

Mountain Top (Denmark) ApS

Pedersholmparken 10, DK-3600 Frederikssund

CVR no. 18 52 70 30

Annual report 2023

Approved at the Company's annual general meeting on 11 July 2024
Chair of the meeting:

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Anja Møller Folkvardsen

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Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Mountain Top (Denmark) ApS for the financial year 1 July 2023 – 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of its operations and cash flows for the financial year 1 July – 31 December 2023.

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

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

Frederikssund, 11 July 2024
Executive Board:

Martin Strassner
CEO

Carl-Martin Einar Lindahl
Managing Director

Baljinder Singh
Managing Director

Paul Andrew Swart
Managing Director

Eric Jay Dale
Managing Director

Timothy John Marsh
Managing Director

Board of Directors:

Carl-Martin Einar Lindahl

Baljinder Singh

Independent auditor's report

To the shareholder of Mountain Top (Denmark) ApS

Conclusion

We have audited the financial statements of Mountain Top (Denmark) ApS for the financial year 1 July 2023 – 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including 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 Company's financial position at 31 December 2023, and the results of its operations and cash flows for the financial year 1 July 2023 – 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 11 July 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Mogens Andreasen
State Authorised Public Accountant
mne28603

Thomas Just Svendsen
State Authorised Public Accountant
mne49895

Management's review

Company details

Name	Mountain Top (Denmark) ApS
Address, postal code/city	Pedersholmparken 10, DK-3600 Frederikssund
CVR no.	18 52 70 30
Established	1 May 1995
Registered office	Frederikssund
Financial year	1 July 2023 – 31 December 2023
Board of Directors	Carl-Martin Einar Lindahl Baljinder Singh
Executive Board	Martin Strassner, CEO Carl-Martin Einar Lindahl Baljinder Singh Paul Andrew Swart Eric Jay Dale Timothy John Marsh
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, Postboks 250, 2000 Frederiksberg

Management's review

Financial highlights

	1 July – 31 December 2023	2022/23	2021/22	2020/21	2019/20
DKK'000					
Key figures					
Revenue	166,081	343,837	346,024	425,926	343,595
Gross profit	27,682	93,269	103,145	146,266	101,894
Operating profit	11,289	67,458	79,344	124,550	76,380
Profit/loss from net financials	-4,460	-9,645	14,660	-7,387	-4,903
Profit for the year	92,427	68,766	88,334	75,437	54,644
Total assets	343,903	287,495	349,415	262,031	169,906
Equity	236,025	141,371	228,065	141,868	67,266
Cash flows from operating activities	35,351	177,533	-35,130	9,605	19,672
Investments in property, plant and equipment	-2,060	-2,833	-7,308	-9,497	-26,660
Total cash flows	33,290	19,796	-22,438	-1,260	-14,970
Financial ratios					
Return on capital employed	3.6 %	21.2 %	26.0 %	57.7 %	46.9 %
Current ratio	295.7 %	185.7 %	316.1 %	232.7 %	165.4 %
Equity ratio	68.6 %	49.2 %	65.3 %	54.1 %	39.6 %
Return on equity	49.0 %	37.2 %	47.8 %	72.1 %	136.3 %
Average number of full-time employees					
	130	134	163	186	206

In 2023, the Company changed its financial year to end 31 December as it hereafter follows the financial year for the parent company RealTruck Holdings International, Inc. The current annual report covers a 6-month period from 1 July – 31 December 2023. The annual report is thus not comparable to the approved annual report at 30 June 2023, which comprise a 12-month period. Beside this, the change in financial year has no material impact on the Company's balance sheet and result.

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines. For terms and definitions, please see the accounting policies.

Management's review

Principal activities

Mountain Top is engaged in the development and production of high-quality accessories for the global car industry within the Pickup Truck segment. The main part of the products is manufactured at the Company's own factories in Denmark, Thailand and the USA.

Mountain Top is certified to IATF and TÜV and holds several ISO certifications. Revenue is generated from large blue-chip customers in the car industry and from distributors on the aftermarket.

Mountain Top's head office is in Frederikssund, Denmark. The Company also has a sales and services company in Melbourne, Australia, and a factory in the Chonburi Province in Thailand and in Alabama, USA.

Ownership and capital structure

Mountain (Denmark) ApS is wholly owned by Mountain Top Group ApS. RealTruck Holdings International, Inc. (USA) is the ultimate majority shareholder, holding 100% of the shares.

The Company's equity comprises one share class.

The current capital structure is adequate considering the financial flexibility requirement of Mountain Top (Denmark) ApS and its subsidiaries.

Development in activities and financial matters

The Company's income statement for 2023 shows a profit of DKK 92,427 thousand against a profit of DKK 68,766 thousand last year, and the Company's balance sheet at 31 December 2023 showed equity of DKK 236,025 thousand.

As a result of the change in financial year a comparison to expectations for the financial year as set out in the Annual report 2022/23 is not possible.

The Company sold its subsidiary Mountain Top (USA) Inc. to RealTruck Enterprise, Inc. as per 31 December 2023 with a profit of DKK 84,454 thousand.

In 2023, the Company changed its financial year to end 31 December as it hereafter follows the financial year for the RealTruck Group. The current annual report covers a 6-month period from 1 July – 31 December 2023. The annual report is thus not comparable to the approved annual report at 30 June 2023, which comprise a 12-month period. Beside this, the change in financial year has no material impact on the Company's balance sheet and result.

