parent company	
	2024	2023	2024	2023
	USD	USD	USD	USD
Corporation tax				
After 5 years	0	0	0	0
Between 1 and 5 years	2,528,275	2,528,275	0	0
Long-term part	2,528,275	2,528,275	0	0
Within 1 year	445,193	0	0	0
	2,973,468	**2,528,275**	**0**	**0**
Other payables				
After 5 years	0	0	0	0
Between 1 and 5 years	2,993,541	0	2,993,541	0
Long-term part	2,993,541	0	2,993,541	0
Other short-term payables	13,923,044	30,921,204	7,975,387	20,956,705
	16,916,585	**30,921,204**	**10,968,928**	**20,956,705**

The Company has an outstanding loan of MUSD 36, which can be converted into 212,978 shares, at an average share price of USD 198. The loan has been converted into equity as of June 2025.

14. Cash flow statement - Adjustments

	Group	
	2024	2023
	USD	USD
Financial income	-573,637	-1,401,725
Financial expenses	6,301,569	728,814
Depreciation, amortisation and impairment losses, including losses and gains on sales	31,135,320	9,224,144
Tax on profit/loss for the year	1,170,971	-792,902
Other adjustments	-400,000	0
	37,634,223	**7,758,331**

15. Cash flow statement - Change in working capital

	Group	
	2024	2023
	USD	USD
Change in receivables	-11,142,017	-2,142,236
Change in other provisions	939,720	0
Change in trade payables, etc	1,425,746	2,158,657
Other changes in working capital	-239,809	2,979,533
	-9,016,360	**2,995,954**

16. Contingent assets, liabilities and other financial obligations

Contingent assets

The company has an unrecognized deferred tax asset of USD 6.4 million related to tax lossses carried forward.

Guarantee obligations

End of 2024 ZeroNorth A/S entered into a facility loan agreement (at 31th December 0 USD) where the lender has obtained transaction security in the form of share pledges, mortgages and other security for the outstanding amount. Subsidaries, Alpha Ori Technologies Pte. Ltd. and Alpha Ori Technology Holdings Pte. Ltd have provided guarantees to the Lender if ZeroNorth A/S fails to pay. The agreement contain restrictions/limitations on incurring additional debt, asset disposals, mergers/aquisitions, dividends.

ZeroNorth Group is subject to a few ongoing claims. In the opinion of the Executive Board, these are not expected to have a negative effect on the financial position of the Group in addition to what is already included in the balance er 31 December 2024.

Other contingent liabilities

ZeroNorth Group has entered into contractural agreements with vendors of 13.6m USD in the period 2025-2029 for the delivery of software/IT systems, hosting and platforms. Furthermore has the Group provided equipment and software functionality guarantees in a period up to 3 years towards its customers based on the underlying contract.

Up until 19 February 2024, the company was included in the national joint taxation with other Danish companies in the A.P. Moller Holding Group. The company is jointly and severally liable for the payment of taxes and withholding tax up to this date.

17. Related parties

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(6) of the Danish Financial Statements Act.

18. Accounting policies

The Annual Report of ZeroNorth A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2024 are presented in USD.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, ZeroNorth A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

Intragroup business combinations are accounted for under the pooling-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied as if the two enterprises had always been combined by restating comparative figures.

Leases

Lease contracts are capitalised using an incremental borrowing rate and recognised in the balance sheet as right-of-use assets and corresponding lease liabilities. The right-of-use assets are depreciated over the lease term. Lease payments made are split into an interest element presented under financial expenses and amortisation of the lease liability. Lease contracts with a term shorter than 12 months or for which the underlying asset are of low value are not capitalised but expensed straight-line over the lease term.

Translation policies

USD is used as presentation currency and functional currency, as the majority of the Company's transactions are in USD. Transactions in currencies other than the functional currency are translated to the exchange rate on the date of transaction. Monetary items in foreign currency not settled by the balance sheet date are translated to the exchange rate on the balance sheet date. Foreign exchange gains and losses are included in the income statement as financial income and expenses.

Share-based payments

Equity settled restricted shares and share options allocated to executive employees as part of the company’s long-term incentive programmes are recognised as staff costs over the vesting period at estimated fair value at the grant date and a corresponding adjustment in equity.

Cash settled performance awards allocated to employees as part of the company’s long-term incentive programmes are recognised as staff costs over the vesting period and a corresponding adjustment in other payables.

At the end of each reporting period, the company revises its estimates of the number of awards that are expected to vest based on the non-market vesting conditions and service conditions. Any impact of the revision is recognised in the income statement with a corresponding adjustment to equity or other payables.

Notes to the Financial Statements

Income statement

Revenue

Revenue recognition requires an agreement with the client which creates enforceable rights and obligations between the parties, has commercial substance, and identifies payment terms. In addition, it must be probable that the consideration determined in the contract will be collected. Revenue is recognized when the client has obtained control of the license or service and has the ability to use and obtain substantially all the benefits from the license or service. ZeroNorth has therefore assessed that the client obtains control of the license when all the following criteria are met: a binding contract is entered into; the license is delivered; and the client has the right to use it. License revenue is therefore generally recognized at that point-in-time. Revenue is recognised net of VAT and is measured at fair value of the consideration fixed.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with group companies. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 5 years, determined on the basis of Management's experience with the individual business areas.

Other intangible fixed assets

Acquired other similar rights are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Rights are amortised over the period of the agreements, which is 3-5 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are. The depreciation periods used for offices and office equipment are 3-5 years.

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Equity

Treasury shares

Purchase and sales prices for treasury shares are recognised directly in retained earnings under equity. A reduction of capital by cancellation of treasury shares reduces the share capital by an amount equal to the nominal value of the shares and increases retained earnings. Dividend on treasury shares is recognised directly in equity under retained earnings.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, the Parent Company has not prepared a cash flow statement for the Company itself but has only prepared a cash flow statement for the Group.

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

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise ”Cash at bank and in hand”.

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Gross margin	Gross profit x 100 / Revenue
Profit margin	Profit/loss of primary operations x 100 / Revenue
Return on assets	Profit/loss of primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity