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ANNUAL REPORT



Grønnemosevej 6, 5700 Svendborg

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KJAER GROUP

Is the parent company managing subsidiaries such as KJAER & KJAER, MOTORCARE in Uganda and Mozambique, and joint ventures such as GREENHUB in Uganda.

KJAER & KJAER

Delivers vehicles, motorcycles, parts, and accessories to customers in the International Aid and Development sector (NGOs, the UN, the EU, etc.).

MOTORCARE

Provides sales of vehicles, maintenance, service, and repairs as well as insurance, financial, and fleet management solutions through our dealerships in Mozambique and Uganda.

MANAGEMENT REVIEW

ABOUT KJAER GROUP

KJAER GROUP was established in 1962 in Svendborg as a car dealership by late Mr. Christian Kjaer. Today, the Group provides international automotive mobility solutions and employs 255 people.

The Group holds a leading position within its business segments in Mozambique and Uganda, where it operates distribution, fully owned workshops, and service facilities under the name MOTORCARE.

KJAER & KJAER delivers vehicles, motorcycles, parts and accessories to customers in the International Aid and Development sector.

Through the KJAER GROUP Way of Management, we aim to grow the business in a profitable and responsible manner. It is the company's objective to prioritize social and environmental goals equally alongside financial targets.

In 2021, we introduced the Move to Green initiative, which involves offering electric vehicles (EVs) to our customers markets, as well as implementing measures to reduce emissions in our own operations. Our vision is to be a green company and move people to green transportation solutions.



OUR DNA

In 1962, Christian Kjaer laid the cornerstone of what would later evolve into KJAER GROUP by establishing RENAULT KJAER, a local dealership in Svendborg, Denmark.

Despite modest beginnings, Christian's vision and determination propelled RENAULT KJAER to prominence. By 1966, the dealership featured a two-floor showroom and a strong team, earning recognition as one of Denmark's top dealerships.

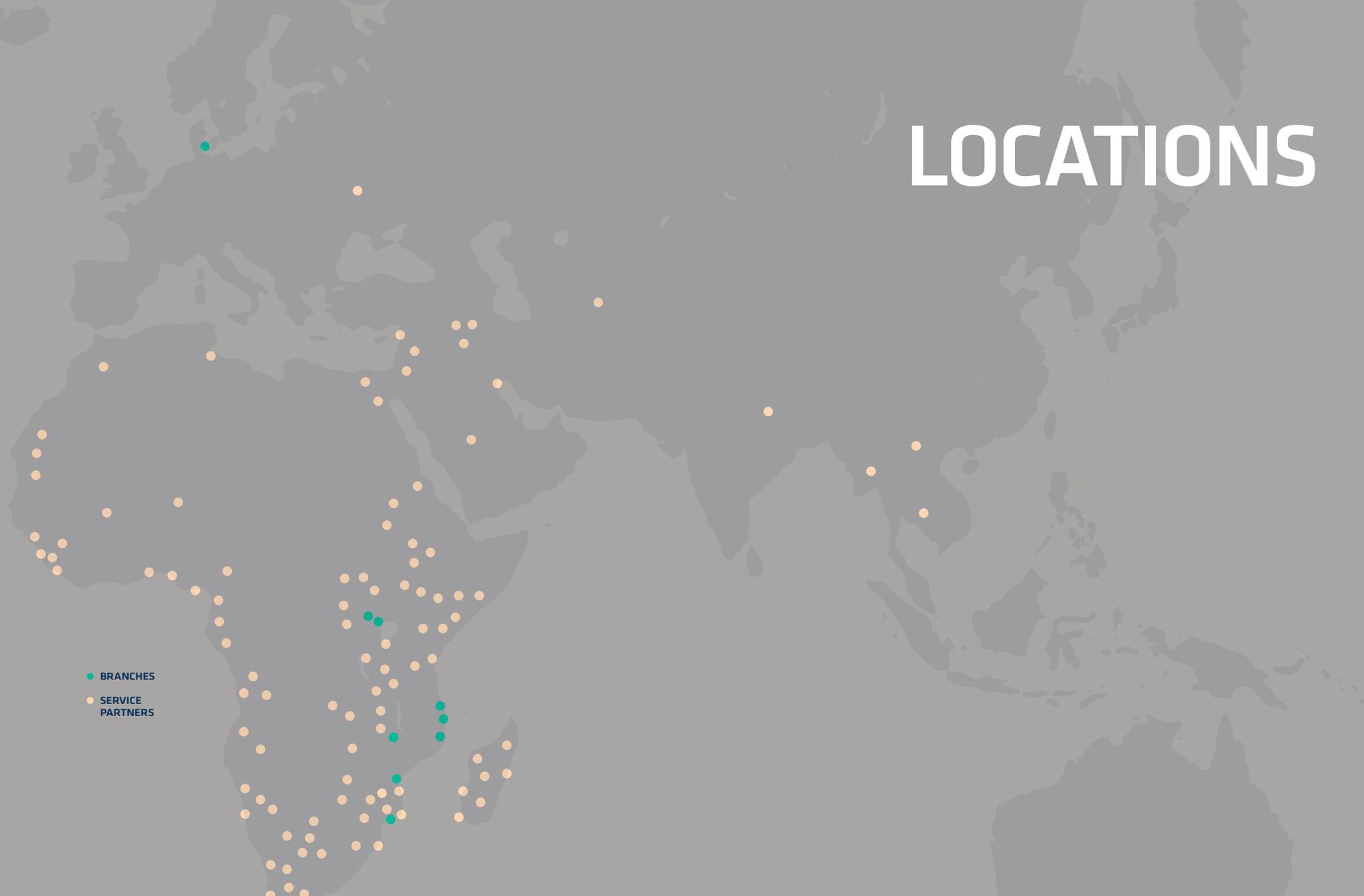
In 1977, export activities began with an order from the Danish Volunteer Service in Zambia, laying the groundwork for our global reach. In 1980, the company relocated to modern facilities in Svendborg's industrial hub and rebranded as BILHUSET CHR. KJAER A/S, securing dealership rights for prestigious brands like Austin/Morris, Rover, and Fiat.

In the early 1990s, KJAER & KJAER expanded beyond Denmark. Being closer to our customers became essential—to better understand their needs and provide the best possible transportation solutions in Uganda and Mozambique.

The offices eventually evolved into official Nissan distribution companies: in 1995 in Uganda and in 1996 in Mozambique. Today, they are known as MOTORCARE.



LOCATIONS



- BRANCHES
- SERVICE PARTNERS



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VISION

MOVE TO GREEN

It's our ambition to be a green company and move people to green transportation solutions.



HIGHLIGHTS

The year 2024 was a mixed year for our business units; market demand for vehicles decreased in general, and in Mozambique the last two months were negatively impacted by post-election unrest and weeks of business closures.

The Group's consolidated turnover decreased from DKK 426 million in 2023 to DKK 350 million in 2024 and was a result of the lower than expected turnover in Mozambique and Denmark.

MOTORCARE in Uganda increased its market share by adding two new brands to our portfolio, which helped compensate for the Government's continued halting of vehicle procurement. Our focus in Uganda on the main fleet commercial customer segment with in-house leasing solutions continues to expand well. MOTORCARE in Mozambique maintained its market share in the very competitive pick-up segment and was not able to increase its sales due to the market declining and the required specifications and pricing.

MOTORCARE's business units, in both Mozambique and Uganda, kept delivering on the Group's core value propositions resulting in strong retention and customer satisfaction.

KJAER & KJAER, operating in the International Aid & Development segment, experienced a market performance increase in its supply of motorcycles, while both electric and ICE (internal combustion engine) vehicle sales declined over the year.

In all our business units, we continued to pursue the Move to Green vision, which involved internal investments in renewable and sustainable solutions and the sale of electric vehicles to our markets. This initiative aligns with our goal of reducing the overall environmental impact of our business.

Our joint venture in Uganda, Green Hub, aimed at supplying electric 2-wheel motorcycles and scooters along with necessary electric charging facilities, started its pilot project and covered +500,000 km during the year for testing. The pilot has been supported by grants from the Danish Government's DGBP fund and from the British High Commission.

The Group's earnings before tax (EBT) ended at DKK 3.8 million and the earnings after tax (EAT) ended at DKK 2 million. The result is considered acceptable under the prevailing market conditions, but it is below our expectations of DKK 8–12 million.

CHANGE IN MANAGEMENT ESTIMATE OF USEFUL LIFETIME FOR NEW BUILDINGS

Management has changed the estimated useful lifetime for new constructed buildings from 20 years to 50 years. The change has reduced the year's depreciations by DKK 1,755 thousands and increased Tax by DKK 527 thousands. Net effect has been a positive adjustment of Earnings after tax by DKK 1,228 thousands.

CAPITAL RESTRUCTURING

In 2023 the two sons of Hanne and Mads Kjaer, Hans-Emil Kjær and Karl Kristian Kjær each purchased 25% shares in KJAER GROUP A/S through their holding companies Sunrise Capital ApS and Rosmarin Capital ApS. The purchases of shares in KJAER GROUP A/S were financed by loans from The Way Forward ApS to each of the two new holding companies.

Following the generation change in 2023 of 50% of the ownership to KJAER GROUP A/S the shareholders wanted to restructure the capital in the holding companies. For this reason, an extraordinary Dividend of DKK 30 million was declared from KJAER GROUP A/S in 2024. The Dividends paid out were, in all materiality, circulated and KJAER GROUP A/S received DKK 27 million back from The Way Forward ApS provided as a Subordinated loan.

Also in 2024, The Way Forward ApS purchased all own shares held by KJAER GROUP A/S for a cash consideration of DKK 1.6 million, which increased the Equity in KJAER GROUP A/S with said amount. For that reason, the net amount paid out in 2024 from KJAER GROUP A/S to shareholders was DKK 1.4 million.

With the subordination of the DKK 27 million loan, it counts as Quasi Equity capital and is an important part of the company's capital base with a long-term commitment. Interests charged to the loan in 2024 was DKK 1.1 million, which has had a direct negative impact on the P&L but without a cash effect.

The Way Forward ApS used the DKK 1.4 million remaining from the Dividend payout and some of their own funds to purchase all remaining shares in KJAER GROUP A/S held by employees for a total consideration of DKK 2.8 million. Hereafter, the shares in KJAER GROUP A/S are owned 100% by Mads Kjær and his family with a structure as follows:

50% by The Way Forward ApS owned 100% by Mads Kjær

25% by Rosmarin Capital ApS owned 99% by Karl Kristian Kjær (son of Hanne and Mads Kjær) *

25% by Sunrise Capital ApS owned 99% by Hans-Emil Kjær (son of Hanne and Mads Kjær) *

*) the last 2*1% of Rosmarin and Sunrise Capital ApS are owned by The Way Forward ApS.



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MISSION

We provide top quality automotive services
and green transportation solutions
in emerging countries.

DRIVEN BY VALUES

Across all our subsidiaries, the values of PROFESSIONALISM, RESPECT, HONESTY and DEDICATION are ingrained in everything we do. Whether it's delivering vehicles to support humanitarian efforts or providing essential maintenance and support services, our actions are guided by a shared commitment to excellence and social responsibility.

PROFESSIONALISM

Fact based and competent in everything we do. This is how we conduct our business and how we interact with each other.