Events after the balance sheet date

No events of significant importance to the company's financial position have occurred after the balance sheet date.

Non-financial matters

The organisation of Management is based on the Danish Companies Act, the Danish Financial Statements Act and the Company's articles of association.

This means that Mountain Top (Denmark) ApS has based its management set-up on a two-tier system where the Board of Directors and the Executive Board have two different roles. These roles are managed by Mountain Top Group ApS on behalf of Mountain Top (Denmark) ApS and are allocated as follows:

Those charged with governance are responsible for the operational management of the Company, whereas the Board of Directors lays down the general corporate strategy and acts as an active sounding board to the Company's Management.

On 31 December 2023, the Board of Directors used committees for special tasks. Thus, a presidential committee was appointed in Mountain Top Group ApS, which also covered Mountain Top (Denmark) ApS.

The Board of Directors comprised three members. In addition, the presidential committee in Mountain Top Group ApS held a meeting twice a month with the chief executives.

Management's review

The Board of Directors in Mountain Top (Denmark) ApS comprises the following members:

Member: Carl-Martin Einar Lindahl (Appointed in October 2023)

Other directorships:

Board Director in America Needs You and Board member in Fiskars Oyj, RealTruck, Inc., RealTruck Holdings, Inc., RealTruck Intermediate Holdings, Inc., RealTruck Group, Inc., RealTruck Enterprise, Inc., Lund International Holding Company, Lund, Inc., Lund Motion Products, Inc., Belmor, Inc., Bushwacker, Inc., Bushwacker Automotive Group, LLC, Roll-N-Lock Corporation, RealTruck Holdings International, Inc. (f/k/a Tectum Holdings International, Inc.), Extang Corporation, N-Fab, Inc., Advantage Truck Accessories, Inc., Husky Liners, Inc., Truxedo, Inc., Rugged Liner, Inc., BedRug, Inc., UnderCover, Inc., Omix-ADA, Inc., Laurmark Enterprises, Inc., A.R.E. Accessories DISC Corp., Retrax Holdings, LLC, Rev Industries, LLC, RealTruck Canada, Inc., RealTruck Mexico, Inc., NAADE, Inc., Mountain Top Holding II ApS, Mountain Top Holding I ApS, Mountain Top Group ApS and Mountain Top (Denmark) ApS

Member: Baljinder Singh (Appointed in October 2023)

Other directorships:

Board member in RealTruck, Inc., RealTruck Holdings, Inc., RealTruck Intermediate Holdings, Inc., RealTruck Group, Inc., RealTruck Enterprise, Inc., Lund International Holding Company, Lund, Inc., Lund Motion Products, Inc., Belmor, Inc., Bushwacker, Inc., Bushwacker Automotive Group, LLC, Roll-N-Lock Corporation, RealTruck Holdings International, Inc. (f/k/a Tectum Holdings International, Inc.), Extang Corporation, N-Fab, Inc., Advantage Truck Accessories, Inc., Husky Liners, Inc., Truxedo, Inc., Rugged Liner, Inc., BedRug, Inc., UnderCover, Inc., Omix-ADA, Inc., Laurmark Enterprises, Inc., A.R.E. Accessories DISC Corp., Retrax Holdings, LLC, Rev Industries, LLC, RealTruck Canada, Inc., RealTruck Mexico, Inc., NAADE, Inc., Mountain Top Holding II ApS, Mountain Top Holding I ApS, Mountain Top Group ApS and Mountain Top (Denmark) ApS

Knowledge resources

A natural part of the Company's activities is to develop new products in cooperation with customers and on their own initiative. Intellectual capital is therefore important to the Company.

To perform this activity, it is necessary for the Company to have the skills required to develop and manage the products that customers demand, and therefore, the Company continuously focus on staff skills as well as retention and recruitment of creative and innovative employees.

Financial risks

Commodity price risks

The Group's and the Company's use of aluminium and plastics as the primary raw materials entails a risk of price increases, which can be included in the price of the finished products only to a limited extent.

Currency risks

The Company is exposed to currency fluctuations, primarily in USD, AUD and THB regarding net income generated in the USA, Australia, and Thailand as well as suppliers in USD in Denmark. At present, the overall risk level is deemed not to justify any hedging. Exchange rate fluctuations relating to the translation of results and balances with foreign subsidiaries at the balance sheet date pose a risk to the Company. The Company does not hedge such risk.

Employee risks

It is essential that employees have the right skills and adequate experience. Therefore, it is important that Mountain Top continues to attract, retain and develop skilled staff. If the Company fails to do so, this may impact the expected development of the Company.

IT risks

Mountain Top is dependent on information technology to control critical business processes, including administrative and finance functions. The Group uses IT systems for internal purposes and externally in relation to its customers and suppliers. Severe system breakdowns may have a negative effect on Mountain Top's activities.

Management's review

Impact on the external environment

Mountain Top is environmentally conscious and continuously strives to reduce its environmental impact from its activities and focuses on contributing positively to customers' green accounts. Therefore, environmental matters are a natural and integral part of Mountain Top's control system, which is ISO 14001 and ISO 50001 point 6.3 certified.

Mountain Top has put further focus on suppliers living up to the UN Global Compact.

Going forward, Mountain Top's largest suppliers will be requested annually to present ISO 14001 and ISO 5001 certifications, CO2 accounts and a plan for the reduction of their CO2 emission.

Research and development activities

The Company carries on research and development activities only to a limited extent.

The development activities primarily relate to the development of new products and account for an insignificant portion of the Company's costs in 2023.

According to expectations for the coming financial year, development activities will be at the same level.

Statutory report on corporate social responsibility

Mountain Top is engaged in the development and production of high-quality accessories for the global car industry within the Pickup Truck segment. The main part of the products is manufactured at the Company's own factories in Denmark, Thailand, and the USA.

Mountain Top is certified to IATF and TÜV and holds several ISO certifications. Revenue is generated from large blue-chip customers in the car industry and from distributors on the aftermarket.

Mountain Top's head office is in Frederikssund, Denmark. The Company also has a sales and services company in Melbourne, Australia, and a factory in the Chonburi Province in Thailand.

Mountain Top bases its business development on a combination of financial results, social responsibility, and environmental consciousness. As a certified supplier to OEM in the car industry, Mountain Top has worked with corporate social responsibility as an integral part of its business model.

In 2018/19, Mountain Top signed and acceded to the UN's Global Compact and is thus committed to and interested in incorporating the principles actively in the general business strategy, organisational culture, and daily operations.

Mountain Top has decided to work on the Sustainable Development Goals 8, 12 and 13.

In 2020/21, Mountain Top developed a sustainability policy according to which the most important Sustainable Development Goals that the Group will work with in future are Human Rights (principles 1 and 2), Social and Employee Conditions (principles 3, 4, 5 and 6), Environment and Climate (principles 7, 8 and 9) and Anti-corruption (principle 10). No changes were made to this in 2023.

There is ongoing follow-up that Mountain Top follows these principles across the organisation.

Management's review

Human rights

Mountain Top always complies with applicable local rules and collective agreements in the countries in which Mountain Top operates.

Mountain Top supports the protection of internationally declared human rights by joining the IGU programme (Integrationsuddannelsen in Danish) and employs many different nationalities.

Moreover, a sound and secure working environment in accordance with applicable law is a focal point.

In line with its customers, Mountain Top sets ethical requirements to prohibit the use of suppliers who use child labour as well as other requirements in respect of cooperative partners on environment and natural resources.

Mountain Top wants to set up a framework of unprejudiced relations and focuses on the performance and development of the individual employee and Mountain Top.

This goal is achieved by ensuring a workplace that has employees with the right resources and skills irrespective of their current life situation, sexuality, age, ethnic origin, interests, gender, education, religion, etc.

An organizational review was held in October 2023 for all departments to review human rights among others. No specific actions were identified in this connection.

Mountain Top has noted that the highest risks of human rights violations relate to our suppliers.

Our suppliers and their sub suppliers are still in future under an obligation not to use child labour and to work sustainably. We ensure that partly in connection with the conclusion of agreements with new suppliers, where they can accede to Mountain Top's Code of Conduct and through follow-up meetings with existing suppliers. Mountain Top has not identified any breaches thereof in the year.

Social and staff matters

Mountain Top always prioritises security and health and strives to improve and secure the workplace and ensure that the employees receive appropriate training and instructions.

Occupational accidents and safety incidents are measured daily, as it is the greatest risk that Mountain Top must deal with in connection with social and employee conditions. Mountain Top continuously takes preventive measures to reduce the number of accidents. We will continue to do so also in the future.

Safety is discussed at the daily LEAN board meetings in management and production and at information meetings for the entire organisation monthly.

There were no occupational accidents this year (no one in 2022/23). However, the number of security incidents has increased, and the Company has therefore improved the reporting in this respect, which means that the Company can better improve its preventive measures. All minor injuries are also registered, so Mountain Top can make improvements based thereof to further increase safety.

Environment and climate

Mountain Top finds it important to contribute to an environmentally friendly society by ensuring that production-related pollution, etc., is minimised to the extent possible.

Mountain Top will ensure that employees are aware that the Company:

- monitors water, electricity, and gas consumption, follows up on unforeseen deviations and makes improvements if deemed appropriate. A reduction of gas of 44.8% and electricity of 35% was obtained in 2023.
- sorts waste and reuses as much as possible. The target for recyclable waste for 2024 is 95%.
- selects raw materials, components, consumables, and packaging that have as little impact on the environment as possible
- uses materials approved by the car industry and provided with IMDS registration.

Management's review

Moreover, Mountain Top will

- perform its activities with as little impact on the environment as possible by using as few resources as possible (raw materials, consumables, water, and energy)
- continue to focus on the reduction of chemicals used. Mountain Top has reduced the use of chemicals by 38% since baseline 2021. The target for 2024 is a reduction of 10%.
- comply with applicable laws and regulations
- continuously improve the environmental measures

The compliance of the management system and compliance with the requirements in IATF 16949 and ISO 14001 (ISO5001, point 6.3) are examined yearly by the Company's internal auditor based on a fixed procedure. Management is informed of results and actions taken and performs an evaluation. There were no comments and deviations in 2023.

It is assessed that there are no significant environmental or climate risks from production. At present, the Company assesses that, based on the Company's existing plant, there is a theoretical possibility of discharging a maximum of 0.09 mg/m³ of vegetable oil and a maximum of 0.01 mg/m³ of mineral oil. Wastewater is handled in closed, approved IBC tanks and destroyed according to requirements.

