ANNUAL REPORT 2025

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ABOUT KJAER GROUP

KJAER GROUP was established in 1962 in Svendborg as a car dealership by the late Mr. Christian Kjær. Today, the Group provides international automotive mobility solutions and employs 251 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) in our customer markets and implementing measures to reduce emissions in our own operations.

Our vision is to be a green company that moves people towards more sustainable transportation.

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.

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 Fiat, Suzuki, Subaru and Renault.

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, and additional international brands have since been added to our portfolio.

New green mobility solutions have been driven by the sale of electric vehicles across our markets, a business area we entered in 2019. In Uganda, the joint venture Green Hub was established with a dedicated focus on electric motorcycles (boda boda) used for taxi and delivery services.

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LOCATIONS

VISION

MOVE TO GREEN

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

HIGHLIGHTS

The year 2025 was mixed across our business units. Overall vehicle demand declined.

In Mozambique, post-election unrest and extended business closures negatively affected activity in the last two months of 2024 and the first three months of 2025. In Uganda, the upcoming presidential and parliamentary elections in early 2026 contributed to weaker vehicle demand in the second half of 2025. In Denmark, global aid-project funding declined following the U.S. Administration's decision to cut most USAID funding. Overall, it was a challenging year.

Consolidated turnover decreased from DKK 350 million in 2024 to DKK 296 million in 2025, primarily due to lower-than-expected turnover in Mozambique and Denmark.

MOTORCARE Uganda increased its market share in 2024 by adding additional OEM brands to the portfolio, strengthening the sales outlook in the coming years. In 2025, the business began planning and construction of a new workshop with more than double the capacity of the existing facility.

In Uganda, we continued to focus on the core fleet and commercial customer segment, supported by in-house leasing solutions.

MOTORCARE Mozambique maintained its market share in the highly competitive pick-up segment but did not increase sales due to the market decline and a shortage of foreign currency. Workshop and aftersales performance was strong, with a positive outlook.

Across Mozambique and Uganda, MOTORCARE continued to deliver on the Group's core value propositions, supporting strong customer retention and satisfaction.

KJAER & KJAER, operating in the International Aid & Development segment, experienced lower demand for motorcycles as well as electric and ICE (internal combustion engine) vehicles, driven by the reduction in USAID funding. Across all business units, we continued to pursue the Move to Green vision through internal investments in renewable and sustainable solutions and by expanding the sale of electric vehicles in our markets—supporting our ambition to reduce the overall environmental impact of the business.

Meanwhile, our joint venture Green Hub in Uganda continued its pilot for electric two-wheel motorcycles and related charging solutions. Launched in 2024, the pilot covered more than 1,200,000 km over its first two years. The pilot has been supported by grants from the Danish Government's DGBP fund and the British High Commission.

Earnings before tax (EBT) amounted to DKK -8.7 million and earnings after tax (EAT) amounted to DKK -9.7 million. This was below our expectation of DKK 5-10 million due to Turnover being app 30% below expectations across all 3 business units. To finance the loss in 2025, the parent company The Way Forward ApS has increased its financial support to Kjaer Group by extra DKK 10 million loan in January 2026.

The Group's equity decreased by DKK 22 million, reflecting the combined effect of a negative result after tax (EAT) of DKK 9.7 million and adverse currency translation adjustments of DKK 12 million, which were recognized directly in equity. The currency translation adjustments in Equity is the effect of 11% depreciation of USD to DKK when translating the Balance sheets of foreign subsidiaries to DKK for consolidation. It did not have any effect on the liquidity of the Group.

MISSION

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

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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.

STRATEGY

KJAER GROUP's mission is to deliver high-quality automotive services and green mobility solutions in emerging markets. Our vision is to be a green company that moves people towards more sustainable transportation.

Being a green company means keeping our environmental, social, and governance (ESG) actions within the "green" zone of the traffic-light system—minimising environmental impact while contributing positively to the societies in which we operate.

Our performance is driven by two key factors: access to high-quality international brands and our ability to deliver end-to-end solutions close to where our customers operate.

Another essential driver is the KJAER GROUP Way of Management, rooted in internationally recognised principles and standards, including the UN Global Compact, the UN Sustainable Development Goals (SDGs) and the 2030 Agenda, as well as ISO certifications.

Together, these factors help our customers increase returns on assets, time, and resources—so they can focus on their core activities and achieve their objectives.

GROUP 2026 GUIDANCE

Entering 2026, market conditions in Mozambique—where we operate as MOTORCARE—have begun to improve, supported by rising mobility needs linked to the oil and gas industry.

The post-election unrest that impacted sales in the last quarter of 2024 carried into early 2025. From March, conditions stabilised and activity improved, and we expect this momentum to continue into 2026.
In Uganda, demand is expected to build gradually after the presidential and parliamentary elections in January, and we anticipate greater clarity once the Government's June budget is in place. In parallel, we are progressing the new workshop facility, which is expected to support a higher activity level and efficiency resulting in improved returns once fully operational.

In 2026, MOTORCARE will execute on clear commercial priorities: increasing utilisation of workshop capacity, expanding the OEM brand and electric vehicle offering, and developing new business segments to strengthen turnover and profitability. Based on current expectations, imports of new vehicles into Mozambique and Uganda are anticipated to grow by approximately 5–10%.

For KJAER & KJAER in the Aid & Development segment, the funding environment remains uncertain following the U.S. decision to reduce most funding to USAID. We are proactively adapting our commercial focus and partner dialogue to continue supporting customers with both ICE and EV solutions and to capture opportunities as procurement patterns adjust.

We will continue to support the aid and development sector with vehicles (ICE and EV) and motorcycles, including through frame-agreements with key partners. New OEM brands have been introduced, creating strong opportunities for spot and ad hoc deliveries for larger projects.

Business development for new ventures within e-micro mobility in East Africa continues, and the Group expects sales to commence in 2026, contributing to turnover and earnings as the year progresses.

For the full year 2026, the Group expects earnings before tax (EBT) in the range of DKK 5–8 million.

KEY FIGURES – 5 YEARS

DKK million

Key figures from the consolidated annual report

		GROUP				
		2021	2022	2023	2024	2025
Net turnover		243	397	426	350	296
Gross profit, excluding other operating income		56	98	98	92	73
Earnings before interest, taxes and depreciation	EBITDA	4	34	31	24	6
Earnings before tax and interest	EBIT	-2	27	24	18	1
Net financial items		-6	-8	-12	-14	-10
Pre-tax earnings	EBT	-9	19	12	4	-9
Tax		1	-6	-6	-2	-1
Earnings after tax	EAT	-8	13	6	2	-10
Fixed assets		67	81	89	98	91
Inventories		64	89	107	89	49
Trade receivables		35	58	61	58	45
Receivables from Leasing sales		5	28	61	92	82
Other current assets		8	6	9	13	17
Total assets (excluding deferred taxes and liquid funds)		**179**	**261**	**326**	**349**	**283**
Current liabilities (excluding bank and leasing debt to banks)		-64	-94	-95	-60	-68
Capital employed		**114**	**167**	**231**	**289**	**215**
Equity		**77**	**98**	**90**	**69**	**47**
Deferred tax		-9	-4	-5	-5	-7
Subordinated loan TWF ApS		0	0	0	28	28
Lease Finance Liabilities		6	37	76	116	98
Interest bearing debt, net		41	37	70	81	51
Financing		**114**	**167**	**231**	**289**	**217**
Balance Sum		**207**	**290**	**349**	**363**	**307**

		GROUP				
		2021	2022	2023	2024	2025
Dividend for the year		0	6	5	30	0
Dividend for the year (%)		0%	45%	85%	1 507%	0%
Investments in tangible fixed assets, gross		5	17	17	7	12
Average number of full-time employees		221	233	239	255	251
Employees, underrepresented gender		53	65	63	62	59
Share of female employees		24%	28%	25%	24%	24%
No of mangers		24	24	24	33	34
Management, underrepresented gender		5	5	5	6	10
Share of female Manager		24%	28%	25%	18%	29%
No of Board members		4	4	5	5	5
Board, underrepresented gender		0	0	1	1	1
Share of female board members		0%	0%	20%	20%	20%
Ratios:						
Gross margin, excluding other operating income		23,2%	24,8%	23,0%	26,2%	24,7%
EBITDA-margin		1,7%	8,5%	7,3%	6,8%	2,2%
Interest coverage (EBITDA/Financial items)		0,6	4,1	2,5	1,6	0,7
Gearing (Net interest-bearing debt/EBITDA)		11,4	2,2	4,7	3,4	7,9
Growth in EBITDA		-81%	60%	48%	12%	69%
Return on invested capital after tax	ROIC	-3%	18%	14%	8%	-1%
Return on equity	ROE	-9%	14%	6%	2%	-14%
Equity ratio		41%	36%	27%	19%	16%
Equity value of nom. 1,000 DKK share	DKK	4 944	6 315	5 822	4 447	3 057
Adjust. equity value for share pricing	DKK	4 958	5 902	5 771	4 437	3 048

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

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SUSTAINABILITY

KJAER GROUP's sustainability work is anchored in its strategy and long-standing commitments. The Group joined the United Nations Global Compact (UNGC) in 2003 and follows its ten principles covering human rights, labour, environment, and anti-corruption.

In 2008, this commitment was formalized through the KJAER GROUP Way of Management, built on the Triple Bottom Line principle, ensuring that social and environmental objectives are pursued alongside financial performance.

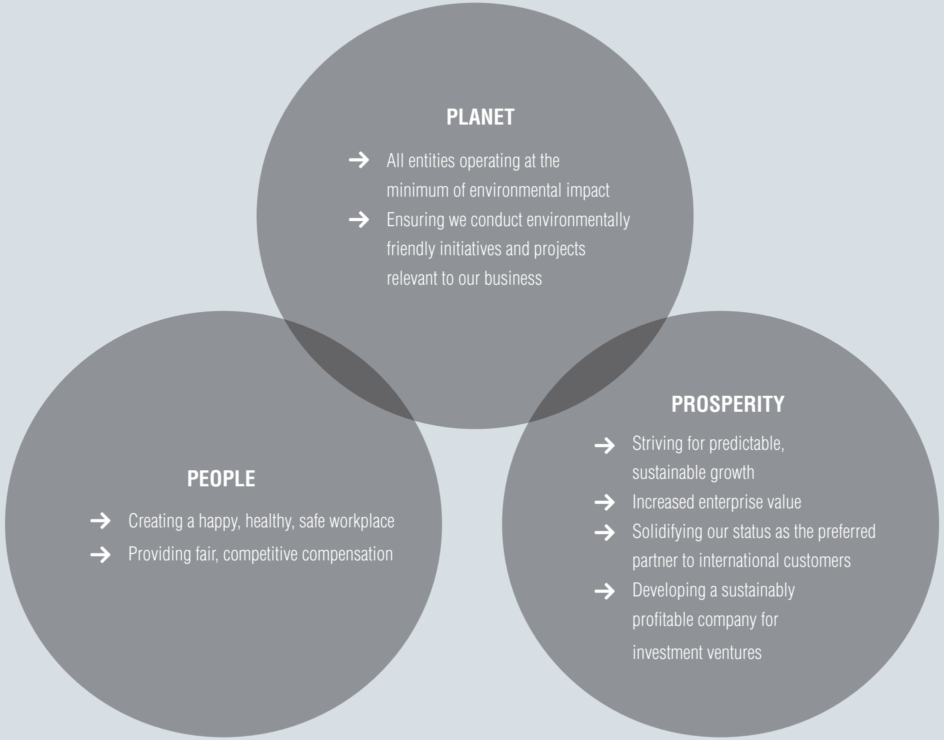
Since 2014, MOTORCARE operations have maintained internationally recognized certifications, including ISO 9001 (Quality Management), ISO 45001 (Occupational Health and Safety), and ISO 14001 (Environmental Management), reflecting a structured approach to responsible business practices.

The Group's sustainability ambition is reflected in the "Move to Green" concept, which focuses on promoting green mobility and supporting the transition towards lower-emission solutions.

In 2024–2025, the Group conducted a Double Materiality Assessment (DMA) to identify and prioritize its most significant environmental, social, and governance topics. While regulatory requirements continue to evolve, the DMA provides the foundation for the Group's ESG approach and ongoing reporting.

MOVE TO GREEN

TRIPLE BOTTOM LINE COMMMITMENTS



OUR ESG APPROACH

VALUE CHAIN MAPPING
In preparation for the Double Materiality Assessment (DMA), KJAER GROUP carried out a comprehensive value chain mapping exercise.

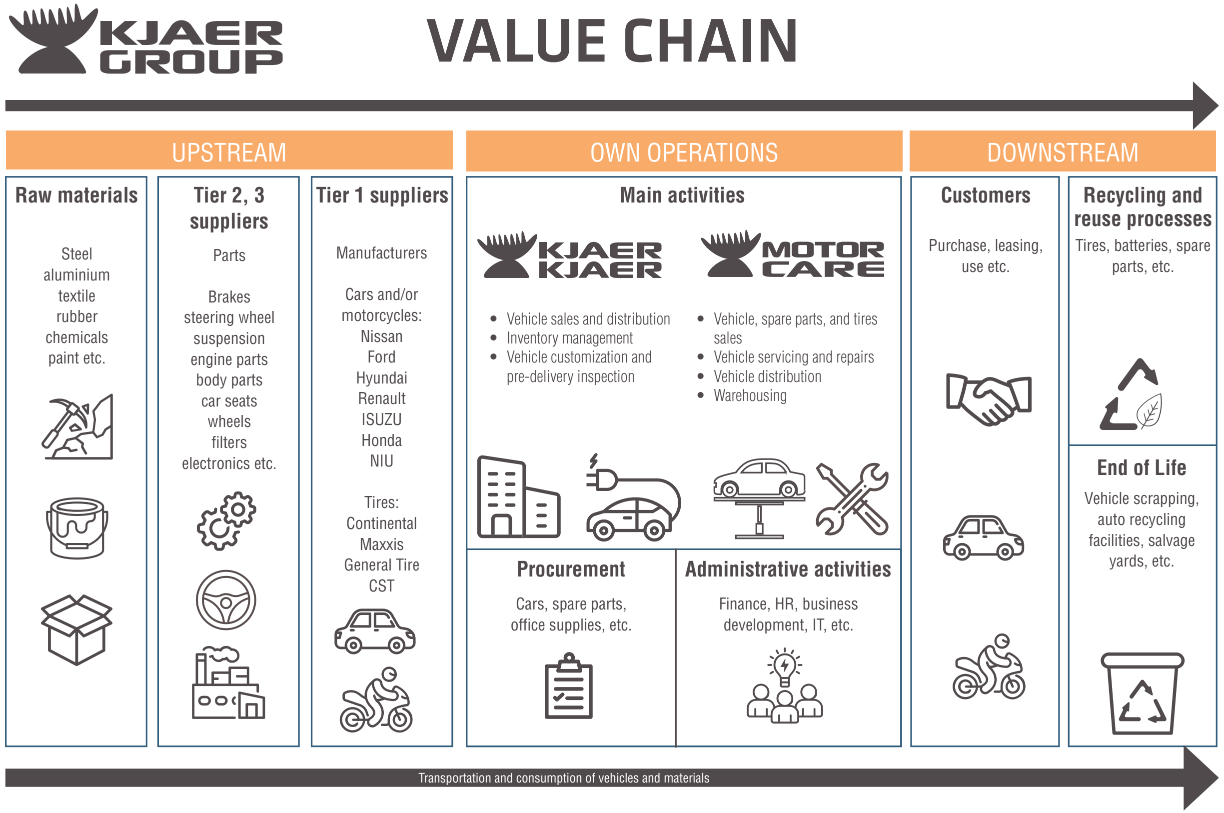
The mapping covered the full value chain—from upstream activities such as vehicle production, supplier operations, and logistics, through core operations including vehicle import, distribution, sales, leasing, maintenance, and after-sales services, to downstream processes such as customer vehicle use and end-of-life vehicle handling (see value chain illustration).

This mapping was a key step in preparing the DMA, helping to identify where sustainability impacts, risks, and opportunities (IROs) occur and where the Group has the ability to act. These insights support the understanding of key sustainability topics and responsibilities across the value chain.

STAKEHOLDER ENGAGEMENT
Understanding stakeholder perspectives is key to identifying and prioritizing material IROs.

As part of the DMA, KJAER GROUP carried out structured workshops with internal experts representing key stakeholder groups, including employees, suppliers, customers, investors, business partners, local communities, and media.

These experts—such as HR managers, the CFO, and procurement representatives—provided insights based on their ongoing stakeholder interactions and contributed to assessing the relevance of sustainability topics within the European Sustainability Reporting Standards (ESRS) framework. This approach ensures that the DMA reflects both business priorities and stakeholder expectations.



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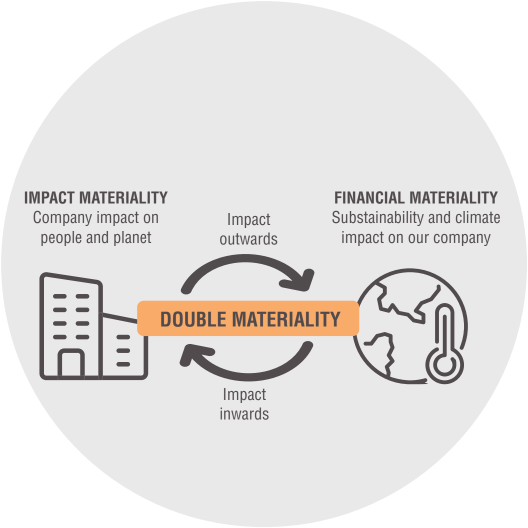
DOUBLE MATERIALITY ASSESSMENT PROCESS

Identifying and understanding the most significant sustainability topics is essential for informed decision-making and reporting on Environmental, Social, and Governance (ESG) matters.

KJAER GROUP conducted a Double Materiality Assessment in 2024–2025, evaluating both the financial impacts of sustainability and climate-related issues on the Group and the impacts of its operations on people and the environment.

The methodology was aligned with the ESRS and guided by recommendations from the European Financial Reporting Advisory Group (EFRAG) and Dansk Industri.

While regulatory requirements continue to evolve, the DMA remains the foundation for the Group's ESG priorities. In 2025, the focus has been on monitoring and addressing the material topics identified.



DOUBLE MATERIALITY ASSESSMENT

In the DMA, KJAER GROUP identified and assessed impacts on the environment and society, as well as sustainability-related financial risks and opportunities.
From a total of 102 identified impacts, risks, and opportunities (IROs), 44 were assessed as material. These include 31 impacts (8 positive and 23 negative), along with 6 opportunities and 7 risks.

The results are summarized in the double materiality matrix (see illustration), aggregated according to ESRS topics. The Group focuses on material topics arising directly from its own operations, where it has the greatest ability to act, while value chain impacts (marked as "VC" in the matrix) remain relevant and will inform future engagement.

The assessment identified several key double material topics. Environmental priorities include water management, particularly water withdrawals and discharges in markets with limited infrastructure, and climate change mitigation, with a focus on emissions related to vehicle use and business travel.

From a social perspective, training and skills development emerged as an important opportunity, supporting employee development, operational performance, and long-term competitiveness. Secure employment was also identified as a key topic, influenced by external factors such as evolving industry trends.
Governance-related priorities include corruption and bribery prevention, reinforcing the Group's commitment to strong ethical standards and compliance.

In addition, several topics were identified as impact material only, including resource outflows related to the handling of tires and batteries, as well as air pollution linked to third-party transportation. Positive impact areas include social dialogue, freedom of association, gender equality, whistleblower mechanisms, and corporate culture.

These results guide how KJAER GROUP prioritizes and manages sustainability topics, ensuring a focused and structured approach to ESG across its operations.

DOUBLE MATERIALITY MATRIX

Financial material | **Double material**

Financial materiality		Important	Significant	Crucial
Crucial			• Climate change mitigation (-VC, +,-, 0,R)	
Significant		• Soil pollution (-VC, 0) • Secure employment (-,R)	• Energy (-VC,0) • Water pollution (-VC, -,0,R) • Resources inflows (-VC,R VC) • Training and skills development (+,0) • Corruption and bribery including prevention (-VC,+,R)	• Water withdrawals (-) • Water discharges (-)
	• 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	• Substances of concern (-VC) • Waste (-) • Working conditions in VC (-VC) • Child/forced labor in VC (-VC)	• Air pollution (-VC,-) • Microplastics (-VC) • Water consumption (-VC) • Social dialogue (+) • Freedom of association (+) • Gender equality (+) • Whistleblowers (+) • Corporate culture (+)	• Resources outflows: recycling (-) • Personal safety of consumers and/or end-users (-VC)

Impact materiality

Not material | **Impact material**

The highest-scoring IRO within each ESRS topic determined its placement in the double materiality 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.

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

ENVIRONMENT

KJAER GROUP is committed to minimizing its environmental impact. Based on the Double Materiality Assessment, we focus on three environmental priorities: water management, climate change mitigation, and recycling.

In 2025, the Group continued to implement and monitor initiatives across these areas.

WATER MANAGEMENT
Water management is an important environmental topic, particularly in Mozambique and Uganda where public sewage infrastructure is limited. The main impacts relate to water use and wastewater discharge from workshop operations.

The Group monitors water, electricity, chemicals, and waste consumption through its ISO 14001 Environmental Management System. Wastewater treatment plants are in place at the largest workshops in Maputo (Mozambique) and Jinja Road, Kampala (Uganda) to support responsible water use and discharge. Other sites apply simpler water management solutions, including initiatives such as rainwater harvesting to reduce reliance on public water supply.

In Maputo, higher water consumption in 2025 was driven by temporary maintenance issues in the treatment system, which have since been resolved. In Uganda, 2025 was a transition year due to ongoing workshop expansion, and the upgraded facility expected in 2026 will include an expanded treatment system aligned with increased operational capacity.

Recent external environmental audit in Mozambique confirmed that discharge levels remain within permitted limits and reflected a high level of overall compliance. The Group continues to monitor and manage water use across its operations, with a focus on maintaining effective wastewater treatment and responsible discharge.

CLIMATE CHANGE MITIGATION
Climate change mitigation is a key environmental priority, primarily linked to emissions from vehicle use, business travel, and transportation.

Aligned with the GHG Protocol and supported by IBIS Consulting (now part of SLR), KJAER GROUP continues to develop and refine its carbon footprint calculation methodology. In 2025, emission factors were updated (DEFRA for Scope 1 and 3, and IEA for Scope 2) to improve data accuracy.

As most emissions are linked to the use of the vehicles supplied, supporting the transition to lower-emission mobility remains a key priority. In 2025, sales of electric cars increased by approximately 36% compared to 2024, reaching 45 vehicles, mainly driven by long-term customer agreements and collaboration with international organizations, including initiatives such as UNDP's Moonshot program. A specific order was also linked to regulatory changes in Ethiopia restricting ICE vehicle imports.

At the same time, limited charging infrastructure and broader market conditions continue to constrain EV adoption, and funding limitations in key programs may affect future demand.

RECYCLING AND RESOURCE MANAGEMENT
Recycling and resource management are important environmental topics, particularly in Mozambique and Uganda where recycling infrastructure for end-of-life tires and batteries is limited.

KJAER GROUP manages these impacts as part of its ISO 14001 Environmental Management System. Replaced tires and batteries are primarily returned to customers and may be reused. Where this is not the case, they are handled as hazardous waste in line with local procedures.

Given the limited recycling infrastructure, the Group focuses on promoting responsible handling through customer awareness and by monitoring opportunities for further improvements where feasible.

Environmental efforts are integrated into the Group's ISO 14001-certified management system. KJAER GROUP continues to improve its environmental performance through ongoing monitoring, operational practices, and collaboration across its operations, aligned with its broader ambition of green mobility and responsible resource use.

ENVIRONMENT

ESG PROGRESS
COMMUNICATION ON PROGRESS (COP) FOR UN GLOBAL COMPACT

WE SUPPORT

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 2025	ACTIONS 2025	PERFORMANCE 2025	TARGETS 2026
Environmental Management System (ISO 14001, integrated in HSEQ Policy)	Ensure consistent quarterly environmental reporting. Maintain ISO 14001 certification and show measurable improvements at all MOTORCARE branches in Mozambique and Uganda.	Monthly action plan follow up, quarterly and annual management reporting on HSEQ.	Quarterly environmental reports and reviews have been consistently conducted. ISO 14001 certification successfully maintained in MOTORCARE operations.	Ensure quarterly environmental reporting and finalize the annual HSEQ report by 1 March 2026. Maintain ISO 14001 certification and successfully complete recertification across MOTORCARE operations.
	Upgrade Maputo's treatment plant to a 100% closed-loop system and ensure wastewater separators operate effectively at all sites.	Monitor water usage and maintain wastewater treatment systems to reduce environmental impact, in line with ISO 14001 requirements.	Environmental audit confirmed a high level of compliance, with all water discharge levels within legal limits. Wastewater treatment systems operated across key sites, but the closed-loop system was not completed.	Maintain water and electricity consumption ratios per job card at or below 2025 levels. Improve water treatment system performance, including further development of the Maputo plant and effective operation across all sites.
Move to Green	Prepare operations and energy data to support sustainable fleet decisions and enable delivery of up to 100 EVs.	Participated in industry events (Royax event, Isuzu conference, GFS/Ford Pro event, AidEx) and hosted webinars to promote sustainable mobility solutions among fleet customers. Introduced energy consumption data in vehicle proposals and quotations to support customer decision-making.	EV car sales increased by approximately 36% in 2025 compared to 2024, reaching 45 vehicles and returning to the same level as in 2023. Energy consumption data has been integrated into vehicle proposals, supporting comparison between electric and conventional vehicles.	Increase EV sales by 25% in 2026 compared to 2025, supported by customer engagement, partnerships, and targeted initiatives.
	Reach 50% green mobility within the company fleet by the end of 2025.	Added electric vehicles and phased out selected conventional vehicles within the company fleet across operational branches.	By 2025, 28% of the company fleet was electric or hybrid, below the 50% target. Limited additions of EVs and disposal of conventional vehicles resulted in a slight increase compared to 2024, indicating gradual progress.	Increase the share of green vehicles in the company fleet to 35% by the end of 2026, subject to operational and market conditions.

SIGNIFICANT AREAS OF ENVIRONMENTAL IMPACT FOR OUR BUSINESS:

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

To address these impacts, the Group remains committed to its “Move to Green” vision and continues to strengthen environmental management practices under its ISO 14001-certified system.


KAJUBI MARKET
UGD
412S
UGD
418S
UGD
398S
TVS

SOCIAL

KJAER GROUP aims to promote positive social impact for employees and communities. Based on the Double Materiality Assessment (DMA), we focus on key social priorities, including training and skills development, secure employment, and positive impacts related to social dialogue, freedom of association, and gender equality.

In 2025, the Group continued to implement and develop initiatives across these areas.

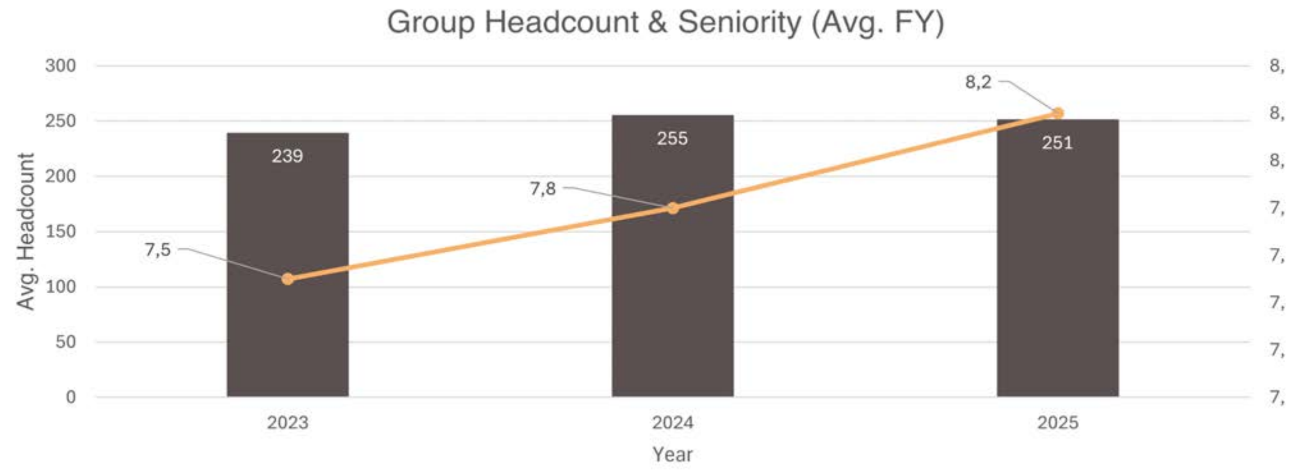
TRAINING AND SKILLS DEVELOPMENT
Training and skills development are important social priorities. At MOTORCARE, training needs are assessed annually to identify skill gaps and define relevant training plans across functions.

Providing technical and role-relevant training supports employee development, improves job performance, and strengthens the Group's competitiveness. In 2025, this was complemented by leadership development initiatives, including a management training program focused on a high-performance mindset and the launch of an executive coaching program in Mozambique.

In 2025, this included the recruitment of female mechanics in Uganda through the apprenticeship program, supporting both skills development and broader inclusion efforts.

SECURE EMPLOYMENT
Secure employment remains an important social topic identified through the DMA.

Like others in the automotive sector, MOTORCARE faces workforce-related challenges linked to evolving industry trends—particularly the gradual shift towards electric vehicles, which generally require less maintenance.



Despite these dynamics, the Group continues to focus on maintaining stable employment across its operations. In 2025, the average number of employees decreased slightly to 251 (2024: 255, 2023: 239), while average seniority increased to 8.2 years (2024: 7.8, 2023: 7.5)indicating a stable and experienced workforce (see graph).

Proactive workforce planning remains a priority to support employee retention, adapt to changing business needs, and ensure long-term operational resilience.

SOCIAL

SOCIAL DIALOGUE, FREEDOM OF ASSOCIATION, AND GENDER EQUALITY
KJAER GROUP has identified positive impacts related to social dialogue, freedom of association, and gender equality.

Regular interaction between employees and management supports transparency, collaboration, and employee participation. MOTORCARE respects freedom of association and encourages employee engagement through initiatives such as the Life Club, an employee-led platform that supports internal engagement and dialogue between employees and management.

The Group also promotes gender equality across its workforce, management, and boards. In Mozambique and Uganda, efforts include recruiting and training women, including mechanics, and collaborating with local organizations such as Smart Girls in Uganda to support professional development.

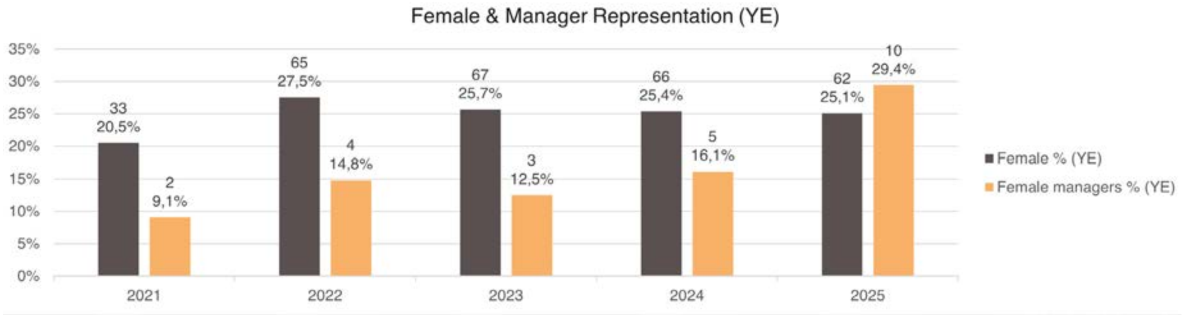
Female representation year end (YE) increased to 25% from 21% in 2021. The share of female managers increased to 29% from 9% in 2021 as illustrated in the graph.

The Group continues to monitor gender diversity across its workforce and management.

EMPLOYEE WELL-BEING AND WORKPLACE CULTURE
Employee well-being and workplace culture are supported through the ISO 45001-certified management system, ensuring a safe and healthy working environment across operations.

The Group's commitment to social responsibility also includes fair and competitive compensation, with a transition from a minimum wage policy to a living wage approach as part of the KJAER GROUP Way of Management.

In 2025, employee engagement and well-being were supported through initiatives such as recreational outings across branches, health awareness activities, and regular sports activities, contributing to team cohesion and overall workplace well-being.



SOCIAL

HUMAN RIGHTS AND LABOUR COMMITMENT:

KJAER GROUP bases its actions on the values of professionalism, respect, honesty and dedication. Respect for different cultures and compliance with local and international laws are key elements of the organization. For further information, please see the KJAER GROUP Way of Management. KJAER GROUP is committed to complying with all relevant labour laws to ensure a safe, fair, and non-discriminatory workplace. The Group upholds freedom of association and does not engage in or condone 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 2025	ACTIONS 2025	PERFORMANCE 2025	TARGETS 2026
Occupational Health and Safety Management (ISO 45001, integrated in HSEQ Policy)	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.	Monthly action plan follow up, quarterly and annual management reporting on HSEQ.	Quarterly health and safety reports and reviews have been consistently conducted. ISO 45001 certification successfully maintained in MOTORCARE operations following a satisfactory audit.	Ensure quarterly OHS and incident reporting, and finalize the annual HSEQ report by 1 March 2026. Maintain ISO 45001 certification, successfully complete recertification, and uphold a zero-incident ambition for work-related accidents resulting in absenteeism and fatalities.
KJAER GROUP Way of Management (KWOM)	Maintain strong employee alignment with the company's direction and values.	Continued implementation of employee-related initiatives across all entities, supporting engagement and alignment with the KJAER GROUP Way of Management.	Employee engagement and alignment continue to be supported through ongoing initiatives across the Group.	Maintain employee alignment with the company's direction and values through ongoing communication and local action plans.
People Survey	Review and improve the approach to employee feedback and satisfaction measurement.	Assessed the existing People Survey approach and initiated improvements to develop a more effective and relevant system.	The existing People Survey approach was reviewed, and preparations were initiated to implement an improved system.	Implement a structured employee feedback system across the Group, including one feedback cycle in 2026.
Remuneration Policy	Conduct market benchmarking to support salary review and ensure competitiveness across MOTORCARE.	Maintained the existing MOTORCARE Remuneration Policy across all entities.	The MOTORCARE Remuneration Policy remained in place and continued to guide compensation practices; however, the planned market benchmarking exercise was not carried out.	Conduct a market benchmarking exercise in 2026 and update the Remuneration Policy based on the results to ensure competitiveness across MOTORCARE.
Gender diversity	Reverse the slight decline and increase the share of female employees from 24% to at least 26%, supporting diversity and leadership development.	Continued focus on inclusive recruitment and development opportunities for women across all levels.	The share of female employees increased to 25.1% across the Group. The share of female managers reached 29.4%, reflecting continued progress in gender diversity.	Increase the share of female employees to 26% in 2026 and support the development of women in management roles.
	Develop and implement a Diversity, Equity, and Inclusion (DEI) policy for the Group.	Progressed development of DEI policy, including implementation in Mozambique.	The DEI policy was implemented in Mozambique, with further rollout pending in Uganda and at Group level.	Finalize and implement the Diversity, Equity, and Inclusion (DEI) policy across all Group entities.

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

Through the Double Materiality Assessment, we identified key impacts related to job security, working conditions, and inclusion. External factors, including the transition towards electric mobility, continue to influence employment dynamics across operations.

To address these impacts, the Group promotes strong values, inclusive practices, and continuous improvement across its operations. This includes a focus on fair compensation through a living wage approach, support for skills development through apprenticeship programs, and the maintenance of ISO 45001 certification to ensure safe and healthy working conditions.

GOVERNANCE

KJAER GROUP aims to ensure responsible business conduct. Based on the Double Materiality Assessment, we focused on key governance priorities, including corruption and bribery prevention, supported by whistleblower mechanisms and a strong corporate culture.

In 2025, the Group continued to implement and strengthen practices across these areas.

CORRUPTION AND BRIBERY PREVENTION
Corruption can negatively impact the economies and markets in which the Group operates. Aligned with UN Sustainable Development Goal 16, KJAER GROUP is committed to preventing corruption through established policies and practices.

We maintain a zero-tolerance approach to corruption and uphold high ethical standards across all operations. The Group-wide Anti-Corruption Policy provides clear guidance on acceptable conduct and is supported by ongoing communication and awareness activities to ensure understanding and compliance.

To reinforce ethical practices, the Group applies preventive and detection measures, including internal controls, whistleblower systems, and compliance procedures. These measures support a culture of integrity and transparency while mitigating reputational and operational risks.

WHISTLEBLOWER MECHANISMS AND CORPORATE CULTURE
KJAER GROUP maintains a whistleblower system that allows employees, customers, and partners to report concerns confidentially and, where relevant, anonymously, supporting transparency and accountability across operations.

In 2025, we continued our long-standing awareness activities, including initiatives aligned with UN Anti-Corruption Day, reinforcing the importance of ethical behaviour and responsible conduct.

The Group also promotes a corporate culture based on professionalism, respect, honesty, and accountability, supporting alignment with its values and long-term 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

DATA ETHICS
As digitalization increases, the importance of responsible data handling continues to grow. KJAER GROUP is committed to ensuring strong data protection practices in line with applicable regulations, including the General Data Protection Regulation (GDPR).

In 2025, the Group strengthened its data protection framework through the implementation of systems and processes supporting GDPR compliance, including dedicated software and updated policies such as the Data Retention and Deletion Policy and Privacy Policy.

Employee awareness and understanding of data protection were supported through training initiatives, including workshops and ongoing digital training programs. These efforts reinforce the Group’s commitment to responsible data handling, privacy, and data integrity.

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RISK MANAGEMENT
KJAER GROUP applies a structured approach to risk management to minimize liabilities and ensure appropriate insurance coverage across its operations. Given its presence in emerging markets, the Group closely monitors exchange rate risks and fluctuations, alongside operational risks inherent in automotive trade and distribution.

The Double Materiality Assessment has further strengthened the Group's ability to identify, prioritize, and manage sustainability-related risks and opportunities, supporting a more systematic and proactive approach to both financial and non-financial risks.

Insurance coverage is in place to mitigate political risks, including protection of inventories in case of war or confiscation. Financial performance and equity in African subsidiaries are primarily measured in USD, and transaction-based exchange rate risks are actively managed to limit exposure.

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), Ivan Buzi (MD MOTORCARE Mozambique) Lasse S. Heckmann (COO) and Hans-Emil Kjaer (Business Development Director).

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

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 2025	ACTIONS 2025	PERFORMANCE 2025	TARGETS 2026
KJAER GROUP Way of Management (KWOM)	Maintain strong alignment with the KJAER GROUP Way of Management across the organization.	Continued implementation of the KJAER GROUP Way of Management across operations, supporting alignment with company values and strategic direction.	The KJAER GROUP Way of Management continued to guide decision-making and operations across the Group.	Maintain alignment with the KJAER GROUP Way of Management through ongoing communication and implementation across the organization.
Risk Management Policy	Consolidate and update the MOTORCARE Risk Policy to ensure alignment across Mozambique and Uganda.	Continued discussions on the consolidation and update of the MOTORCARE Risk Policy across Mozambique and Uganda.	Progress was made through internal discussions; however, the MOTORCARE Risk Policy was not yet consolidated or updated across all entities.	Finalize and implement a consolidated MOTORCARE Risk Policy across Mozambique and Uganda.
Anti-corruption Policy	Strengthen awareness and understanding of anti-corruption principles across employees.	Continued communication and awareness initiatives on anti-corruption, including Group-wide activities aligned with UN Anti-Corruption Day (9 December).	Anti-corruption awareness activities were carried out across the Group, reinforcing a culture of integrity and accountability.	Conduct at least one annual anti-corruption awareness activity across all entities and include anti-corruption and whistleblower procedures in onboarding.
	Strengthen onboarding and stakeholder communication on anti-corruption policies and whistleblower procedures.	Maintained onboarding and stakeholder communication on anti-corruption policies and whistleblower procedures.	The whistleblower platform remained accessible to employees, customers, and partners.	Maintain and promote the use of whistleblower procedures across the Group.
DATA Ethics Policy	Strengthen data protection practices and ensure compliance with GDPR across the Group.	Implemented GDPR-related systems, processes and software to support compliance requirements.	GDPR compliance efforts were strengthened through the implementation of systems, updated policies, and continued employee training.	Maintain and strengthen data protection and privacy practices in line with GDPR requirements.
	Continue employee training and awareness on data protection and privacy.	Updated and developed key policies, including the Data Retention and Deletion Policy and Privacy Policy.	Data protection practices were further integrated into daily operations across the Group.	
		Conducted employee training and awareness activities on data protection, including workshops and ongoing CyberPilot training.		Achieve 100% completion of CyberPilot data protection training in 2026, with a minimum score of 80% correct answers.

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

Through the Double Materiality Assessment, we identified corruption and bribery prevention as a significant topic with both societal and financial implications. In regions where unethical practices are more prevalent, there is a risk of improper influence on procurement and operations, potentially leading to reputational damage, legal consequences, and reduced stakeholder trust.

To address these impacts, the Group upholds a zero-tolerance approach to corruption, supported by a Group-wide Anti-Corruption Policy and whistleblower framework. In 2025, awareness activities were carried out across the Group, including initiatives aligned with UN Anti-Corruption Day, alongside ongoing communication, training, and confidential reporting channels 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, 2025.

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

Svendborg, 23 July 2026

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, 2025 and of their financial performance as well as the consolidated cash flow for the financial year of January 1 to December 31, 2025.

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.

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 01.01.2025 - 31.12.2025, 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 31.12.2025 and of the results of its operations and cash flows for the financial year 01.01.2025 - 31.12.2025 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

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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.
- Plan and perform the group audit to obtain su cient 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, 23 July 2026
Deloitte Statsoutoriseret Revisionspartnerselskab
CVR no. 33 96 35 56

Per Krause Therkelsen	Allan Dydensborg Madsen
State Authorised Public Accountant	State Authorised Public Accountant
MNE no. mne19698	MNE no. mne34144

PROFIT AND LOSS ACCOUNT

1 JANUARY - 31 DECEMBER '25

DKK 1.000

Note			PARENT COMPANY 2025	PARENT COMPANY 2024	GROUP 2025	GROUP 2024
1	Net turnover		81 556	75 913	296 178	349 564
2	Other operating income		9 700	8 660	505	187
	Cost of goods sold		-76 465	-66 248	-223 043	-257 981
	Gross profit		**14 791**	**18 325**	**73 639**	**91 770**
	Other external expenses		-7 298	-9 020	-31 521	-31 839
3	Staff expenses		-10 685	-8 655	-35 687	-36 253
	Earnings before interests and tax and depreciations	**EBITDA**	**-3 192**	**650**	**6 431**	**23 678**
4	Depreciations		-931	-624	-5 479	-5 440
	Earnings before interest and tax	**EBIT**	**-4 123**	**26**	**952**	**18 238**
5	Share of profit in subsidiaries		3 524	11 099	0	0
5	Share of profit in associates		-72	0	-72	0
6	Other financial income		41	77	226	143
6	Financial expenses		-9 138	-10 686	-9 820	-14 605
	Earnings before tax	**EBT**	**-9 768**	**515**	**-8 713**	**3 776**
7	Tax on current years profit		30	1 476	-1 025	-1 785
8	**EARNINGS AFTER TAX**	**EAT**	**-9 738**	**1 991**	**-9 738**	**1 991**

BALANCE SHEET

as per 31st DECEMBER 2025

DKK 1.000

Note	Assets	PARENT COMPANY Dec '25	PARENT COMPANY Dec '24	GROUP Dec '25	GROUP Dec '24
	Software	1 499	1 039	1 499	1 039
9	**Aquired intangible fixed assets**	**1 499**	**1 039**	**1 499**	**1 039**
	Land and Buildings	0	0	78 732	84 496
	Other tools and equipment	1 610	1 267	10 743	9 670
9	**Tangible fixed assets**	**1 610**	**1 267**	**89 475**	**94 166**
5	Investments in subsidiaries	132 361	169 760	0	0
5	Investments in associates	0	2 687	0	2 687
	Other securities and investments	3 667	0	3 667	0
	Financial fixed assets	**136 028**	**172 447**	**3 667**	**2 687**
	Total fixed assets	**139 137**	**174 753**	**94 641**	**97 892**
10	**Inventories**	**789**	**4 079**	**48 550**	**88 882**
	Trade receivables	0	0	44 668	57 582
11	Receivables from Leasing sales	0	0	82 258	91 649
	Receivables on subsidiaries	35 689	37 290	0	0
	Receivables on associates and other investments	1 002	0	1 002	0
12	Corporation tax receivales	1 097	1 863	1 823	2 071
	Deferred tax assets	8 349	8 349	8 441	8 478
	Other receivables	308	280	13 113	7 958
13	Prepaid expenses	2 034	3 051	2 032	3 050
	Accounts receivables	**48 479**	**50 833**	**153 337**	**170 788**
	Liquid funds	**8 957**	**44**	**10 690**	**5 583**
	Total current assets	**58 225**	**54 956**	**212 577**	**265 253**
	TOTAL ASSETS	**197 362**	**229 709**	**307 217**	**363 145**

BALANCE SHEET
as per 31st DECEMBER 2025

DKK 1.000
Note

Note	Liabilities	PARENT COMPANY Dec '25	PARENT COMPANY Dec '24	GROUP Dec '25	GROUP Dec '24
14	Share capital	15 478	15 478	15 478	15 478
	Equity method transfer to net revaluation reserve	11 135	23 041	0	0
	Currency translation reserve	0	0	-8 168	3 596
	Result carried forward	20 711	30 307	40 014	49 752
	Dividend for the year	0	0	0	0
	Total equity	**47 324**	**68 826**	**47 324**	**68 826**
12	Provision for deferred tax	0	0	1 810	3 463
15	Other provisions	0	0	0	0
	Total provisions	**0**	**0**	**1 810**	**3 463**
16	Subordinated loan TWF ApS	30 408	28 091	30 408	28 091
	Total long-term liabilities	**30 408**	**28 091**	**30 408**	**28 091**
	Bank debts	29 925	41 134	61 348	86 791
	Lease finance liabilities	0	0	97 847	116 375
	Prepayments from customers	0	0	27 764	10 525
	Payable to suppliers	10 620	5 783	21 281	25 939
	Payable to subsidiaries / parent company	75 794	81 243	8 575	8 085
	Corporation tax payable	601	1 124	792	1 457
	Other accounts payable	2 689	3 508	10 068	13 594
	Total current liabilities	**119 630**	**132 792**	**227 675**	**262 765**
	TOTAL LIABILITIES	**197 362**	**229 709**	**307 217**	**363 145**

17 Change in working capital
18 Pawnings
19 Leasing commitments
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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 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**
Transferred to reserves	0	0	0	0	0
Dividend paid	0	0	0	0	0
Extraordinary Dividend paid	0	0	0	0	0
Change in unrealised hedging	0	259	142	0	401
Sale of own shares	0	0	0	0	0
Exchange rate adjustments of investments in subs.	0	-12 165	0	0	-12 165
Proposed distribution of current years profit	0	0	-9 738	0	-9 738
Balance 31st December 2025	**15 478**	**11 135**	**20 711**	**0**	**47 324**

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 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**
Dividend paid	0	0	0	0	0
Extraordinary Dividend paid	0	0	0	0	0
Sale of own shares	0	0	0	0	0
Exchange rate adjustments of investments in subs.	0	-12 165	0	0	-12 165
Change in unrealised hedging	0	401	0	0	401
Proposed distribution of current years profit	0	0	-9 738	0	-9 738
Balance 31st December 2025	**15 478**	**-8 168**	**40 014**	**0**	**47 324**

CASH FLOW STATEMENT

DKK 1.000

Note			GROUP 2025	GROUP 2024
	Earnings before interests and tax and depreciations	EBITDA	6 431	23 678
	Exchange rate adjustments outside P&L		-2 827	-1 412
17	Change in working capital		57 091	-11 315
	Financial items		-9 594	-14 462
	Taxes paid		-2 758	-2 848
	Cash flow from operations		**48 343**	**-6 359**
	Investments in tangible assets		-11 538	-7 238
	Investments in leasing assets		9 391	-30 834
	Investments in intangible fixed assets		-980	-2 687
	Sale of tangible assets		1 054	1 454
	Cash flow from investments		**-2 073**	**-39 305**
	Loan from parent company		490	-5 596
	Subordinated loan TWF ApS		2 317	28 091
	Bank debt		-25 443	3 475
	Lease finance liabilities		-18 528	40 031
	Sale of own shares		0	1 571
	Dividend paid		0	-30 000
	Cash flow from financial items		**-41 164**	**37 572**
	Cash flow of year, net		**5 107**	**-8 092**
	Liquid funds, beginning of the year		5 583	13 675
	Liquid funds, end of the year		**10 690**	**5 583**

NOTES TO THE ANNUAL REPORT

DKK 1.000

Note		PARENT COMPANY 2025	PARENT COMPANY 2024	GROUP 2025	GROUP 2024
1	**Net turnover**				
	Net turnover by activities				
	International Aid & Development	3 239	4 253	69 766	100 028
	Distribution	78 317	71 660	226 412	249 536
		81 556	**75 913**	**296 178**	**349 564**
	Net turnover by regions				
	Africa	78 317	75 913	281 534	336 581
	Rest of the world	3 239	0	14 642	12 981
		81 556	**75 913**	**296 176**	**349 562**
2	**Other operating income**				
	Management fees from subsidiaries	9 254	8 589	0	0
	Commission income, refund and compensation etc.	446	71	505	187
		9 700	**8 660**	**505**	**187**
3	**Staff expenses**				
	Salaries and wages	9 405	7 676	34 069	34 955
	Pensions	949	696	1 258	987
	Other staff expenses	331	283	360	311
		10 685	**8 655**	**35 687**	**36 253**
	Salaries to executive management	3 830	3 846	3 830	3 846
	Board of Directors fees	360	360	360	360
	Average number of full-time employees	9	7	251	255
4	**Depreciations**				
	Software	413	305	413	305
	Buildings	0	0	2 373	3 278
	Other tools and equipment	518	319	2 693	2 127
	Loss/profit, sale of tangible assets	0	0	0	-269
		931	**624**	**5 479**	**5 440**

NOTES TO THE ANNUAL REPORT

DKK 1.000
Note

	PARENT	PARENT AND GROUP	
	Investment in subsidiaries	Investment in associates	Other securities and investments
5 Financial fixed assets			
Purchase value:			
At the beginning of the year	146 719	2 687	0
Additions	0	1 039	0
Transfer	0	-3 667	3 667
End of the year	**146 719**	**59**	**3 667**
Revaluations:			
At the beginning of the year	23 041	0	0
Exchange rate adjustment	-12 182	0	0
Change in unrealised hedging	259	0	0
Share of result / Impairment	2 730	-72	0
Transfer to provision on receiveable	0	13	0
Change in internal profit on inventories	794	0	0
Disposals	0	0	0
Dividends received	-29 000	0	0
End of the year	-14 358	-59	0
Book value end of the year	**132 361**	**0**	**3 667**

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			
Greenhub East Africa Ltd	Jinja Road, Plot 53, Kampala	Uganda	50%
Other securities and investments			
Boxnow ApS	Valhøjs Alle 158, 2610 Rødovre	Denmark	9%