RESPECT

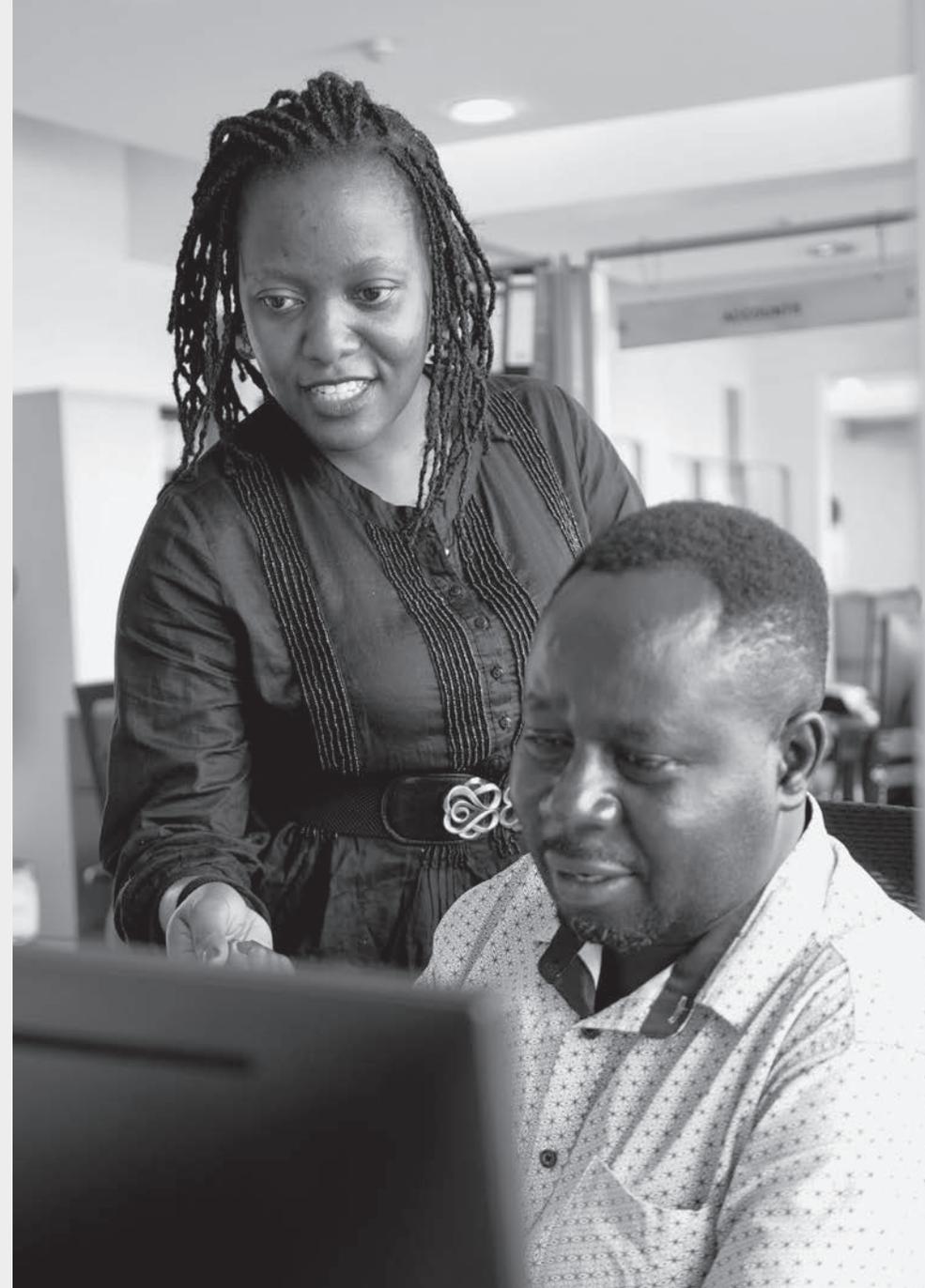
Mutual respect between colleagues, partners, customers and other stakeholders we interact with is fundamental for us.

HONESTY

We aim to conduct ourselves and business matters with the utmost honesty in all that we do, ensuring that we are reliable and honor our promises and commitments.

DEDICATION

The success of every customer and partner is the key to our success.



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STRATEGY

KJAER GROUP's mission is to offer top-quality automotive services and green transportation solutions in emerging countries. Our vision is to be a "green" company that moves people toward sustainable transportation solutions.

Being a "green" company means that our environmental, social, and governance considerations and actions must remain within the "green" zone of the traffic light system—representing minimal environmental impact and a positive influence on the societies in which we operate.

The success of our business is driven by several key factors. First, the presence of high quality international brands. Secondly, our ability to deliver full-service solutions close to where our customers operate.

Another essential factor is the KJAER GROUP Way of Management, which is firmly rooted in internationally recognized principles and standards such as the UN Global Compact, the SDG 2030 agenda, and ISO certifications.

Equally important is our team of talented and professional employees, who continuously deliver sustainable solutions.

Together, these factors ensure our customers gain higher returns on assets, time, and resources—allowing them to focus on their core activities and achieve their goals.

GROUP 2025 GUIDANCE

At the beginning of 2025, the markets in Uganda and Mozambique, where we operate as MOTORCARE, have clearly started gaining momentum again.

The post-electoral unrest in Mozambique, which caused a contraction in sales in last quarter of 2024, persisted into early 2025. However, from March onward, market conditions improved, with growth beginning to materialize.

MOTORCARE will maintain its focus on enhancing the utilization of workshop facilities, introducing new OEM brands and electric vehicles, and prioritizing the development of new business segments to increase turnover and profitability. The import of new vehicles into Mozambique and Uganda is anticipated to grow by 5-10%.

For KJAER & KJAER, operating within the Aid & Development market, uncertainties are significant, as the USA has decided to close USAID, the world's largest bi-lateral donor for aid and development (47%). Many international NGO's have historically received funding from USAID. We continue supporting the aid and development sector with vehicles (ICE and EV), as well as meeting the demand for motorcycles.

Business development for new ventures in e-micro mobility in East Africa is ongoing, and the Group expects sales to start in 2026, contribution to turnover and income.

For the entire financial year 2025, the Group expects Earnings Before Tax to fall within the range DKK 5-10 million.



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KEY FIGURES – 5 YEARS

DKK million

Key figures from the consolidated annual report

		GROUP					
		2020	2021	2022	2023	2024	
	Net turnover	233	243	397	426	350	
	Gross profit, excluding other operating income	57	56	98	98	92	
	Earnings before interest, taxes and depreciation	EBITDA	11	4	34	31	24
	Earnings before tax and interest	EBIT	5	-2	27	24	18
	Net financial items		-5	-6	-8	-12	-14
	Pre-tax earnings	EBT	-1	-9	19	12	4
	Tax		-1	1	-6	-6	-2
	Earnings after tax	EAT	-1	-8	13	6	2
	Fixed assets		64	67	81	89	98
	Inventories		61	64	89	107	89
	Trade receivables		28	35	58	61	58
	Receivables from Leasing sales		6	5	28	61	92
	Other current assets		9	8	6	9	13
	Total assets (excluding deferred taxes and liquid funds)	168	179	261	326	349	
	Current liabilities (excluding bank and leasing debt to banks)		-59	-64	-94	-95	-60
	Capital employed	108	114	167	231	289	
	Equity	71	77	98	90	69	
	Deferred tax		-3	-9	-4	-5	-5
	Subordinated loan TWF ApS		0	0	0	0	28
	Lease Finance Liabilities		8	6	37	76	116
	Interest bearing debt, net		32	41	37	70	81
	Financing	108	114	167	231	289	
	Balance Sum	186	207	290	349	363	

		GROUP					
		2020	2021	2022	2023	2024	
	Dividend for the year	0	0	6	5	30	
	Dividend for the year (%)	0%	0%	45%	85%	1 507%	
	Investments in tangible fixed assets, gross	3	5	17	17	7	
	Average number of full-time employees	241	221	233	239	255	
	Employees, underrepresented gender	55	53	65	63	62	
	Share of female employees	23%	24%	28%	25%	24%	
	No of mangers	26	24	24	24	33	
	Management, underrepresented gender	4	5	5	5	6	
	Share of female Manager	15%	24%	28%	25%	18%	
	No of Board members	4	4	4	5	5	
	Board, underrepresented gender	0	0	0	1	1	
	Share of female board members	0%	0%	0%	20%	20%	
	Ratios:						
	Gross margin, excluding other operating income	24,6%	23,2%	24,8%	23,0%	26,2%	
	EBITDA-margin	4,6%	1,7%	8,5%	7,3%	6,8%	
	Interest coverage (EBITDA/Financial items)	2,0	0,6	4,1	2,5	1,6	
	Gearing (Net interest-bearing debt/EBITDA)	3,8	11,4	2,2	4,7	3,4	
	Growth in EBITDA	-49%	-81%	60%	48%	12%	
	Return on invested capital after tax	ROIC	3%	-3%	18%	14%	8%
	Return on equity	ROE	-2%	-9%	14%	6%	2%
	Equity ratio		40%	41%	36%	27%	19%
	Equity value of nom. 1,000 DKK share	DKK	4 581	4 944	6 315	5 822	4 447
	Adjust. equity value for share pricing	DKK	4 534	4 958	5 902	5 771	4 437

In the description of accounting policies all key ratios have been defined.



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SUSTAINABILITY

KJAER GROUP has a longstanding commitment to sustainability, grounded in our core philosophy and strategic framework. Our journey began in November 2003 when we joined the United Nations Global Compact (UNGC), embracing its ten principles in the areas of environment, human rights, labour and anti-corruption.

In 2008, we formalized this focus by introducing the KJAER GROUP Way of Management (KWOM), built on the Triple Bottom Line principle, ensuring social and environmental objectives are pursued with the same rigor as financial goals. This integrated approach has been fundamental to our sustainable growth.

In 2014, our MOTORCARE branches earned internationally recognized certifications: ISO 9001 (Quality Management), ISO 45001 (Occupational Health and Safety), and ISO 14001 (Environmental Management). We have maintained these certifications ever since, reflecting our dedication to operational excellence and responsible business practices.

Today, our sustainability ambition is encapsulated in the concept “Move to Green”, which aims to create an ecosystem for green mobility and renewable energy use. This involves transitioning our fleet and product offerings toward hybrid and electric vehicles and encouraging low-impact practices within organizations. By using existing technologies and engaging relevant partners, we aim to become a model for carbon-neutral transformation.

In 2024, KJAER GROUP began preparations for EU regulations by conducting a Double Materiality Assessment (DMA) aligned with the Corporate Sustainability Reporting Directive (CSRD). While CSRD reporting may no longer be mandatory for KJAER GROUP under the revised EU timeline, this will not diminish our sustainability commitment. We will continue to proactively manage our sustainability impacts, communicate transparently, and take responsible actions within our control to support a sustainable future.