This assessment was also made in cooperation with Frederikssund Municipality, which every fourth year pays a visit to the Company and then issues a new environmental approval. The latest visit took place in June 2022 and no deviations were identified.

Energy consumption and waste management are considered to pose the most significant risk to environment and climate.

The most significant risks to the environment and climate are deemed to be in Scope 3, including among other things in our suppliers' production.

Mountain Top has prepared CO₂ accounts and set up goals and initiated measures to reduce that. An internal team has been set up which will be responsible for annual calculations of CO₂. Scopes 1 and 2 must be reduced by 25% and Scope 3 by 15% before 2030.

All materials used for production purposes are included in IMDS. In addition, the compliance system SCIP is used.

Anti-corruption

Mountain Top works against all kinds of corruption, including blackmail and bribery. Mountain Top's policies in the employee manual support applicable legislation for the area. The policies apply to all geographical areas. All employees and suppliers are informed of Mountain Top's policies for the area, and any kind of non-compliance with those policies will lead to dismissal or termination of the supplier contract.

Mountain Top operates mainly in Europe and Australia. The increased focus on new markets in Asia, the Middle East, Latin America, and North America implies an increased risk for the Company. The Executive Board is fully aware of anti-corruption issues in those markets.

In those markets, there is a risk of corruption, including blackmail and bribery. These risks are addressed in our Code of Conduct.

In the past year, Mountain Top decided to change the way that expectations are communicated and laid down internally and externally in the reporting of unethical actions.

Mountain Top has set up a structure through which unethical behaviour, including corruption, blackmail, and bribery, can be reported. Given this structure, the Executive Board can react if such a situation should occur contrary to expectations. We have not received any reporting on corruption, blackmail, and bribery in 2023.

In the coming year, Mountain Top will continue its focus on internal and external reporting of unethical behaviour.

Management's review

Report on the gender composition of Management

Mountain Top respects human rights within its own sphere of influence and runs its business in a way that makes the Company an attractive employer. Generally, employees should experience an open and unprejudiced culture, where individuals can utilise their capabilities irrespective of their gender, age and ethical background. Both women and men have the same opportunities to pursue a career and be appointed to management positions.

It is Mountain Top's general policy to employ or promote the best candidates irrespective of their gender. The Company promotes diversity and currently employs 24 nationalities.

The Board of Directors had two members on 31 December 2023 who are all men, so the underrepresented gender is 0%. It is Mountain Top's goal to have at least one female board member (33%) before 2027.

In the financial year, we have established clear and transparent criteria for future board nominations, emphasizing the importance of diversity and actively considering qualified female candidates in future selection processes.

The first level of management includes members of the Executive Board, and the other level of management level includes persons with managerial responsibility, who refer directly to the Executive Board.

Other levels of management consist of 9 members, and the underrepresented gender constitutes 11%. It is Mountain Top's goal to have at least 33% before 2027.

Mountain Top always aims at having both genders represented in the final round in the recruitment process if it is possible based on the candidates. This was also done in 2023.

Despite these initiatives, there were limited applications or suitable candidates from the underrepresented gender for the available management positions.

		2023	2024	2025	2026	2027
Supreme governing body	Total number of members	2				
	Percentage of underrepresented gender	0				
	Target figures in percentages	50				
	Year of achievement of target figures	2027				
Other levels of management	Total number of members	9				
	Percentage of underrepresented gender	11				
	Target figures in percentages	33				
	Year of achievement of target figures	2027				

The average number of full-time employees in the year was 130.

Report on data ethics

In 2021/22, Mountain Top supplemented the Group's existing data protection measures by the establishment of a data ethics policy, which reflects Mountain Top's obligation to handle data responsibly and based on principles of honesty, transparency, and responsibility. Mountain Top lives up to these

principles in addition to applicable legislation to ensure that employees, customers, and suppliers feel secure when they hand over their data to the Group.

Mountain Top primarily processes data in connection with HR, customer interaction and supplier contract. The Group controls that data is collected for specific and legitimate purposes and are processed legally and in a fair way, including that the processing only includes data required for fulfilling the purpose of the processing. At the same time, the Group strives to ensure that the data collected is adequate, relevant, and correct at all times. Data controller employees ensure that personal data is not stored longer than necessary, that processing is carried out with respect for the privacy of the person concerned, and that stored data is protected against unlawful destruction, alteration, or disclosure. Mountain Top concludes data processing agreements with third parties and does not sell any data.

Any violation of the data ethics policy or Mountain Top's internal procedures can be reported by the employees through the Group's whistle-blower scheme. No such reporting was made in 2023.

The data ethics policy is approved annually by the Board of Directors and updated regularly.

Outlook

In 2024, the Company expects to report a revenue within the range of DKK 320-350 million and a profit before tax within the range of DKK 65-70 million.