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

NOTES TO THE ANNUAL REPORT

DKK 1.000

Note		PARENT COMPANY 2025	PARENT COMPANY 2024	GROUP 2025	GROUP 2024
6	**Financial income/expenses from inter company accounts**				
	Financial income from subsidiaries	0	77	0	0
	Financial expenses to subsidiaries/shareholder	-6 286	-6 577	-2 875	-1 906
7	**Tax on current years profit**				
	Tax payable on the year's estimated tax assessment	1 097	1 863	-1 137	-1 415
	Withholding taxes	-857	-757	-857	-757
	The year's change in deferred tax	0	0	1 179	17
	Adjustments previous years	-210	370	-210	370
		30	**1 476**	**-1 025**	**-1 785**
8	**Proposed distribution of profit**				
	Equity method transfer to net revaluation reserve	0	11 099	0	0
	Extraordinary dividend	0	30 000	0	30 000
	Result carried forward	-9 738	-39 108	-9 738	-28 009
		-9 738	**1 991**	**-9 738**	**1 991**

PARENT COMPANY

Note	Tangible & acquired intangible fixed assets continued	Software	Land and buildings	Other tools and equipment
9	**Purchase value:**			
	At the beginning of the year	13 713	0	6 587
	Additions	873	0	861
	Disposals	0	0	0
	End of the year	14 616	**0**	**7 448**
	Accumulated depreciations and impairment losses:			
	At the beginning of the year	-12 704	0	-5 320
	Depreciations of the year	-413	0	-518
	Depreciated on sold assets	0	0	0
	End of the year	**-13 117**	**0**	**-5 838**
	Book value end of the year	**1 499**	**0**	**1 610**

GROUP

Tangible & acquired intangible fixed assets continued	Software	Land and buildings	Other tools and equipment
Purchase value:			
At the beginning of the year	13 743	148 645	59 005
Exchange rate adjustments	0	-18 820	-3 399
Additions	873	7 722	2 944
Disposals	0	-1 226	-1 397
End of the year	**14 616**	**136 321**	**57 153**
Accumulated depreciations and impairment losses:			
At the beginning of the year	-12 704	-64 149	-49 335
Exchange rate adjustments	0	7 614	5 189
Depreciations of the year	-413	-2 280	-2 607
Depreciated on sold assets	0	1 226	343
End of the year	**-13 117**	**-57 589**	**-46 410**
Book value end of the year	**1 499**	**78 732**	**10 743**

Note		PARENT COMPANY 2025	PARENT COMPANY 2024	GROUP 2025	GROUP 2024
10	**Inventories**				
	Manufactured goods and goods for resale	0	4 079	47 761	88 882
	Prepayments for goods	789	0	789	0
		789	**4 079**	**48 550**	**88 882**

Management Review

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NOTES TO THE ANNUAL REPORT

DKK 1.000

Note		PARENT COMPANY 2025	PARENT COMPANY 2024	GROUP 2025	GROUP 2024
	Receivables from Leasing sales				
11	Receivables from leasing sales due less that one 1 after balance sheet date	0	0	25 838	22 598
	Receivables from leasing sales due more than 1 year after balance sheet data	0	0	56 420	69 051
		0	**0**	**82 258**	**91 649**
12	**Deferred tax assets**				
	Opening	-8 349	-8 349	-5 015	-4 782
	Exchange rate adjustment	0	0	-517	-136
	Withholding taxes	0	0	0	0
	Transferred to/from corporation tax	0	0	32	-79
	Recognition of Def. tax asset posted on Equity	0	0	0	0
	Accounted for in Profit and Loss	0	0	-1 131	-17
		-8 349	**-8 349**	**-6 631**	**-5 015**
	Tangible fixed assets	-7 141	-6 936	2 495	4 298
	Financial fixed assets	0	0	705	0
	Inventories	0	0	-1 253	-1 324
	Accounts receivables	0	0	-1 151	-364
	Debt	0	0	-2 261	-2 413
	Other provisions	0	0	0	51
	Tax loss carry forward	-1 208	-1 413	-5 166	-5 262
		-8 349	**-8 349**	**-6 631**	**-5 015**
	Reported as:				
	Deferred tax assets	8 349	8 349	8 441	8 478
	Provision for deferred tax	0	0	1 810	3 463
		-8 349	**-8 349**	**-6 631**	**-5 015**
	Tax loss carry forward not included	12 098	10 798	12 098	10 798
	Withholding tax on result carried forward, not declared	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 2026. Especially the development in the oil and gas sector in both Mozambique and Uganda will have a significant impact from 2026. In 2026 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 2026.

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

	Share Capital
Last 5 years changes in share capital:	15 478
Share capital January 1 2020	0
Capital increase	**15 478**

The share capital at end of year is split in:	
A shares	5 000
B shares	10 478
	15 478

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.

In January 2026 The Way Forward Aps increased its financial support by extra 10 mDKK loan. The funding was provided to cover the loss incurred in 2025 and is repayable on 30 June 2027.

		GROUP	
		2025	**2024**
17	**Change in working capital**		
	Change in current assets:		
	Inventories	40 332	18 196
	Trade receivable	12 914	3 556
	Prepaid expenses	1 018	-1 087
	Receivables on associates and other investments	-1 002	0
	Other various outstandings	-5 227	-2 432
	Change in short-term debt:		
	Prepayments from customers	17 239	-4 603
	Payable to suppliers	-4 658	-26 214
	Other accounts payable	-3 525	1 267
	Change in working capital	**57 091**	**-11 316**

18	**Pawnings**	**Registered deed**	**Actual liability**	**Booked value of Assets**
	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.	16 815	120 707	11 678
	For same bank debt the company has issued Letter of Debenture in all fixed and floating assets belonging to the company.	16 815	120 707	149 678

The lease assets total 82.2 mDKK are provided as security for lease debt to banks total 97.8mDKK.

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NOTES TO THE ANNUAL REPORT

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Note

	PARENT COMPANY 2025	PARENT COMPANY 2024	GROUP 2025	GROUP 2024
19 Lease commitments				
Operating lease contracts on company cars have been concluded for the years 2025 to 2027.	232	197	450	652
20 Contingent liabilities				
Rental contacts for premises have been concluded for the years 2024 to 2038.	4 275	5 649	6 444	8 483

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	10 244	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.	120 707	190 767

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

Related parties:	**Basis for control:**
The Way Forward ApS, Sankt Annæ Plads 19, 2 th, 1250 København K	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.

22 Fee for auditors elected by the general meeting

In accordance with Section 96 (3) of the Danish Financial Statements Act, the fee paid to the auditor elected at the Annual General Meeting is disclosed in the consolidated financial statements of The Way Forward.

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.

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 state-ments are consistent with those applied last year.

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 measu-red at cost. Measurement subsequent to initial recog-nition 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.

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 restate-ments. 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 syste-matically over the income statement based on an individual assessment of their useful life, however, no more than 20 years.

ACCOUNTING POLICIES

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
Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on transactions in foreign currencies and tax relief under the Danish Tax Prepayment Scheme etc.

Expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

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.

ACCOUNTING POLICIES

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.

Other Investments

Other investments comprise unlisted equity investments measured at the lower of cost and net realisable value.

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.

ACCOUNTING POLICIES

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
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Tværkajen 5, 5000 Odense C
Denmark

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Web-site: www.deloitte.dk
E-mail: odense@deloitte.dk

Annual General Meeting
To be held on 23 July 2026
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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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
Lasse S. Heckmann, COO
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