Triple Bottom Line Commitments

PLANET

- All entities operating at the minimum of environmental impact
- Ensuring we conduct environmentally friendly initiatives and projects relevant to our business

PEOPLE

- Creating a happy, healthy, safe workplace
- Providing fair, competitive compensation

PROSPERITY

- Striving for predictable, sustainable growth
- Increased enterprise value
- Solidifying our status as the preferred partner to international customers
- Developing a sustainably profitable company for investment ventures



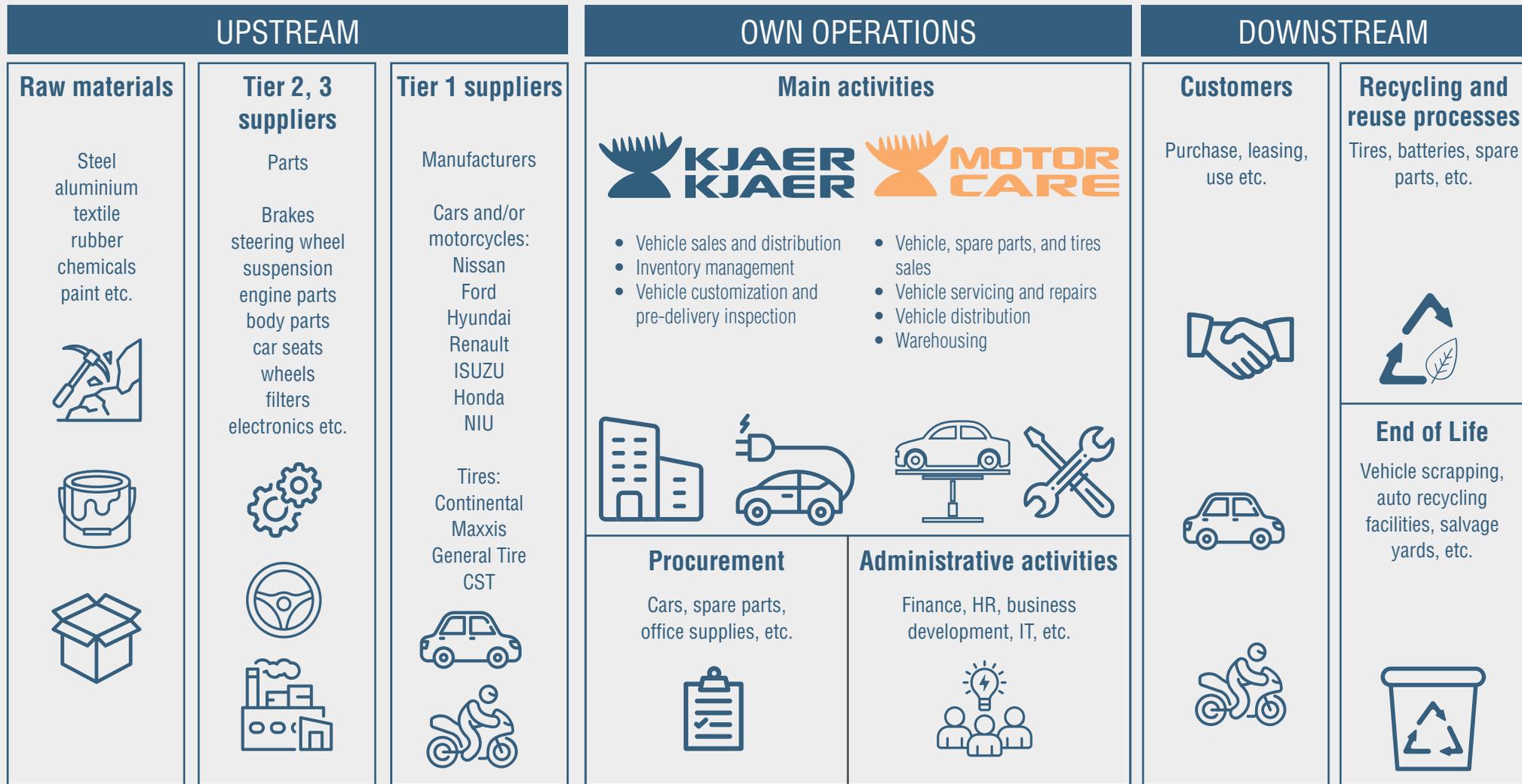
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Transportation and consumption of vehicles and materials

OUR ESG APPROACH

VALUE CHAIN MAPPING

In preparation for the EU's Corporate Sustainability Reporting Directive (CSRD), KJAER GROUP conducted its first comprehensive value chain mapping exercise in 2024. The mapping covered our full value chain—from upstream activities such as vehicle production, supplier operations, and logistics, through core operations including vehicle import, distribution, sales, leasing, maintenance, and after-sales services, to downstream processes such as customer vehicle use and end-of-life vehicle handling (see picture on page 15).

This mapping was a key step in preparing our Double Materiality Assessment (DMA), helping us identify where sustainability impacts, risks, and opportunities (IROs) occur and who is accountable. These insights enhanced our ability to assess which sustainability issues are most relevant to our business and operations, both in terms of impact and financial exposure.

STAKEHOLDER ENGAGEMENT

Understanding stakeholder perspectives is key to identifying and prioritizing our material IROs. In 2024, KJAER GROUP conducted structured workshops with internal experts acting as proxies for key stakeholder groups—employees, suppliers, customers, investors, business partners, local communities, and media.

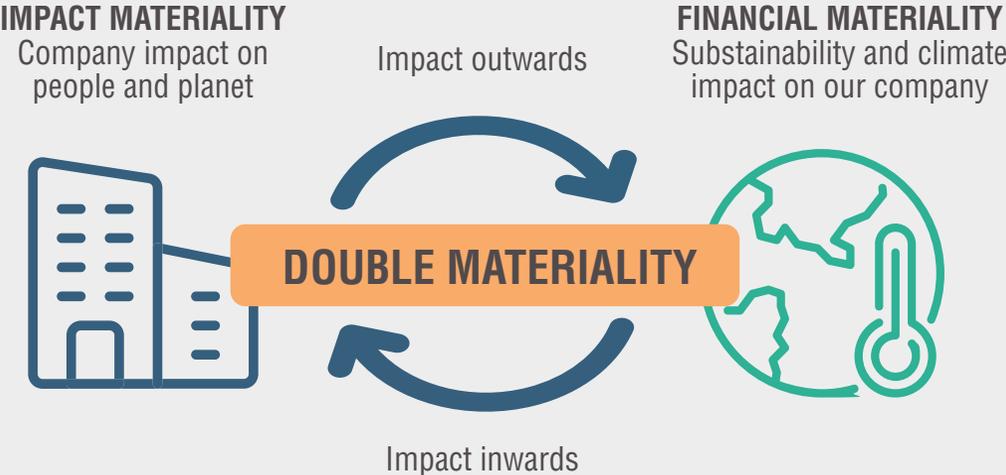
These experts—such as HR managers, the CFO, the procurement manager, etc.—shared insights grounded in their ongoing interactions with stakeholders and used professional judgment to assess the relevance of key sustainability issues within the European Sustainability Reporting Standards (ESRS) framework. This ensured that our DMA reflects both business priorities and stakeholder expectations.

DOUBLE MATERIALITY ASSESSMENT (DMA)

Identifying and understanding the most significant sustainability topics is essential for informed decision-making and reporting on Environmental, Social, and Governance (ESG) matters. To support this, KJAER GROUP conducted a DMA in 2024, evaluating both the inward financial impacts of sustainability and climate issues on our company and the outward impacts our operations have on people and the environment.

This structured methodology, aligned with the ESRS and guided by recommendations from the European Financial Reporting Advisory Group (EFRAG) and Dansk Industri, provides a strong foundation for our responsible business approach and future reporting efforts.

The findings now inform KJAER GROUP's ESG priorities and contribute to shaping sustainability initiatives, risk awareness, and alignment with evolving regulatory expectations.



DOUBLE MATERIALITY MATRIX

- Environmental
 - Social
 - Governance
- VC: value chain
 +: positive impact
 -: negative impact
 R: risk
 O: opportunity

Financial materiality	Crucial	Financial material		Double material		
	Significant		<ul style="list-style-type: none"> • Soil pollution (-VC, O) • Secure employment (-,R) 	<ul style="list-style-type: none"> • Energy (-VC,O) • Water pollution (-VC, -,O,R) • Resources inflows (-VC,R VC) • Training and skills development (+,O) • Corruption and bribery including prevention (-VC,+R) 	<ul style="list-style-type: none"> • Water withdrawals (-) • Water discharges (-) 	
	Not material	<ul style="list-style-type: none"> • Climate change adaptation • Pollution of living organisms and food resources • Substances of very high concern • Marine resources • Biodiversity and ecosystems • Child/forced labor in own operations • Equal treatment and opportunities for all in VC • Affected communities • Information-related impacts for consumers and/or end-users • Social inclusion of consumers and/or end-users • Animal welfare • Political engagement and lobbying activities • Management of relationships with suppliers including payment practices 	<ul style="list-style-type: none"> • Substances of concern (-VC) • Waste (-) • Working conditions in VC (-VC) • Child/forced labor in VC (-VC) 	Impact material	<ul style="list-style-type: none"> • Air pollution (-VC,-) • Microplastics (-VC) • Water consumption (-VC) • Social dialogue (+) • Freedom of association (+) • Gender equality (+) • Whistleblowers (+) • Corporate culture (+) 	<ul style="list-style-type: none"> • Resources outflows: recycling (-) • Personal safety of consumers and/or end-users (-VC)
			Not material	Important	Significant	Crucial
Impact materiality						



DOUBLE MATERIALITY ASSESSMENT (DMA) RESULTS

In our Double Materiality Assessment (DMA), conducted according to the double materiality criteria defined in ESRS 1 and implementation guidance from EFRAG and Dansk Industri, KJAER GROUP identified and assessed impacts on the environment and society, along with the sustainability-related financial risks and opportunities we face. From a list of 102 identified impacts, risks, and opportunities (IROs), we assessed 44 as material. These comprise 31 impacts (8 positive and 23 negative, of which 20 are actual and 11 potential), along with 6 opportunities and 7 risks.

The results of our DMA are summarized in the matrix shown, aggregated according to ESRS topics. We focus specifically on material topics arising directly from our own operations, excluding those related to the broader value chain (marked as “VC” in the DMA matrix). This approach reflects our current ability to take direct action, while value chain impacts remain important and will inform future engagement and reporting.

The DMA analysis highlighted several double material topics that are most relevant to our sustainability priorities and business context. These include water withdrawals and discharges, given the limited capacity of public sewage systems in Mozambique and Uganda, presenting risks of environmental pollution and regulatory non-compliance. Climate change mitigation also emerged as a crucial double material topic, specifically addressing emissions associated with vehicle usage and business travel.

Significant double material topics include water pollution (aligned with water management challenges), training and skills development—recognized by both employees and management as a strategic opportunity enhancing company reputation, employee satisfaction, and market competitiveness—and corruption and bribery prevention, reinforcing KJAER GROUP’s commitment to stringent anti-corruption policies. Secure employment, impacted by political instability particularly in Mozambique, emerged as an important double material impact and risk.

Additionally, several crucial topics were identified as impact material only, emphasizing direct impacts from our operations—such as resource outflows, which refers to the recycling of batteries and tires. Among other important impact topics, we noted air pollution linked to product transportation by third-party carriers. We also noted significant positive impact areas such as social dialogue, freedom of association, gender equality, whistleblower mechanisms, and corporate culture. Waste management, specifically tire waste, was identified as an important potential negative impact.

These results now guide how we prioritize, act on, and report the most relevant sustainability issues across our operations, ensuring our efforts remain focused, accountable, and aligned with our most material challenges.

The highest-scoring IRO within each ESRS topic determined its placement in the DMA matrix. For example, ‘Climate change mitigation’ is positioned in the quadrant shown due to a crucial financial opportunity related to EV sales, along with several positive and negative impacts scored as significant. Where multiple topics share a quadrant, they are listed vertically without implying differing degrees of materiality.