Financial statements for the period 1 July 2023 – 31 December 2023

Income statement

Note	DKK'000	1 July – 31 December 2023	2022/23
	Revenue	166,081	343,837
4.5	Production costs	-138,399	-250,568
	Gross profit	27,682	93,269
4	Distribution costs	-9,009	-8,577
4	Administrative expenses	-7,384	-17,234
	Operating profit	11,289	67,458
2	Other operating income	85,268	1,881
	Profit before net financials	96,557	69,339
	Income from equity investments in group entities	5,829	21,592
6	Financial income	144	9
7	Financial expenses	-4,604	-9,654
	Profit before tax	97,926	81,286
8	Tax for the year	-5,499	-12,520
	Profit for the year	92,427	68,766

Financial statements for the period 1 July 2023 – 31 December 2023

Balance sheet

Note	DKK'000	31 December 2023	30 June 2023
	ASSETS		
	Fixed assets		
9	Property, plant, and equipment		
	Fixtures and fittings, tools, and equipment	22,768	24,627
	Leasehold improvements	414	517
		<u>23,182</u>	<u>25,144</u>
10	Investments		
	Equity investments in group entities	21,279	18,501
	Deposits	1,634	1,634
		<u>22,913</u>	<u>20,135</u>
	Total fixed assets	<u>46,095</u>	<u>45,279</u>
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	29,533	36,087
	Finished goods and goods for resale	6,683	9,065
	Prepayments for goods	2,665	5,588
		<u>38,881</u>	<u>50,740</u>
	Receivables		
	Trade receivables	27,100	43,384
	Receivables from group entities	203,700	136,484
	Other receivables	9,192	6,736
12	Prepayments	4,499	4,872
		<u>244,491</u>	<u>191,476</u>
	Cash and cash equivalents	14,436	0
	Total non-fixed assets	<u>297,808</u>	<u>242,216</u>
	TOTAL ASSETS	<u>343,903</u>	<u>287,495</u>

Financial statements for the period 1 July 2023 – 31 December 2023

Balance sheet

Note	DKK'000	31 December 2023	30 June 2023
	EQUITY AND LIABILITIES		
	Equity		
13	Share capital	200	200
	Proposed dividend	0	0
	Net revaluation reserve according to the equity method	10,929	8,083
	Retained earnings	224,896	133,088
	Total equity	236,025	141,371
	Provisions		
11	Deferred tax	1,270	1,656
14	Other provisions	3,409	618
	Total provisions	4,679	2,274
	Liabilities		
	Non-current liabilities other than provisions		
	Joint taxation contribution payable	5,885	14,042
		5,885	14,042
	Current liabilities other than provisions		
	Bank debt	0	18,854
	Trade payables	22,354	23,441
	Payables to group entities	60,204	58,638
	Joint taxation contribution payable	4,144	20,708
	Other payables	10,611	8,167
		97,313	129,808
	Total liabilities other than provisions	103,198	143,849
	TOTAL EQUITY AND LIABILITIES	343,903	287,495

- 1 Accounting policies
- 2 Special items
- 3 Events after the balance sheet date
- 15 Contractual obligations and contingencies, etc.
- 16 Collateral
- 17 Related parties
- 18 Distribution of profit/loss

Financial statements for the period 1 July 2023 – 31 December 2023

Statement of changes in equity

Note	DKK'000	Share capital	Dividend proposed for the year	Net revaluation reserve according to the equity method	Retained earnings	Total
	Equity at 1 July 2023	200	0	8,083	133,088	141,371
18	Transferred; see distribution of profit/loss	0	0	620	91,807	92,427
	Foreign exchange adjustments	0	0	111	0	111
	Foreign exchange adjustments, sale of subsidiary	0	0	2,115	0	2,115
	Distributed dividend recognised as equity	0	0	0	0	0
	Equity at 31 December 2023	200	0	10,929	224,896	236,025

Financial statements for the period 1 July 2023 – 31 December 2023

Cash flow statement

Note	DKK'000	1 July – 31 December 2023	2022/23
	Profit for the year	92,427	68,766
19	Adjustments	-76,301	8,579
	Cash generated from operations before changes in working capital	16,126	77,345
20	Changes in working capital	48,525	122,288
	Cash generated from operations	64,651	199,633
	Interest payments received, etc.	144	9
	Interest payments made, etc.	-1,154	-2,262
	Corporation tax paid	-28,291	-19,847
	Cash flows from operating activities	35,351	177,533
	Acquisition of property, plant and equipment	-2,061	-2,833
	Disposal of property, plant and equipment	0	96
	Cash flows from investing activities	-2,061	-2,737
	Distributed dividend	0	-155,000
	Short-term borrowings	0	0
	Cash flows from financing activities	0	-155,000
	Cash flows for the year	33,290	19,796
	Cash and cash equivalents at 1 July	-18,854	-38,650
	Cash and cash equivalents at 30 June	14,436	-18,854
	Cash and cash equivalents	14,436	0
	Bank debt	0	-18,854
		14,436	-18,854

Financial statements for the period 1 July 2023 – 31 December 2023

Notes

1 Accounting policies

The annual report of Mountain Top (Denmark) ApS for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

Previous year, the financial statements for the Company has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities. The change from reporting class C (large) to reporting class C (medium-sized) has not affected the accounting policies on recognition and measurement but solely entailed less disclosures.

Pursuant to section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements because the Company is a subsidiary of a higher-ranking group and included in the consolidated financial statements of BidCo of 14 September 2023 ApS, Frederikssund, CVR-no. 44302667.

Beside the above-described change in reporting class, the accounting policies used in the preparation of the financial statements are consistent with those of last year.

Change in financial year

In 2023, the Company changed its financial year to end 31 December as it hereafter follows the financial year for the RealTruck Group. The current annual report covers a 6-month period from 1 July – 31 December 2023. The annual report is thus not comparable to the approved annual report at 30 June 2023, which comprise a 12-month period. Beside this, the change in financial year has no material impact on the Company's balance sheet and result.

