

Ford Motor Company A/S

Annual Report for 2023

**Borupvang 1
2750 Ballerup**

CVR-nr. 62532319



The Annual Report was presented and adopted at the Annual General Meeting of the company.

Copenhagen, 24th of May 2024

Ford Motor Company A/S
INTERNATIONAL FINANCIAL REPORTING STANDARDS

Table of Contents

| | Page |
|-----------------------------------|-------------|
| Directors' Report | 3 |
| Management's Statement | 6 |
| Income Statement | 7 |
| Statement of Comprehensive Income | 7 |
| Statement of Financial Position | 8 |
| Statement of Cash Flows | 9 |
| Statement of Changes in Equity | 10 |
| Notes to the Financial Statements | 11 |
| Independent Auditor's Report | 36 |

**Ford Motor Company A/S
DIRECTORS' REPORT**

The Directors present their annual report and audited financial statements for the year ended 31 December 2023 for Ford Motor Company A/S (the "Company") prepared under International Financial Reporting Standards as adopted by the European Union.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

Frank Skjærbæk Pedersen

Erling Kaas

Charlotte Lone Jensen

Zsofia Kiss-Torocsik

Principal activities and review of the business

The Company is engaged in importing and distributing Ford Motor vehicles and ancillary products in Denmark. In addition, the company also sells vehicles to Faroe Island and one dealership located in Iceland.

The Company's revenue for 2023 was MDKK 3.521, an increase of 10,3% versus the previous year, which was better than expected, due to higher sales in our more expensive car lines. Profit before income tax for 2023 was MDKK 43,9, compared with a profit of MDKK 21,7 in 2022, which was better than expected as a result of a higher interest income due to higher interest rates.

The market came out higher than expected with a total market of 205.000 units, with an increase in both, commercial and passenger cars.

However, the company's sale of passenger cars and Vans in 2023 was lower than expected by management after changes in production capacity and allocation.

The company sold 7.600 passenger cars in 2023 which is a decrease of 2,7% compared to 2022. This caused Ford's market share for passenger cars to decrease from 5,27% in 2022 to 4,40% in 2023. Ford closed the year as the 10th best-selling brand in respect of passenger cars in 2023.

The market share on vans in 2023 was lower than 2022, our share went down to 17,54% from 19,3% in 2022. The company sale of vans amounted to 5.676 units which was 13% lower than in 2022. Ford closed the year as the 2nd best-selling brand in respect of Vans in 2023.

Ford was the fourth most sold brand in 2023.

Future developments

The Danish car market is expected to be on a level of 188.000 registered passenger units in 2024. The market will be impacted by consumer confidence, financial situation in general, interest increase and inflation.

For vans, sales are also expected to be on a higher level in 2024 corresponding to approximately 40.000 units.

The company expects that 2024 will be at the same level as 2023 performance.

Financial Highlights

Set over a five-year period, the development of the Company is shown below:

| Key figures | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|-------------|-------------|-------------|-------------|-------------|
| Income Statement: | TDKK | TDKK | TDKK | TDKK | TDKK |
| Revenue | 3.520.581 | 3.192.110 | 3.876.394 | 3.619.231 | 3.038.244 |
| Operating (loss)/ profit | 17.824 | 18.469 | 12.108 | 7.441 | 1.929 |
| Net Profit/(Loss) from financial items | 24.261 | 1.771 | (888) | (935) | (3.154) |
| Net Profit/(Loss) for the year after tax | 32.235 | 19.620 | 16.492 | 10.220 | (4.133) |
| Statement of Financial Position | | | | | |
| Total Assets | 1.234.359 | 1.036.890 | 1.298.741 | 1.372.917 | 884.678 |
| Equity | 194.235 | 159.223 | 136.328 | 121.127 | 121.127 |
| Investment in property, plant and equipment | 0 | 0 | 268 | 1.942 | 0 |
| Number of employees at the end of the financial year | 49 | 49 | 47 | 48 | 48 |
| Proposed Dividend | 0 | 0 | 0 | 0 | 0 |

The Board of Directors proposes to declare no dividend out of 2023 profit for the year (2022: nil).

Financial risks

The company's operations expose it to a variety of financial risks that include price risk and liquidity risk. The company has in place a risk management program that sets out the guidelines to manage these risks and the circumstances where it would be appropriate to use financial instruments to manage these.

Changes in interest rates or exchange rates do not have a material impact to the financial position of Ford Motor Company A/S.

Post balance sheet events

No post balance sheet events were considered at year-end.

Statement of Corporate Social Responsibility

With reference to section 99a(7) of the Danish Financial Statements Act and to the Sustainability Report of Ford Motor Company, the Company has not disclosed this information in its own Management's Review.