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ENVIRONMENT

As part of the automotive industry, we recognize the importance of minimizing our environmental impact. Guided by our Double Materiality Assessment (DMA), we have identified three critical areas to address: Water Management, Climate Change Mitigation, and Recycling.

WATER MANAGEMENT

Our DMA highlighted crucial environmental impacts related to water withdrawals and discharges, particularly due to limited public sewage infrastructure in Mozambique and Uganda. MOTORCARE monitors electricity, water, chemicals, and waste consumption across its operations in both countries through our ISO 14001 Environmental Management System. At our largest workshops—Maputo (Mozambique) and Jinja Road, Kampala (Uganda)—we have installed wastewater treatment plants. These recycle wastewater, significantly reducing water usage—by 60% in Maputo and 20% so far at Jinja Road. Further investments are planned in Maputo to achieve a 100% closed-loop water system. We continue to invest in infrastructure to ensure wastewater separators operate effectively at all sites.

CLIMATE CHANGE MITIGATION

Our DMA identified lifetime vehicle emissions (from production to end-of-life), business travel and air pollution from third-party product transportation as significant environmental burdens. Aligned with the GHG Protocol standard and supported by IBIS Consulting, we systematically measure and pinpoint improvements in our carbon emissions, recognizing challenges in obtaining accurate data, particularly within Scope 3 emissions.

Given that internal combustion engine vehicles (ICEVs) significantly contribute to carbon emissions and air pollution, our strategic priority is to advocate for electric vehicles (EVs). Although total EV sales decreased by approximately 27% in 2024 compared to 2023, this reflects a broader decline in our overall car sales.

Regulatory shifts in markets like Ethiopia (ban on ICEVs imports) and Rwanda (ban on petrol motorcycle registrations from 2025) present ongoing opportunities for KJAER GROUP to expand EV offerings.

However, limited green infrastructure, particularly charging stations in our key markets, remains a significant barrier to EV adoption. To address this, we actively explore alternative charging solutions, partnerships, and incentives to accelerate market readiness and build customer confidence.

RECYCLING AND RESOURCE MANAGEMENT

A critical environmental impact identified by our DMA is the limited recycling options available for end-of-life tires and batteries, particularly in Mozambique and Uganda, where dedicated recycling facilities are lacking. Currently, MOTORCARE returns replaced tires and batteries to customers without visibility into their final disposal, raising concerns about potential environmental harm through improper disposal methods like landfill dumping or informal burning. To mitigate these risks, we will initially engage with customers to better understand their disposal practices and inform them about existing local recycling initiatives. In the future, we aim to partner with specialized recycling organizations to enhance sustainable disposal options.

We remain committed to continually improving our environmental performance through investments, data-driven actions, and collaboration across our operations. Our environmental efforts are integrated into our ISO 14001-certified management system and aligned with our broader vision of green mobility and responsible resource use.



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ESG PROGRESS

COMMUNICATION ON PROGRESS (COP) FOR UN GLOBAL COMPACT

WE SUPPORT



ENVIRONMENT

COMMITMENT:

KJAER GROUP is committed to operating with the lowest possible impact on the environment. (KJAER GROUP HSEQ policy)

PRINCIPLE 7: Business should support a precautionary approach to environmental challenges.

PRINCIPLE 8: Business should undertake initiatives to promote greater environmental responsibility.

PRINCIPLE 9: Business should encourage the development and diffusion of environmentally friendly technologies.

PROCESSES	TARGETS 2024	ACTIONS 2024	PERFORMANCE 2024	TARGETS 2025
Environmental Management System (ISO 14001, integrated in HSEQ Policy)	<p>Continuous improvement and compliance with the ISO 14001 (Environmental Management Systems) standard at all branches in Mozambique and Uganda. Ensure a timely reporting structure for quarterly reports.</p> <p>System-wide follow-up on wastewater treatment performance and previous investments.</p>	<p>Implemented action plans with monthly follow-up. Quarterly management reporting on environmental performance.</p> <p>Annual MOTORCARE HSEQ Report 2023 (including detailed environmental progress and performance).</p> <p>Monitor water usage and maintaining all wastewater separating systems, to reduce environmental impact, aligned with ISO 14001 commitments.</p>	<p>Quarterly environmental reports and reviews have been consistently conducted.</p> <p>ISO 14001 certification successfully retained in MOTORCARE operations following a successful audit with zero non-conformities identified.</p> <p>Achieved significant water consumption reductions (60% Maputo, 20% Jinja Road).</p>	<p>Ensure consistent quarterly environmental reporting. Maintain ISO 14001 certification and show measurable improvements at all MOTORCARE branches in Mozambique and Uganda.</p> <p>Upgrade Maputo's treatment plant to a 100% closed-loop system and ensure wastewater separators operate effectively at all sites.</p>
Move to Green	<p>Transform 50% of our company fleet to green mobility by October 2024 and 75% in 2025.</p> <p>Increase our EV sales by 100%.</p> <p>Follow up on 2023 solar systems investment.</p>	<p>Replaced and added electric or hybrid vehicles to the company fleet across operational branches.</p> <p>Participated in exhibitions (Fleet Forum Summit, AidEx, eCarExpo) and hosted webinars to promote EV adoption among fleet customers.</p> <p>Monitor energy consumption to assess impact and identify further efficiency opportunities.</p>	<p>By 2024, 27% of the company fleet was electric or hybrid, below the 50% target. Still, several new EVs were added, showing progress.</p> <p>EV car sales decreased by approximately 27% in 2024 compared to 2023, reflecting a broader decline in our overall car sales.</p> <p>Solar systems reduced energy consumption by 20% in 2024.</p>	<p>Reach 50% green mobility within the company fleet by the end of 2025.</p> <p>Prepare operations and energy data to support sustainable fleet decisions and enable delivery of up to 100 EVs.</p>

SIGNIFICANT AREAS OF ENVIRONMENTAL IMPACT FOR OUR BUSINESS:

Through our recent Double Materiality Assessment, we identified significant environmental impacts related to water management and pollution, recycling of tires and batteries, and CO2 emissions.

To effectively mitigate these impacts, we remain committed to our "Move to Green" vision, continuously improving our environmental management practices under our ISO 14001-certified system.



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SOCIAL

Guided by our Double Materiality Assessment (DMA), we identified critical social topics where our operations significantly affect employees and communities. Our priority areas include Training and Skills Development, Secure Employment, and supporting positive impacts through Social Dialogue, Freedom of Association, and Gender Equality.

TRAINING AND SKILLS DEVELOPMENT

Training and professional development emerged as an important double material topic. Employees at MOTORCARE highly value technical and relevant training opportunities. Offering such training meets employee needs, improves job performance, and supports our industry competitiveness. Additionally, MOTORCARE collaborates with technical schools by offering apprenticeships that often lead to employment—one of the most appreciated initiatives by the local community, as it creates tangible job opportunities and supports skills development. From a financial perspective, investing in training and internships helps attract skilled labor, promotes inclusivity, and enhances our company’s reputation, driving productivity, innovation, and growth.

SECURE EMPLOYMENT

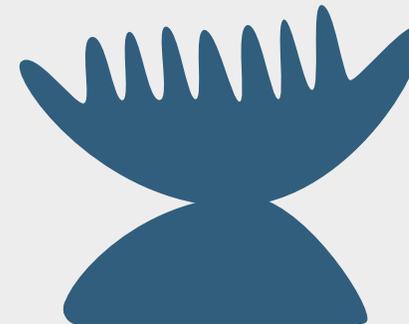
Job security remains an important double material topic identified in our DMA. Like others in the automotive sector, MOTORCARE faces workforce-related challenges linked to evolving industry trends—particularly the gradual shift to electric vehicles, which generally require less maintenance. Despite these dynamics, the average number of full-time employees across our African operations increased from 228 to 244 in 2024, reflecting our ongoing commitment to employment and operational growth. We continue to prioritize proactive workforce planning to maintain stability, support employee retention, and build long-term business resilience.

SOCIAL DIALOGUE, FREEDOM OF ASSOCIATION, AND GENDER EQUALITY

We also identified significant positive impacts in social dialogue, freedom of association, and gender equality. Regular meetings between employees and management foster transparency, collaboration, and employee participation. MOTORCARE respects freedom of association, with employee-led initiatives such as the Life Club promoting employee engagement and communication with management. Additionally, we actively support gender equality across our workforce, management, and boards. In Mozambique and Uganda, we recruit and train women, including mechanics, and partner with local organizations such as Smart Girls in Uganda to provide professional development opportunities for women.

EMPLOYEE WELL-BEING AND WORKPLACE CULTURE

Our commitment to social responsibility extends beyond the DMA findings. Ensuring fair and competitive compensation remains a core principle of the KJAER GROUP Way of Management. We have strengthened this commitment by transitioning from a minimum wage policy to a living wage approach. We also continue to uphold ISO 45001 certification, reflecting our focus on occupational health and safety. This standard supports a safe and healthy work environment aligned with the UN Global Compact and the Sustainable Development Goals (SDGs). To monitor employee satisfaction and workplace culture, we conduct an annual People Survey. While the response rate slightly declined in 2024, overall satisfaction increased from 81% to 83%, confirming that our efforts continue to foster a positive and engaging workplace.



Management Review



ESG



Financials



ESG PROGRESS

COMMUNICATION ON PROGRESS (COP) FOR UN GLOBAL COMPACT

WE SUPPORT



SOCIAL

HUMAN RIGHTS AND LABOUR COMMITMENT:

KJAER GROUP bases its actions on the values of professionalism, respect, honesty and dedication. Understanding and accepting different cultures is a key element of our organization, as is complying with both local and international laws. For further information, please see the KJAER GROUP Way of Management.

KJAER GROUP is committed to ensuring compliance with all relevant labour laws and regulations in order to provide a safe, fair, and non-discriminatory workplace for all employees. We uphold the right to freedom of association and do not engage in or condone any form of forced, compulsory, or child labour.

PRINCIPLE 1: Businesses should support and respect the protection of internationally proclaimed human rights.

PRINCIPLE 2: Businesses should make sure that they are not complicit in human rights abuses.

PRINCIPLE 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

PRINCIPLE 4: Businesses should uphold the elimination of all forms of forced and compulsory labor.

PRINCIPLE 5: Businesses should uphold the effective abolition of child labor.