Change in accounting estimates

The Company's management has made changes to the accounting estimates regarding write-down on inventory, loss reserve on trade receivables and warranty provision. The change is due to more accurate data applied. The changed accounting estimates have decreased the profit before tax with DKK 12,715 thousand, profit after tax with DKK 12,715 thousand in 2023 and total asset with DKK 10,176 thousand. Included in this is a decrease in inventories of DKK 6,096 thousand, a decrease in trade receivables of DKK 4,080 thousand and an increase in warranty provisions in 2023 of DKK 2,539 thousand.

Presentation currency

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

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables, and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries

Foreign subsidiaries are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign entities at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Leases

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

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and rent agreements are recognised in the income statement over the term of the lease/agreement. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under Contingent liabilities.

Financial statements for the period 1 July 2023 – 31 December 2023

Notes

1 Accounting policies (continued)

Income statement

Revenue

The Company has chosen IAS 18 *Revenue* as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be measured reliably, and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Production costs

The item comprises expenses incurred in generating the revenue for the year. Such costs include direct and indirect costs of raw materials, consumables, and production staff, rent and leases, as well as depreciation on production plant.

Development costs are also recognised in production costs.

Distribution costs

Distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc., carried out in the year, including costs related to sales staff, advertising, exhibitions as well as amortisation and depreciation. Sales and marketing costs are recognised in the income statement when the Company obtains control of the sales or marketing product.

Administrative expenses

Administrative expenses comprise expenses paid in the year for the management and administration of the Company, including expenses related to administrative staff, management, office premises, office expenses and depreciation on assets used in the administration.

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including gains or losses on the disposal of non-current assets.

Special items

Special Items are presented in a separate note. Special items consist of non-recurring income and expense: connection with acquisitions, restructuring and other non-recurring cost.

Depreciation/Amortisation

Depreciation and impairment losses comprise depreciation on property, plant and equipment.

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 20 years. The period of amortisation is determined based on Management's assessment of and experience with the market and is based on the Group's expected plans for the activity and future earnings.

The residual value is determined at the date of acquisition and reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

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

Fixtures and fittings, tools, and equipment	3-8 years
Leasehold improvements	5 years

Financial statements for the period 1 July 2023 – 31 December 2023

Notes

1 Accounting policies (continued)

The residual value is determined at the date of acquisition and reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Profit/loss from equity investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are recognised in the income statement as separate line items. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the tax prepayment scheme, etc.

Tax

Tax on profit/loss for the year comprises current tax on the expected taxable income for the year and the year's deferred tax adjustments. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to transactions recognised in equity is recognised to equity.

The Company and its Danish subsidiaries are jointly taxed. The Danish income tax charge is allocated between profit making and loss-making Danish entities in proportion to their taxable income.

Jointly taxed entities entitled to a tax refund are, as a minimum, reimbursed by the administration company based on the current rates applicable to interest allowances, and jointly taxed entities having paid too little tax pay, as a maximum, a surcharge based on the current rates applicable to interest surcharges to the administration company.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

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

Investments

Investments comprise deposits and are measured at amortised cost.

Financial statements for the period 1 July 2023 – 31 December 2023

Notes

1 Accounting policies (continued)

Equity investments in subsidiaries

Equity investments in subsidiaries are measured according to the equity method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method. Subsidiaries with negative net asset value are measured at DKK 0 (nil), and any receivables from such entities are written down by the Parent Company's share of the net asset value if the receivable is deemed irrecoverable. If the negative net asset value exceeds receivables, the remaining amount is recognised under provisions if the Parent Company has a legal or a constructive obligation to cover the subsidiary's deficit.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 20 years. The amortisation period is fixed based on the assessment that these are strategically acquired entities with a strong market position and long-term earnings profiles. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of non-current assets

The carrying amount of intangible assets and property, plant and equipment as well as investments in subsidiaries is tested annually for indications of impairment.

Impairment tests are conducted on individual assets or groups of assets when there is indication of impairment. Write-down is made to the lower of the carrying amount and the recoverable amount.

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

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

Inventories

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

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries as well as indirect production overheads.

Production overheads comprise costs of material and labour as well as maintenance of and depreciation on production machinery, buildings and equipment as well as costs relating to plant administration and management. Borrowing costs are not recognised in the sales price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Financial statements for the period 1 July 2023 – 31 December 2023

Notes

1 Accounting policies (continued)

Receivables

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

Receivables are measured at amortised cost.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

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

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

Prepayments

Prepayments, recognised under assets, comprise expenses incurred concerning subsequent financial years.

Cash and cash equivalents

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

Equity

Net revaluation reserve according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of equity investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of equity investments or changes in accounting estimates. The reserve cannot be recognised at a negative amount.

Proposed dividend

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Corporation tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on taxable income in previous years and tax paid on account.

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

Financial statements for the period 1 July 2023 – 31 December 2023

Notes

1 Accounting policies (continued)

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in tax rates are recognised in the income statement.

Provisions

Provisions comprise anticipated costs related to warranties. Provisions are recognised when the Company has a legal or constructive obligation as a result of a past event at the balance sheet date, and it is probable that an outflow of the Company's resources embodying economic benefits will be required to settle the obligation.