PRINCIPLE 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

PROCESSES	TARGETS 2024	ACTIONS 2024	PERFORMANCE 2024	TARGETS 2025
KJAER GROUP Way of Management (KWOM)	Min. 80% of employees believes strongly in and support the company's future direction.	Employee survey action plans implemented across all entities.	92% (same as 2023) of employees supported the company's direction. 98% valued the company's role in reducing CO emissions. (84% response rate)	Maintain ≥90% employee support for company direction and ≥95% agreement on the importance of CO reduction.
People Survey	100% positive responses when asked "All employees in my team are treated fairly..." Min. 80% are satisfied with their employment.	Continued implementation of People Survey action plans across branches and promotion of inclusive workplace practices.	83% (84% in 2023) positive responses on fair and non-discriminatory treatment within teams. 83% (81% in 2023) of employees reported being satisfied with their employment. (84% response rate)	Maintain ≥85% agreement on fair treatment and ≥85% overall employee satisfaction.
Occupational Health and Safety Management (ISO 45001, integrated in HSEQ Policy)	Continuous improvement and compliance to ISO 45001 (Occupational Health & Safety) standard in all branches in Mozambique & Uganda. Ensure timely reporting structure for the quarterly reports.	Implemented action plans with monthly follow-up. Quarterly management reporting on health and safety performance. Annual MOTORCARE HSEQ Report 2023 (including detailed health and safety progress and performance).	Quarterly health and safety reports and reviews have been consistently conducted. ISO 45001 certification successfully retained in MOTORCARE operations following a satisfactory audit (with some non-critical findings addressed).	Enhance incident reporting and follow-up to improve safety. Ensure consistent quarterly reporting on OHS performance. Maintain ISO 45001 certification across all MOTORCARE branches in Mozambique and Uganda.
Remuneration Policy	Make a consolidated MOTORCARE Remuneration policy and Remuneration Guideline.	Finalized and implemented a unified Remuneration Policy outlining salary structure, bonus criteria, and benefits across all MOTORCARE entities.	Policy implemented across MOTORCARE, establishing consistent pay principles, minimum wage, and review procedures.	Conduct market benchmarking to support salary review and ensure competitiveness across MOTORCARE.
Gender diversity	Increase the number of female employees by 5% to enhance the pool of candidates for management positions in the future. In 2024, develop and implement a Diversity, Equity, and Inclusion (DEI) policy for the Group.	Continued focus on inclusive recruitment and development opportunities for women across all levels. Drafted a Group-wide DEI policy to formalize our commitment to inclusive practices.	The share of female employees remained relatively stable at 24%, compared to 25% in 2023, despite overall workforce growth. Drafted a Group-wide DEI policy to formalize our commitment to inclusive practices.	Reverse the slight decline and increase the share of female employees from 24% to at least 26%, supporting diversity and leadership development. Approve and implement the DEI policy across all Group entities.

SIGNIFICANT AREAS OF IMPACT WITHIN HUMAN RIGHTS AND LABOUR FOR OUR BUSINESS:

Our DMA identified key human rights and labour impacts related to job security, working conditions, and inclusion. Political instability in Mozambique and the EV transition raise concerns about employment, while also presenting opportunities to promote fair pay, equality, and a respectful, safe workplace.

To address these impacts, KJAER GROUP promotes strong values, inclusive practices, and continuous improvement through feedback and dialogue. We have transitioned from a minimum wage to a living wage approach, offer apprenticeships that lead to employment, and uphold ISO 45001 certification to ensure safe working conditions. The annual People Survey, which showed increased satisfaction in 2024, supports our ongoing efforts to foster a positive workplace culture.



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GOVERNANCE

Guided by our Double Materiality Assessment (DMA), we identified key governance-related topics significantly influencing our operations, reputation, and long-term sustainability. Our priority governance areas include Corruption and Bribery Prevention, supported by robust Whistleblower Mechanisms and a strong Corporate Culture.

CORRUPTION AND BRIBERY PREVENTION

Corruption negatively impacts the economies and markets in which we operate. Aligned with UN Sustainable Development Goal 16, KJAER GROUP is deeply committed to combating corruption through comprehensive anti-corruption initiatives. Since 2013, our Group Anti-corruption Policy has defined clear guidelines for payments, gifts, partner assessment, risk evaluation, and whistleblowing procedures. Our DMA identified corruption prevention as a significant double material topic. KJAER GROUP maintains a zero-tolerance approach to corruption and is committed to upholding the highest ethical standards across all operations. Our Group-wide Anti-Corruption Policy provides clear guidance on acceptable conduct and is supported by regular training to ensure employee awareness and compliance.

To reinforce ethical practices, we have implemented a range of preventive and detection measures—including compliance systems, internal controls, whistleblower platforms, and audits. These initiatives help promote a culture of integrity and transparency while safeguarding the company from reputational and operational risks.

WHISTLEBLOWER MECHANISMS AND CORPORATE CULTURE

Significant positive impacts identified by our DMA include our strong whistleblower mechanisms and corporate culture. In alignment with the UN Anti-Corruption Day initiative on December 9th, 2023, we enhanced our whistleblower scheme by launching a secure new platform managed by Deloitte. This new platform, accessible anonymously by employees, customers, and partners, reinforces our commitment to transparency and integrity by allowing secure reporting of misconduct without fear of retaliation. Additionally, we actively foster a corporate culture founded on professionalism, respect, honesty, and dedication, ensuring organizational alignment and collaboration in achieving our shared ethical standards and business objectives.



WHISTLEBLOWING

KJAER GROUP is committed to conducting business with integrity and doing the right thing for our customers, colleagues and society.

We encourage all those who have serious concerns they wish to report, to make use of our Whistleblowing Scheme, where they can report in confidence and – if they choose to do so – anonymously.

Report [here](#)



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GOVERNANCE

DATA ETHICS

As digitalization grows, so does the importance of ethical data handling. In 2024, KJAER GROUP adopted a Group Data Ethics Policy, setting clear principles for responsible, transparent, and ethical data use across all subsidiaries.

The policy extends beyond personal data to cover all types of data processing and supports our sustainability and privacy commitments. It applies to all employees, promoting shared responsibility through clear processes and ongoing training. This reinforces our commitment to trust, data integrity, and responsible digital practices.

RISK MANAGEMENT

KJAER GROUP systematically addresses risk management to minimize liabilities and ensure appropriate insurance coverage for our most exposed entities. Given the Group's focus on emerging economies, we closely monitor exchange rate risks and fluctuations, alongside traditionally accepted risks inherent in automotive trade and distribution.

Insurance has been secured against political risks, providing coverage for inventories in case of war or confiscation. Our African subsidiaries' financial performance and equity are measured in USD, and significant transaction-based exchange rate risks are actively hedged to maintain minimal exposure.

Furthermore, our recent Double Materiality Assessment has enhanced our ability to identify, prioritize, and manage sustainability-related risks and opportunities systematically. This structured approach further strengthens our risk management framework, ensuring proactive identification and mitigation of both financial and non-financial risks.

GOVERNANCE STRUCTURE

KJAER GROUP A/S is the parent company in the GROUP, which consists of a number of independent legal entities. The principal shareholder, with a 50% shareholding, is "The Way Forward ApS", which is wholly owned by Mr. Mads Kjær.

The Board of Directors

In accordance with Article 10 of the articles of association, KJAER GROUP shall be managed by a Board of Directors consisting of 3 to 6 members, who are elected by the General Meeting for a term of one year at a time. The Directors may be re-elected. Today, the Board consists of 5 members. The Board of Directors shall elect its own Chairman and appoint a Management Board. The Board of Directors shall be in charge of the overall management of the Company's affairs and activities. The Management Board (Executive Management) appointed by the Board of Directors shall be in charge of the day-to-day management of the Company. The Board normally meets 5-6 times per year and is otherwise convened when or if deemed necessary by the Chairman.

Executive Management

Executive Management functions as the day-to-day management and currently consists of Mads K. Kjaer (CEO), Peter Reher (CFO) and Ivan Buzu (MD MOTORCARE Mozambique).

Remuneration of Management

The remuneration payable to Executive Management is based on what is considered competitive in relation to size, market conditions, activities and is reviewed annually.

Independent Audit

KJAER GROUP A/S and the Group's annual accounts are audited by a state authorized audit firm appointed annually at the Annual General Meeting. The current audit firm of KJAER GROUP A/S and the consolidated accounts is Deloitte.



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GOVERNANCE

COMMITMENT:

KJAER GROUP has a "zero tolerance" for corruption.

KJAER GROUP upholds high ethical business practices and strives to make a meaningful impact on the world around us.

PRINCIPLE 10: Businesses should work against corruption in all its forms, including extortion and bribery.

PROCESSES	TARGETS 2024	ACTIONS 2024	PERFORMANCE 2024	TARGETS 2025
KJAER GROUP Way of Management (KWOM)	Ensure strategic alignment by maintaining ≥80% employee support for the company's future direction.	Implemented company-wide employee survey action plans to assess and strengthen alignment with leadership and strategic goals.	92% of employees expressed strong support for the company's direction (same as 2023), and 98% recognized the company's role in reducing CO emissions. (84% response rate)	Maintain ≥90% support for the company's direction and ≥95% recognition of its contribution to CO reduction as indicators of strong governance alignment.
Risk Management Policy	Make a consolidated MOTORCARE Risk policy.	Maintain existing MOTORCARE Risk Policy and assess consolidation needs for Mozambique and Uganda.	Policy remained in use but was not updated or consolidated across all MOTORCARE entities.	Consolidate and update the MOTORCARE Risk Policy to ensure alignment across Mozambique and Uganda.
Anti-corruption Policy	<p>Create awareness and communicate and train in the Policy.</p> <p>Ensure our procedures informs new employees and stakeholders of our Whistleblower system.</p>	<p>Organized international awareness activities aligned with UN Anti-Corruption Day (9 December).</p> <p>Communicated the updated Whistleblower system across all entities, including onboarding procedures for new employees and external stakeholders.</p>	<p>Global campaign delivered through internal channels, corporate meetings, and staff magazine.</p> <p>Whistleblower platform remains accessible to employees, customers, and partners.</p> <p>76% (82% in 2023) of employees stated they would proactively intervene in cases of corrupt behavior. (84% response rate)</p>	<p>Increase employee willingness to intervene in corrupt practices to ≥80%.</p> <p>Strengthen onboarding and stakeholder communication on anti-corruption policies and whistleblower procedures.</p>
DATA Ethics Policy	Implement and train employee in the Data Ethics Policy.	Policy launched group-wide with initial communication and training steps initiated.	Policy implemented across all entities; awareness phase completed.	Complete employee training and integrate data ethics into daily practices.

SIGNIFICANT AREAS OF IMPACT WITHIN ANTI-CORRUPTION AND ETHICAL CONDUCT FOR OUR BUSINESS:

Our DMA identified corruption and bribery prevention as a significant topic with both societal and financial implications. In regions where unethical practices are more common, there is a risk of improper influence on procurement and operations, potentially leading to reputational damage, legal consequences, and reduced stakeholder trust. A 2024 internal survey showed a decrease in employee confidence to speak up against corrupt behavior, signaling the need to strengthen awareness and accountability.

To address these impacts, KJAER GROUP upholds a zero-tolerance approach to corruption, guided by a Group-wide Anti-Corruption Policy and whistleblower framework. In 2024, we aligned our global awareness campaign with UN Anti-Corruption Day and continued to strengthen ethical practices through communication, training, and confidential reporting tools available to employees, customers, and partners.



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STATEMENT BY MANAGEMENT

The Board of Directors and the Executive Management have today considered and approved the annual report of KJAER GROUP A/S for the financial year spanning January 1 to December 31, 2024.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position as of December 31, 2024 and of their financial performance as well as the consolidated cash flow for the financial year of January 1 to December 31, 2024.

We believe that the management review contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Svendborg, 27 June 2025

Executive Management



Mads Krarup Kjaer, CEO



Peter Reher, CFO

Board of Directors



Thomas Tolstrup Hansen, Chairman



Hanne Kjaer, Board member



Hans-Emil Kjaer, Board member



Karl Kristian Kjaer, Board Member



Mikkel Kofod Christensen, Board member



INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF KJAER GROUP A/S

Opinion

We have audited the financial statements of KJAER GROUP A/S for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations and cash flows for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.