Warranty commitments include expenses for remedial action in respect of the contract work within the warranty period of 1-5 years. Provisions for warranty commitments are measured at net realisable value and recognised based on past experience. Provisions that are expected to mature after more than one year after the balance sheet date are discounted at average bond yields.

Liabilities other than provisions

Other liabilities are measured at net realisable value.

Cash flow statement

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

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

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

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

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

Segment information

Information is disclosed by geographical markets. Segment information is based on the Company's accounting policies, risks and management control.

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Return on capital employed	$\frac{\text{Operating profit/loss} \times 100}{\text{Average assets}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

Financial statements for the period 1 July 2023 – 31 December 2023

Notes

2 Special items

Special items consist of the gain of DKK 84,454 thousand from the sale of the subsidiary Mountain Top (USA) Inc. to RealTruck Enterprise, Inc. at 31 December 2023.

3 Events after the balance sheet date

No events of significant importance to the company's financial position have occurred after the balance sheet date.

DKK'000	1 July – 31 December 2023	2022/23
4 Staff costs		
Wages and salaries	41,354	68,973
Pensions	2,944	4,789
Other social security costs	545	1,335
Staff costs transferred to assets	1,172	2,820
	<u>46,015</u>	<u>77,917</u>
Staff costs are recognised in the financial statements as follows:		
Production	39,924	68,529
Distribution	3,480	5,178
Administration	2,611	4,210
	<u>46,015</u>	<u>77,917</u>
Average number of full-time employees	<u>130</u>	<u>134</u>

Remuneration of the Group's Management totalled DKK 7,630 thousand (2022/2023: DKK 4,251 thousand). A share of the remuneration of the Company's Management is re-invoiced from the Parent Company Mountain Top Group ApS.

Financial statements for the period 1 July 2023 – 31 December 2023

Notes

DKK'000	1 July – 31 December 2023	2022/23	
5 Depreciation on property, plant and equipment			
Depreciation on property, plant and equipment	4,023	8,004	
	<u>4,023</u>	<u>8,004</u>	
Depreciation is recognised in the income statement under the following line items:			
Production costs	4,023	8,004	
	<u>4,023</u>	<u>8,004</u>	
6 Financial income			
Foreign exchange adjustments	0	0	
Interest income from group entities	144	9	
	<u>144</u>	<u>9</u>	
7 Financial expenses			
Foreign exchange adjustments	1,335	7,392	
Foreign exchange loss from sale of subsidiary, accumulated	2,116	0	
Other financial expenses	1,154	2,262	
	<u>4,604</u>	<u>9,654</u>	
8 Tax for the year			
Computed tax on the taxable income for the year	5,885	13,744	
Adjustment of tax in respect of previous years	0	139	
Deferred tax adjustment for the year	-386	-1,363	
	<u>5,499</u>	<u>12,520</u>	
9 Property, plant and equipment			
DKK'000	Fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 July 2023	45,609	2,083	47,692
Additions	1,979	81	2,060
Disposals	0	0	0
Cost at 31 December 2023	<u>47,588</u>	<u>2,164</u>	<u>49,752</u>
Depreciation and impairment losses at 1 July 2023	20,982	1,566	22,548
Depreciation	3,839	184	4,023
Depreciation and impairment losses, assets sold	0	0	0
Depreciation and impairment losses at 31 December 2023	<u>24,821</u>	<u>1,749</u>	<u>26,570</u>
Carrying amount at 31 December 2023	<u>22,768</u>	<u>414</u>	<u>23,182</u>
Depreciated over	3-8 years	5 years	

Reference is made to note 15 for information on collateral, etc. provided relating to property, plant and

equipment.

10 Investments

DKK'000	Equity interest in group entities	Deposits	Total
Cost at 1 July 2023	10,418	1,634	12,052
Disposals	-69	0	-69
Cost at 31 December 2023	10,350	1,634	11,984
Value adjustments at 1 July 2023	8,083	0	8,083
Foreign exchange adjustments	111	0	111
Profit/loss for the year	5,829	0	5,829
Disposals	-422	0	-422
Set off against receivables from group entities	-2,672	0	-2,672
Value adjustments at 31 December 2023	10,929	0	10,929
Carrying amount at 31 December 2023	21,279	1,634	22,913

The measurement of equity investments includes goodwill at a value of DKK 2,229 thousand (2022/23: DKK 2,309 thousand)

Name	Registered office	Ownership interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries				
Mountain Top (Australia) Pty Ltd	Melbourne, Australia	100.00 %	2,979	-1,131
Mountain Top (Thailand) Ltd	Thailand	100.00 %	17,000	3,508

DKK'000	31 December 2023	30 June 2023
11 Deferred tax		
Deferred tax at 1 July 2023	1,656	3,019
Adjustment of deferred tax through profit and loss	-386	-1,363
Tax on equity transactions	0	0
Deferred tax at 31 December 2023	1,270	1,656

12 Prepayments

Prepayments include prepayments, including prepayments from suppliers, which relate to subsequent year and property, plant and equipment totalling DKK 1,229 thousand (2022/23: DKK 1,229 thousand).

13 Share capital

The Company's share capital consists of 200 shares of nom. DKK 1,000 each. The share capital has not changed in the past five years. All shares rank equally.

14 Other provisions

Mountain Top (Denmark) ApS provides a 1-year warranty on certain products. A provision of DKK 3,409 thousand (2022: DKK 618 thousand) has been made for anticipated warranty claims based on historic experience of the level of repairs and returns.

Financial statements for the period 1 July 2023 – 31 December 2023

Notes

15 Contractual obligations and contingencies, etc.

Other contingent liabilities

DKK'000	31 December 2023	30 June 2023
Other contingent liabilities	4,692	5,763
	<u>4,692</u>	<u>5,763</u>

Other contingent liabilities include the Company's obligation to purchase sub suppliers' inventory, as the Company requires its sub suppliers to have a minimum stock.

Other financial liabilities

Other rent and lease liabilities:

Rent and lease liabilities	28,811	33,521
	<u>28,811</u>	<u>33,521</u>

Rent and lease liabilities comprise lease liabilities totalling DKK 27,059 thousand for non-terminable leases with a remaining contract period of 41 months. Furthermore, the liability comprises operating leases on machines totalling DKK 1,296 thousand with a remaining contract period of 6 months. Additional liabilities of DKK 455 thousand.

The Company is jointly taxed with the Group's other Danish entities and with the Company's Parent Company BidCo of 14 September 2023 ApS, which is the management company, and together with other jointly taxed companies the Company has joint and several liability for payment of corporation tax, withholding tax, etc.

16 Collateral

The Company has not provided any assets or other items as security at 31 December 2023.

On 31 December 2023, the Company issued an unconditional letter of support to the subsidiary Mountain Top (Thailand) Ltd to ensure the going concern of the subsidiary at least for twelve months from the date of issue.

The Company has provided a maximum guarantee of DKK 18 million whereby the guarantor assumes primary liability regarding the payment of supplies to Mountain Top (USA) Inc. and Mountain Top (Thailand) Ltd., which expires on 30 June 2024.

Financial statements for the period 1 July 2023 – 31 December 2023

Notes

17 Related parties

Mountain Top (Denmark) ApS' related parties comprise the following:

Parties exercising control

Related party	Address/Registered office	Basis for exercising control
Mountain Top Group ApS	Frederikssund	Parent Company

Information on consolidated financial statements

Related party	Address/Registered office	Consolidated financial statements are obtainable from
BidCo of 14 September 2023 ApS (smallest and largest Group, respectively)	Frederikssund	www.cvr.dk

Related party transactions

Mountain Top (Denmark) ApS carried through the following related party transactions:

DKK'000	2023	2022/23
Revenue	9,825	33,579
Royalty from subsidiaries	15,554	63,205
Management fee to subsidiaries	4,629	0
Consultancy fee from subsidiary	-1,856	-2,358
Management fee from Parent Company	-8,457	-5,108
Leasing fee from Parent Company	-1,296	-2,708
Dividend distributed to Parent Company	0	-155,000
Goods purchased from subsidiaries	-76,113	-34,212
Receivables from group entities	203,700	136,484
Payables to group entities	-60,204	-58,638
18 Distribution of profit/loss		
Proposed distribution of profit/loss		
Net revaluation reserve according to the equity method	620	8,543
Proposed dividend	0	0
Retained earnings	91,807	60,223
	<u>92,427</u>	<u>68,766</u>
19 Adjustments		
Depreciation, amortisation, and impairment losses	4,023	8,004
Income from equity investments in group entities	-5,829	-21,592
Gain on the disposal of subsidiaries	-84,454	0
Financial income	-144	-9
Financial expenses	4,604	9,654
Tax for the year	5,499	12,520
	<u>-76,301</u>	<u>8,579</u>
20 Changes in working capital		
Changes in inventories	11,859	17,888
Changes in receivables	31,439	48,462
Change in trade payables, etc.	5,227	55,938
	<u>48,525</u>	<u>122,288</u>

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Anja Møller Folkvardsen

Chair of the meeting

On behalf of: Mountain Top (Denmark) ApS

Serial number: c06d9a36-d4cd-4ec5-b654-e735d7bc81fc

IP: 152.115.xxx.xxx

2024-07-11 06:09:51 UTC



Martin Strassner

CEO

On behalf of: Mountain Top (Denmark) ApS

Serial number: 365a0c1d-7a07-4f61-a262-12cf4db47539

IP: 152.115.xxx.xxx

2024-07-11 06:52:52 UTC



Carl-Martin Einar Lindah

Managing Director/board of directors

On behalf of: Mountain Top (Denmark) ApS

Serial number: carl-martin.lindah@realtruck.com

IP: 136.30.xxx.xxx

2024-07-11 12:57:40 UTC

Timothy John Marsh

Managing Director

On behalf of: Mountain Top (Denmark) ApS

Serial number: timothy.marsh@realtruck.com

IP: 199.231.xxx.xxx

2024-07-11 13:44:52 UTC

Baljinder Singh

Managing Director/board of directors

On behalf of: Mountain Top (Denmark) ApS

Serial number: bobby.singh@realtruck.com

IP: 87.61.xxx.xxx

2024-07-11 20:16:02 UTC

Paul Andrew Swart

Managing Director

On behalf of: Mountain Top (Denmark) ApS

Serial number: paul.swart@realtruck.com

IP: 12.190.xxx.xxx

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Mogens Keldbo Andreasen

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: a36e9a53-4273-460c-9aeb-8e2738b76f52

IP: 165.225.xxx.xxx

2024-07-12 14:32:23 UTC



Thomas Just Svendsen

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 3d6c0b5e-e2b5-402a-b137-dcb852ea1a21

IP: 165.225.xxx.xxx

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