Management Review



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- 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 and the parent 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Odense, 27 June 2025

Deloitte Statsautoriseret Revisionspartnerselskab

CVR no. 33 96 35 56



Per Krause Therkelsen

State Authorised Public Accountant

MNE no. mne19698



Allan Dydensborg Madsen

State Authorised Public Accountant

MNE no. mne34144



PROFIT AND LOSS ACCOUNT

1 JANUARY - 31 DECEMBER '24

DKK 1.000
Note

	PARENT COMPANY		GROUP	
	2024	2023	2024	2023
1 Net turnover	75 913	171 490	349 564	426 134
2 Other operating income	8 660	8 947	187	579
Cost of goods sold	-66 248	-162 711	-257 981	-328 274
Gross profit	18 325	17 726	91 770	98 439
Other external expenses	-9 020	-8 453	-31 839	-31 968
3 Staff expenses	-8 655	-8 686	-36 253	-35 307
Earnings before interests and tax and depreciations EBITDA	650	587	23 678	31 165
4 Depreciations	-624	-750	-5 440	-6 687
Earnings before interest and tax EBIT	26	-163	18 238	24 477
5 Share of profit in subsidiaries	11 099	13 630	0	0
6 Other financial income	77	1 028	143	240
6 Financial expenses	-10 686	-8 609	-14 605	-12 631
Earnings before tax EBT	515	5 886	3 776	12 086
7 Tax on current years profit	1 476	-3	-1 785	-6 203
8 EARNINGS AFTER TAX EAT	1 991	5 883	1 991	5 883

BALANCE SHEET

as per 31st DECEMBER 2024

DKK 1.000
Note

	PARENT COMPANY		GROUP	
	Dec '24	Dec '23	Dec '24	Dec '23
Assets				
Software	1 039	741	1 039	741
9 Acquired intangible fixed assets	1 039	741	1 039	741
Land and Buildings	0	0	84 496	81 123
Other tools and equipment	1 267	763	9 670	6 815
9 Tangible fixed assets	1 267	763	94 166	87 938
5 Investments in subsidiaries	169 760	153 361	0	0
5 Investments in associates	2 687	0	2 687	0
Financial fixed assets	172 447	153 361	2 687	0
Total fixed assets	174 753	154 865	97 892	88 679
10 Inventories	4 079	674	88 882	107 078
Trade receivables	0	0	57 582	61 138
11 Receivables from Leasing sales	0	0	91 649	60 815
Receivables on subsidiaries	37 290	59 632	0	0
Corporation tax receivables	1 863	1 905	2 071	1 249
12 Deferred tax assets	8 349	8 349	8 478	8 716
Other receivables	280	354	7 958	5 527
13 Prepaid expenses	3 051	1 967	3 050	1 964
Accounts receivables	50 833	72 207	170 788	139 407
Liquid funds	44	3 377	5 583	13 674
Total current assets	54 956	76 258	265 253	260 159
TOTAL ASSETS	229 709	231 123	363 145	348 838



Management Review



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BALANCE SHEET

as per 31st DECEMBER 2024

DKK 1.000

Note

	PARENT COMPANY		GROUP	
	Dec '24	Dec '23	Dec '24	Dec '23
Liabilities				
14 Share capital	15 478	15 478	15 478	15 478
Equity method transfer to net revaluation reserve	23 041	6 642	0	0
Currency translation reserve	0	0	3 596	-1 562
Result carried forward	30 307	67 986	49 752	76 190
Dividend for the year	0	0	0	0
Total equity	68 826	90 106	68 826	90 106
12 Provision for deferred tax	0	0	3 463	3 934
15 Other provisions	0	0	0	0
Total provisions	0	0	3 463	3 934
16 Subordinated loan TWF ApS	28 091	0	28 091	0
Total long-term liabilities	28 091	0	28 091	0
Bank debts	41 134	40 569	86 791	83 316
Lease finance liabilities	0	0	116 375	76 344
Prepayments from customers	0	121	10 525	15 128
Payable to suppliers	5 783	25 286	25 939	52 152
Payable to subsidiaries / parent company	81 243	70 654	8 085	13 681
Corporation tax payable	1 124	605	1 457	1 850
Other accounts payable	3 508	3 782	13 594	12 327
Total current liabilities	132 792	141 017	262 765	254 798
TOTAL LIABILITIES	229 709	231 123	363 145	348 838
17 Change in working capital				
18 Pawnings				
19 Leasing commitments				
20 Contingent liabilities				
21 Related parties				
22 Fee for auditors elected by the general meeting				



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STATEMENT OF CHANGES IN EQUITY

DKK 1.000

Note

PARENT COMPANY

	Share capital	Equity method transfer to net revaluation reserve	Result carried forward	Proposed dividend for the year	Total equity
Balance 31st December 2022	15 478	0	76 266	6 000	97 744
Transferred to reserves	0	14 153	-14 153	0	0
Dividend paid	0	0	102	-6 000	-5 898
Extraordinary Dividend paid	0	0	84	-5 000	-4 916
Change in unrealised hedging	0	-140	0	0	-140
Sale of own shares	0	714	0	0	714
Exchange rate adjustments of investments in subs.	0	-3 281	0	0	-3 281
Proposed distribution of current years profit	0	-4 804	5 687	5 000	5 883
Balance 31st December 2023	15 478	6 642	67 986	0	90 106
Transferred to reserves	0	0	0	0	0
Dividend paid	0	0	0	0	0
Extraordinary Dividend paid	0	0	0	-30 000	-30 000
Change in unrealised hedging	0	-490	-142	0	-632
Sale of own shares	0	0	1 571	0	1 571
Exchange rate adjustments of investments in subs.	0	5 790	0	0	5 790
Proposed distribution of current years profit	0	11 099	-39 108	30 000	1 991
Balance 31st December 2024	15 478	23 041	30 307	0	68 826

STATEMENT OF CHANGES IN EQUITY

DKK 1.000

Note

GROUP

	Share capital	Currency translation reserve	Result carried forward	Proposed dividend for the year	Total equity
Balance 31st December 2022	15 478	1 145	75 121	6 000	97 744
Dividend paid	0	0	102	-6 000	-5 898
Extraordinary Dividend paid	0	0	84	-5 000	-4 916
Sale of own shares	0	714	0	0	714
Exchange rate adjustments of investments in subs.	0	-3 281	0	0	-3 281
Change in unrealised hedging	0	-140	0	0	-140
Proposed distribution of current years profit	0	0	883	5 000	5 883
Balance 31st December 2023	15 478	-1 562	76 190	0	90 106
Dividend paid	0	0	0	0	0
Extraordinary Dividend paid	0	0	0	-30 000	-30 000
Sale of own shares	0	0	1 571	0	1 571
Exchange rate adjustments of investments in subs.	0	5 790	0	0	5 790
Change in unrealised hedging	0	-632	0	0	-632
Proposed distribution of current years profit	0	0	-28 009	30 000	1 991
Balance 31st December 2024	15 478	3 596	49 752	0	68 826



Management Review



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Financials

CASH FLOW STATEMENT

DKK 1.000

Note

		GROUP	
		2024	2023
	Earnings before interests and tax and depreciations	23 678	31 165
	Exchange rate adjustments outside P&L	-1 412	-1 496
17	Change in working capital	-11 315	-28 614
	Financial items	-14 462	-12 391
	Taxes paid	-2 848	-5 314
	Cash flow from operations	-6 359	-16 650
	Investments in tangible assets	-7 238	-16 870
	Investments in leasing assets	-30 834	-32 928
	Investments in intangible fixed assets	-2 687	0
	Sale of tangible assets	1 454	1 295
	Cash flow from investments	-39 305	-48 503
	Loan from parent company	-5 596	3 598
	Subordinated loan TWF ApS	28 091	0
	Bank debt	3 475	27 011
	Lease finance liabilities	40 031	39 724
	Sale of own shares	1 571	0
	Dividend paid	-30 000	-10 814
	Cash flow from financial items	37 572	59 519
	Cash flow of year, net	-8 092	-5 634
	Liquid funds, beginning of the year	13 675	19 309
	Liquid funds, end of the year	5 583	13 675

NOTES TO THE ANNUAL REPORT

DKK 1.000

Note

		PARENT COMPANY		GROUP	
		2024	2023	2024	2023
1	Net turnover				
	Net turnover by activities				
	International Aid & Development	4 253	0	100 028	150 549
	Distribution	71 660	171 490	249 536	275 585
		75 913	171 490	349 564	426 134
	Net turnover by regions				
	Africa	75 913	171 490	336 581	393 820
	Rest of the world	0	0	12 981	32 312
		75 913	171 490	349 562	426 132
2	Other operating income				
	Management fees from subsidiaries	8 589	8 332	0	0
	Commission income, refund and compensation etc.	71	615	187	579
		8 660	8 947	187	579
3	Staff expenses				
	Salaries and wages	7 676	7 835	34 955	34 137
	Pensions	696	509	987	797
	Other staff expenses	283	342	311	373
		8 655	8 686	36 253	35 307
	Salaries to executive management	3 846	5 017	3 846	5 017
	Board of Directors fees	380	380	380	380
	Average number of full-time employees	7	5	255	239
4	Depreciations				
	Software	305	254	305	254
	Buildings	0	0	3 278	3 812
	Other tools and equipment	319	335	2 127	2 557
	Loss/profit, sale of tangible assets	0	161	-269	65
		624	750	5 440	6 687



Management Review



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Financials

NOTES TO THE ANNUAL REPORT

DKK 1.000

Note

5 Financial fixed assets

Purchase value:

At the beginning of the year
Additions
Disposals
End of the year

Revaluations:

At the beginning of the year
Exchange rate adjustment
Change in unrealised hedging
Share of result
Change in internal profit on inventories
Disposals
End of the year

Book value end of the year

PARENT COMPANY	
Investment in associates	Investment in subsidiaries
1 604	146 719
2 687	0
-1 604	0
2 687	146 719
-1 604	6 642
0	5 790
0	-490
0	9 050
0	2 049
1 604	0
0	23 041
2 687	169 760

Investments in subsidiaries and associates

Enterprises includes ownership of shares in following subsidiaries, which are valued at equity value and all included in the Group consolidated accounts:

Name	Address	Land / country	Ownership *
Subsidiaries			
KJAER & KJAER A/S	Grønnemosevej 6, 5700 Svendborg	Denmark	100%
Auto Kjaer A/S	Grønnemosevej 6, 5700 Svendborg	Denmark	100%
MOTORCARE Services Holding A/S	Grønnemosevej 6, 5700 Svendborg	Denmark	100%
KJAER GROUP (Pty) Ltd.	9 Kinross Street, Germision South Gauteng 1401	South Africa	100%
MOTORCARE Lda.	Rua Kanwalanga 141, Maputo	Mozambique	100%
MOTORCARE Mozambique Lda.	Rua Kanwalanga 141, Maputo	Mozambique	100%
MOTORCARE Uganda Ltd.	Jinja Road 95, Kampala	Uganda	100%
Associates			
BoxNow ApS	Valhøjs Alle 158, 2610 Rødovre	Denmark	22%

* For shares in subsidiaries were the ownership deviates from the voting rights, the voting rights are presented.



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NOTES TO THE ANNUAL REPORT

DKK 1.000

Note

6 Financial income/expenses from inter company accounts

	PARENT COMPANY		GROUP	
	2024	2023	2024	2023
Financial income from subsidiaries	77	1 028	0	0
Financial expenses to subsidiaries/shareholder	-6 577	-3 831	-1 906	-1 301

7 Tax on current years profit

	PARENT COMPANY		GROUP	
	2024	2023	2024	2023
Tax payable on the year's estimated tax assessment	1 863	1 905	-1 415	-4 099
Withholding taxes	-757	-775	-757	-775
The year's change in deferred tax	0	165	17	-31
Adjustments previous years	370	-1 298	370	-1 298

8 Proposed distribution of profit

	PARENT COMPANY		GROUP	
	2024	2023	2024	2023
Equity method transfer to net revaluation reserve	11 099	-4 804	0	0
Extraordinary dividend	30 000	5 000	30 000	5 000
Dividends	0	0	0	0
Result carried forward	-39 108	5 687	-28 009	883

9 Tangible & acquired intangible fixed assets continued

	PARENT COMPANY		
	Software	Land and buildings	Other tools and equipment
Purchase value:			
At the beginning of the year	13 140	0	5 764
Additions	603	0	823
Disposals	0	0	0
End of the year	13 743	0	6 587
Accumulated depreciations and impairment losses:			
At the beginning of the year	-12 399	0	-5 001
Depreciations of the year	-305	0	-319
Depreciated on sold assets	0	0	0
End of the year	-12 704	0	-5 320
Book value end of the year	1 039	0	1 267

Tangible & acquired intangible fixed assets continued

Purchase value:

At the beginning of the year	13 140	139 708	53 362
Exchange rate adjustments	0	8 366	2 774
Additions	603	1 949	4 686
Disposals	0	-1 378	-1 806

End of the year

13 743 148 645 59 005

Accumulated depreciations and impairment losses:

At the beginning of the year	-12 399	-58 585	-46 537
Exchange rate adjustments	0	-3 551	-1 229
Depreciations of the year	-305	-3 392	-2 190
Depreciated on sold assets	0	1 378	621

End of the year

-12 704 -64 149 -49 335

Book value end of the year

1 039 84 496 9 670

10 Inventories

	PARENT COMPANY		GROUP	
	2024	2023	2024	2023
Manufactured goods and goods for resale	4 079	674	88 882	106 828
Prepayments for goods	0	0	0	250

	PARENT COMPANY		GROUP	
	2024	2023	2024	2023
4 079 674 88 882 107 078				



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Financials

NOTES TO THE ANNUAL REPORT

DKK 1.000

Note

Receivables from Leasing sales

11 Receivables from leasing sales due more than 1 year after balance sheet data

PARENT COMPANY		GROUP	
2024	2023	2024	2023
0	0	69 051	46 358
0	0	69 051	46 358

12 Provision for deferred tax

Opening
Exchange rate adjustment
Withholding taxes
Transferred to/from corporation tax
Recognition of Def. tax asset posted on Equity
Accounted for in Profit and Loss

-8 349	-8 184	-4 782	-4 165
0	0	-136	-165
0	0	0	0
0	0	-79	231
0	0	0	-714
0	-165	-17	31
-8 349	-8 349	-5 015	-4 782

Tangible fixed assets
Inventories
Accounts receivables
Debt
Other provisions
Tax loss carry forward

-6 936	-6 748	4 298	3 104
0	0	-1 324	-1 200
0	0	-364	-1 085
0	0	-2 413	-2 116
0	0	-137	3
-1 413	-1 600	-5 262	-3 488
-8 349	-8 349	-5 015	-4 782

Reported as:

Deferred tax assets
Provision for deferred tax

8 349	8 349	8 478	8 716
0	0	3 463	3 934
-8 349	-8 349	-5 015	-4 782

Tax loss carry forward not included
Withholding tax on result carried forward, not declared

10 798	9 419	10 798	9 419
0	0	0	0

Parent company

Withholding tax may be payable on not declared result carried forward in the companies in Mozambique. However, Management do not expect declaration of dividend in the foreseeable future.

The company's deferred tax assets are recognized in the Balance sheet at DKK 8.3 million. The tax asset relates primarily to unutilized tax losses and deferred tax depreciations on Equipment. The deferred tax asset is recognized on the basis of expectations to the positive tax profits for the years ahead. Impairment has been made for any excess tax losses. The booked value after impairment is then expected to be fully utilized over the next five years. The assessments are based on the company's budgets for the next year and forecasts for the subsequent four years. The budget has been prepared according to the company's usual budget procedure and the estimates are made in accordance budget has been prepared according to the company's usual budget procedure and the estimates are made in accordance with the company's business plan.

The expectations for utilization of deferred tax assets are based on assumption of positive development in the relevant markets from 2025. Especially the development in the oil and gas sector in both Mozambique and Uganda will have a significant impact from 2025. In 2025 an additional business mandate from an automotive manufacturer for international aid & development sales has been assumed.

The Deferred tax assets have been recognized and measured on the basis of expected future earnings based on assumptions as described above wherefore there are uncertainties associated with these. It is management's assessment that the uncertainties are mainly related to the timing of the fulfillment of the assumptions. Management expects the tax asset to be utilized against positive earnings within the next 5 years with zero utilization for 2024.



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NOTES TO THE ANNUAL REPORT

DKK 1.000
Note

13 Prepaid expenses

Prepayments and accrued income comprise prepaid costs, primarily insurances relating to the next financial year.

14 Share capital

Last 5 years changes in share capital:
Share capital January 1 2019
Capital increase 2019

Share Capital
12 435
3 043
15 478

The share capital at end of year is split in:

A shares	5 000
B shares	10 478
	15 478

Treasury shares (B shares)

At the beginning of the year

At the beginning of the year

Disposals

Additions

End of the year

	Nominal Value	% of Share Capital
At the beginning of the year	262	1.7%
Disposals	-262	-1.7%
Additions	0	0%
End of the year	0	0%

Purchase of own share is implemented according to previously agreed incentive programs

15 Other provisions

Other provisions comprise anticipated costs of guarantee commitments estimated to mature more than one year after balance sheet date.

16 Long-term liabilities

In 2023 the two sons of Hanne and Mads Kjaer, Hans-Emil Kjær and Karl Kristian Kjær each purchased 25% shares in KJAER GROUP A/S through their holding companies Sunrise Capital ApS and Rosmarin Capital ApS. The purchases of shares in KJAER GROUP A/S were financed by loans from The Way Forward ApS to each of the two new holding companies. Following the generation change in 2023 of 50% of the ownership to KJAER GROUP A/S the shareholders wanted to restructure the capital in their holding companies.

For this reason, an extraordinary Dividend of DKK 30 million was declared from KJAER GROUP A/S in 2024. The Dividends paid out were, in all materiality, circulated and KJAER GROUP A/S received DKK 27 million back from The Way Forward ApS provided as a Subordinated loan.

Also in 2024, The Way Forward ApS purchased all own shares held by KJAER GROUP A/S for a cash consideration of DKK 1.6 million, which increased the Equity in KJAER GROUP A/S by said amount. For that reason, the net amount paid out in 2024 from KJAER GROUP A/S to shareholders was DKK 1.4 million, which was used for buying all remaining shares in KJAER GROUP A/S held by employees, whereby KJAER GROUP A/S became 100% family owned.

According to the Subordinated loan agreement, all the creditor's claims under the Subordinated loan are in every respect subordinated to any claims against KJAER GROUP from other creditors, including in the event of KJAER GROUP's dissolution or bankruptcy.

The loan is irrevocable from the creditor's side and has no repayment schedule agreed. Interest is calculated and expensed in the P&L yearly but can only be paid out to the lender with accept of Danske Bank A/S, Denmark, who also holds capacity to institute legal proceedings.

17 Change in working capital

Change in current assets:

Inventories	18 196	-17 998
Trade receivable	3 556	-3 342
Prepaid expenses	-1 087	-38
Other various outstandings	-2 432	-2 652

Change in short-term debt:

Prepayments from customers	-4 603	1 058
Payable to subsidiaries	0	0
Payable to suppliers	-26 214	1 150
Other accounts payable	1 267	-6 793

Change in working capital

	GROUP	
	2024	2023
Change in working capital	-11 316	-28 614

18 Pawnings

MOTORCARE Uganda Ltd.

In security for bank lines in MOTORCARE Uganda Ltd. a Letter of mortgage has been issued in the company's premises on Plot 95, Jinja Road, Kampala.

	Registered deed	Actual liability	Booked value of Assets
	19 457	132 201	1 928
	19 457	132 201	164 720

For same bank debt the company has issued Letter of Debenture in all fixed and floating assets belonging to the company.

The lease assets total 91.6 mDKK are provided as security for lease debt to banks total 126.3mDKK.



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NOTES TO THE ANNUAL REPORT

DKK 1.000

Note

19 Lease commitments

Operating lease contracts on company cars have been concluded for the years 2024 to 2026.

20 Contingent liabilities

Rental contacts for premises have been concluded for the years 2024 to 2038.

PARENT COMPANY		GROUP	
2024	2023	2024	2023
197	335	652	464
9 425	0	12 259	13 118

Joint taxation

The Danish group companies and parent company participates in a Danish joint taxation arrangement in which The Way Forward ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies. The liability, however, does not exceed an amount equalling the share of capital held by the Company, which is owned directly or indirectly by the ultimate parent.

	Actual debt	Maximum liability
The parent company has guaranteed financial Letter of Guarantees issued in security for liabilities in the subsidiary KJAER & KJAER A/S	10 933	75 000
On the basis of joint VAT registration the company is liable for VAT debt in KJAER & KJAER A/S.	0	unlimited
The parent company has issued guarantee for bank debt in MOTORCARE Uganda Ltd.	132 201	214 500

21 The following are considered related parties with controlling influence on KJAER GROUP:

Related parties:

The Way Forward ApS,
Sankt Annæ Plads 19, 2 th, 1250 København K

Basis for control:

50% share ownership
Exercise of management

Sunrise Capital ApS
Sankt Annæ Plads 19A, 2 mf, 1250 København K

25% share ownership
Board member

Rosmarin Capital ApS
Sankt Annæ Plads 19A, 2 mf, 1250 København K

25% share ownership
Board member

The Way Forward ApS is a controlling shareholder in KJAER GROUP with a majority of the voting rights. The company is 100% owned by Mads Kjær personally. The Way Forward ApS is a private investment company applied also for non-automotive activities and has no other activities similar to or associated with KJAER GROUP. KJAER GROUP is managed and financed independently from The Way Forward ApS as a stand-alone business with its own professional Board of Directors with external non-executive Board members. The Way Forward ApS has supported KJAER GROUP A/S with a subordinated loan of DKK 27 million and a Technical support agreement with an annual fee of

DKK 0.4 million. Apart here from there are no other significant relations, no intercompany guarantees or other liabilities between The Way Forward ApS and KJAER GROUP A/S or its subsidiaries.

Sunrise Capital ApS and Rosmarin Capital ApS are 99% owned by Mads Kjær's two sons Karl Kristian Kjær and Hans-Emil Kjær. Their acquisition of 2*25% ownership to shares in KJAER GROUP was made in 2023 as a first step in a generation change.

Remuneration to Management and Board of Directors is disclosed in note number 3.

KJAER GROUP A/S and its subsidiaries are consolidated into the Group accounts for The Way Forward ApS, Svendborg.

In Accordance with section §98,(7) of the Danish Financial Statement Act, the Company has not disclosed any related party as they were conducted on an arm's length basis.



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Financials

NOTES TO THE ANNUAL REPORT

DKK 1.000
Note

22 Fee for auditor elected by the general meeting

Fees to auditors:

Audit

Tax advice

Declaration fees

Other fees

Audit

Deloitte

BDO

Tax advice

BDO

Declaration fees

Deloitte

BDO

Other fees

Deloitte

BDO

23 Significant events after the balance sheet date

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

GROUP	
2024	2023
775	766
331	34
0	27
39	34
1 145	861
499	408
276	358
775	766
331	34
331	34
0	20
0	7
0	27
39	0
0	34
39	34



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Financials

ACCOUNTING POLICIES

The annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C large enterprises and generally accepted accounting principles.

The accounting policies applied for the financial statements are consistent with those applied last year.

Changes in accounting estimates

Management has changed the estimated useful lifetime for new constructed buildings from 20 years to 50 years as our experiences are, that well constructed and maintained new buildings last much longer than 20 years - also in Africa.

Acquired existing buildings, improvements and renovations are still depreciated over 20 years.

The change has reduced the year's depreciations by DKK 1,755 thousands and increased Tax by DKK 527 thousands. Net effect has been a positive adjustment of Earnings after tax and equity by DKK 1,228 thousands.

Recognition and measurement

Assets are recognized in the balance sheet when it is likely as a result of a prior event that future economic benefits will flow to the company and the value of the assets can be measured reliably.

Liabilities are recognized in the balance sheet when the company has a legal or constructive obligation as a result of a prior event, and it is likely that future economic benefits will flow out of the company and the value of the liabilities can be measured reliably.

On initial recognition assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each item.

Anticipated risks and losses that arise prior to the presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognized in the Profit and loss account when earned, whereas costs are recognized by the amounts attributable to this financial year. Value adjustments of financial assets and liabilities are recorded in the income statement as financial income or financial expenses.

Foreign currency translation

On initial recognition foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies, that have not been settled at the balance sheet date, are translated using the exchange rate at the balance sheet date. Exchange rate differences arising between the rate at the transaction date and the rate at the payment date or the balance sheet date, are recognized in the income statement. Fixed assets purchased in foreign currencies are translated using historical rates. Accordingly, inventories are measured at the ruling rate of exchange at date of purchase.

On recognition of independent foreign subsidiaries, the income statements of such enterprises are translated using the year's average rates of exchange. Balance sheet

items are translated using the exchange rates at the balance sheet date.

Exchange differences arising out of the translation of foreign subsidiaries' equity to the exchange rates at the balance sheet date are recognized directly on equity.

Consolidated Annual Report

The consolidated annual report comprises the parent company and Group enterprises controlled by the parent.

Consolidation

The consolidated financial statements have been prepared on the basis of the financial statements of the subsidiaries and the parent by combining uniform items and eliminating shares of profit in subsidiaries, intragroup accounts and intra - group interest and profit.

For all main items the accounting policies are similar for all enterprises in the Group. Items from subsidiaries are recognized in full in the consolidated financial statements.

The profit and loss account is thus an expression of the overall operating activities of the group as an aggregate financial entity just as the status of the group provides a general overview of the assets and liabilities of the enterprises of the Group. In the annual report of the parent, assets and investments in subsidiaries are measured at equity value plus goodwill paid.

The parent company equity is thus equal to the equity of The Group.



Management Review



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Financials



Newly acquired enterprises

The purchase method is applied in the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date.

Allowance is made for the tax effect of the restatements. Positive/negative differences in amount (goodwill/badwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognized under intangible assets/prereceived income, and they are amortized systematically over the income statement based on an individual assessment of their useful life, however, no more than 20 years.

Profits or losses from divestment of equity investments

Profits or losses from divestment or winding up of subsidiaries are calculated as the difference between selling price or settlement price and the carrying amount of the net assets at the time of divestment or winding up, inclusive of nonamortized goodwill and estimated divestment or winding up expenses.

Profit or losses by divestment or winding up of subsidiaries are accounted for in the profit and loss respectively under Other income or Other expenses.

PROFIT AND LOSS ACCOUNT

Turnover

Revenue from the sale of manufactured goods and goods for resale is recognized in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognized net of VAT and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprise income of a secondary nature as viewed in relation to the Company's primary activities, including material exceptional gains from the sale of intangible assets and property, plant and equipment, subsidies, rental income, licence income, etc.

Cost of goods sold

Cost of goods sold comprises direct and indirect costs incurred to earn revenue, including depreciation and maintenance of lease cars as well as realised and unrealized capital gains and losses on payables and transactions in foreign currencies.

Other external expenses

Other external expenses comprise expenses for distribution, sale, marketing, administration, premises, bad debts, etc.

Staff expenses

Staff costs comprise salaries and wages as well as social security costs, pension contributions, etc. for the Company's staff.

Depreciations

Depreciation of acquired intangible assets, premises, plant and equipment with a limited useful life is carried out straight-line on the basis of the expected economic and technical lives of these assets which are generally determined as follows:

- Acquired intangible assets (Software) 5 years
- New constructed buildings 50 years
- Acquired existing buildings 20 years
- Improvements and Renovations 20 years
- Other tools and Equipment 5 years

Financial income and expenses

These items comprise interest income and expenses as well as tax surcharge and repayment under the Danish Tax Prepayment Scheme.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the Profit and loss account by the portion attributable to the profit/loss for the year.

In the event that items recognized directly on equity result in changes to the tax liabilities of the company, the impact of such changes is set off when the entry is made on the equity.

The current tax payable or receivable is recognized in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred tax is recognized and measured by applying the liability method on all temporary differences between the carrying amount and tax based value of assets and liabilities. The tax value of the assets is calculated based on the planned use of each asset.

Deferred tax is measured based on the tax regulations and tax rates of the relevant countries that will be in effect, using the laws at the balance sheet date, when the deferred tax is estimated to be triggered as current tax. Changes in deferred tax resulting from changed tax rates are recognized in the income statement.

Deferred tax assets, including the tax value of carrying forward tax losses, are recognized in the balance sheet at their estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets.

The Company is jointly taxed with all of its wholly owned Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed Danish companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

THE BALANCE SHEET

Tangible and acquired intangible fixed assets.

Fixed assets with limited service time are entered at cost less depreciations. Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation.

Financing costs are recognized in the income statement.

In the event that the recoverable amount is lower than the carrying amount, the asset in question is written down.

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price minus selling costs and carrying amount at the time of sale.

Profits or losses are recognized in the income statement as an adjustment to depreciation and impairment losses, or under other operating income if the selling price exceeds original cost.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognized and measured under the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unrealized intra - group profits or losses.

The Company's share of the enterprises' profits or losses

after elimination of unrealized intra-group profits and losses is recognized in the income statement.

Subsidiaries and associates with a negative equity value are measured at zero value, and any receivables from these enterprises are written down by the Company's share of such negative equity if it is deemed irrecoverable. If the negative equity exceeds the amount receivable, the remaining amount is recognized under provisions if the Company has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in subsidiaries and associates is transferred to reserve for net revaluation according to the equity method under equity. Investments in subsidiaries and associates are written down to the lower of recoverable amount and carrying amount.

Impairment of fixed assets

The carrying amount of property, plant and equipment is assessed annually for indications of impairment. If there are indications of impairment, an impairment test is performed for each asset or group of assets. Write-down is made to the recoverable amount, if it is lower than the carrying amount.

The recoverable amount is the highest value of net selling price and capital value. The capital value 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 asset group after completion useful life.

Previously recognized impairment losses are reversed when the reason for the impairment no longer exists consists.

Inventories

Inventories consist of cars, motorcycles and spare parts, including cars on lease contracts. Inventories are measured at the lower of cost using the FIFO method and net realizable value. Financing costs are not included in cost.

Cars on lease contracts are measured at cost less accumulated depreciation and write-downs.

The net realizable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortized cost, usually equalling nominal value less provisions for bad debts.

Receivables on leasing sales

Leasing receivables are measured at sales value of products delivered less amortization. Initial recognition is at net present value of the minimum leasing payments related to the product value excluding insurance and other services with addition of a guaranteed or conservatively estimated residual value. Future leasing payments are discounted at an interest rate inherent in the contract, which as a minimum is 2% p.a. higher than the interest rates charged on the lease financing liabilities.

Prepaid expenses

Prepayments recognized under assets comprise prepaid expenses relating to subsequent financial year.



Cash

Cash comprises cash in hand and bank deposits.

Equity

Dividends are recognized as a liability at the time of adoption at the general meeting. The proposed dividends for the financial year are disclosed as a separate item under equity.

Other provisions

Other provisions comprise anticipated costs of guarantee commitments.

Other provisions are recognized and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Lease commitments

Lease payments on operating leases are recognized on a straight-line basis in the income statement over the term of the lease.

Deferred tax

Deferred tax is recognized on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. Deferred tax assets, including the tax base of tax loss carry-forwards, are recognized in the balance sheet at their estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets.

Tax payable or receivable

Current tax payable or receivable is recognized in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Financial liabilities

Financial liabilities are recognized at amortized cost, which usually corresponds to nominal value.

The Cash Flow Statement

The cash flow statement is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as the company's cash and cash equivalents at the beginning and the end of the financial year.

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

Cash flows from investment transactions comprises the purchase and sale of property, plant and equipment. Cash flows from financing activities comprise raising and instalment on long-term debt and payment of dividend.

Cash and cash equivalents comprise cash and securities with insignificant price risk less short-term bank debt.

Segment Information

Disclosures are provided on business activities as the primary segment. The segmental disclosures comply with the group's accounting policies and internal financial management.



DEFINITIONS

EBITDA

Earnings before depreciations, interests, tax and minority interests

EBIT

Earnings before interests, tax and minority interests

NOPLAT

EBIT - tax on EBIT adjusted for non-cash element of withholding taxes

Capital employed

Total assets – payable to suppliers and other current liabilities

Net interest bearing debt

Interest bearing liabilities + debt to credit institutions - liquid funds

Gross margin

Gross profit * 100 / Net Turnover

EBITDA margin

EBITDA * 100 / Net Turnover

Interest coverage

EBITDA * 100 / Financial income and expenses, net

Gearing

Net interest bearing debt * 100 / EBITDA

Growth in EBITDA

Growth in EBITDA * 100 / EBITDA 2013

Return on capital employed (ROIC)

NOPLAT * 100 / Average capital employed

Return on equity

Earnings after tax * 100 / Average equity

Equity ratio

Total equity * 100 / Total assets excluding liquid funds

Equity value of nom. 1000 DKK shares

Total Equity excl. minority interests / number of shares

Adjust. Equity value for share pricing

Total equity excl. minority interests - Dividends and unreal. exch. adj. in Equity / Number of shares



COMPANY DETAILS

Revision / Auditors

Deloitte Statsautoriseret revisionspartnerselskab
Tværkajen 5, 5000 Odense C
Denmark

Phone: (+45) 63 14 66 00
Web-site: www.deloitte.dk
E-mail: odense@deloitte.dk

Annual General Meeting

To be held on 27 June 2025
at the company's address in Svendborg.

Presented and adopted at the general meeting:
Chairman

Company

KJAER GROUP A/S
Grønnemosevej 6, 5700 Svendborg
Denmark
Member of UN's Global Compact Network

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Web-site: www.kjaergroup.com
E-mail: info@kjaergroup.com

Board of Directors

Thomas Tolstrup Hansen, Chairman
Hanne Kjaer, Board member
Hans-Emil Kjaer, Board member
Karl Kristian Kjaer, Board member
Mikkel Kofod Christensen, Board member

Executive Management

Mads Krarup Kjær, CEO
Peter Reher, CFO
Ivan Buzi, Executive Director