The report is available on the Group's website: <https://corporate.ford.com/content/dam/corporate/us/en-us/documents/reports/2024-integrated-sustainability-and-financial-report.pdf>

Data Ethics

With reference to section 99d(3) of the Danish Financial Statements Act and to the Sustainability Report of Ford Motor Company, the Company has not disclosed this information in its own Management's Review.

The Sustainability Report includes a section for Data Protection, Privacy and Cyber Security, which also applies for Ford Motor Company A/S.

The report is available on the Group's website: <https://corporate.ford.com/content/dam/corporate/us/en-us/documents/reports/2024-integrated-sustainability-and-financial-report.pdf>

Diversity

Ford Motor Company A/S is a sales company characterized by high numbers of vehicles sold through the company and with a limited number of employees. Ford Motor Company A/S pursues a policy of providing equal opportunities for both genders at all levels.

Ford Denmark is committed to promoting gender diversity and equality in accordance with Danish law, specifically adhering to Section 99b of the Danish Financial Statements Act. This law mandates the establishment of target figures for the underrepresented gender within top management levels and requires reporting on the progress of these objectives in our annual report.

Current Board Composition

As of 2023, Ford Denmark's Board of Directors is comprised of four esteemed members, of which two are women. This composition reflects our ongoing commitment to gender diversity at the highest levels of our organization. We've reached an equal distribution at the Board of Directors.

Other Management Composition

As of 2023, Ford Denmark's other management is comprised of seven members, of which three are women. This composition reflects our ongoing commitment to gender diversity at the highest levels of our organization. We've reached an equal distribution at the Other Management level.

| Top Management | 2023 |
|------------------------------|-------------|
| Total number of members | 4 |
| Underrepresented gender in % | 50% |
| Other management | |
| Total number of members | 7 |
| Underrepresented gender in % | 43% |

Reporting and Transparency

Ford Denmark is dedicated to transparency and accountability in our efforts to enhance gender diversity. Progress towards our target figures will be thoroughly documented and reported in our annual report, providing stakeholders with updates on our achievements and areas for improvement.

Conclusion

By setting clear, achievable targets for the underrepresented gender in our top management, Ford Denmark aims to not only comply with Section 99b of the Danish Financial Statements Act but to also foster an inclusive and diverse workplace culture that values and promotes gender equality at all levels of our organization.

Ford Motor Company A/S
DIRECTORS' REPORT
Management's Statement

The Board of Directors and Executive Board have today considered and adopted the Annual Report of Ford Motor Company A/S for the financial year 1 January – 31 December 2023.

The Financial Statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act. Directors' Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Annual Report gives a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations and cash flows for the financial year 1 January - 31 December 2023.

In our opinion, Director's report includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company as well as a description of the most significant risks facing the Company.

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

Copenhagen, 24th of May 2024

Executive Board

Frank Skjærbæk Pedersen
CEO

Board of Directors

Erling Kaas
Chairman

Frank Skjærbæk Pedersen

Charlotte Lone Jensen

Zsofia Kiss-Torocsik

Ford Motor Company A/S

INCOME STATEMENT
(in DKK thousands)

| | Note | As at December 31, | |
|---|------|--------------------|---------------|
| | | 2023 | 2022 |
| Revenues | | | |
| Automotive | 5 | 3.520.581 | 3.192.110 |
| Total revenues | | 3.520.581 | 3.192.110 |
| Cost of sales and other expenses | | | |
| Cost of sales | | 3.297.814 | 2.963.194 |
| Selling, administrative, and other expenses | | 204.943 | 210.447 |
| Total costs and expenses | 6 | 3.502.757 | 3.173.641 |
| Other income | 8 | 1.830 | 1.444 |
| Other interest income | 7 | 29.909 | 2.676 |
| Other interest expense and finance cost | 7 | (5.648) | (905) |
| Profit/(Loss) before income tax | | 43.915 | 21.684 |
| Income tax (benefit)/expense | 10 | 11.680 | 2.063 |
| Net profit/(loss) | | 32.235 | 19.620 |

STATEMENT OF COMPREHENSIVE INCOME
(in DKK thousands)

| | Note | As at December 31, | |
|--|------|--------------------|---------------|
| | | 2023 | 2022 |
| Net profit/(loss) | | 32.235 | 19.620 |
| Other comprehensive income/(loss), net of tax | | | |
| Recognition of actuarial gains/(losses) | | | |
| Remeasurement of the asset / (liability) for the post-employment benefit | 16 | 2.195 | 4.127 |
| Interest income/(expense) impact on irrecoverable surplus | | 484 | (908) |
| Movement in pension asset | | — | — |
| Total other comprehensive income/(loss), net of tax | 21 | 2.679 | 3.219 |
| Comprehensive income/(loss) | | 34.914 | 22.839 |

The accompanying notes are part of the financial statements.

Ford Motor Company A/S

STATEMENT OF FINANCIAL POSITION
(in DKK thousands)

| | Note | As at December 31, | |
|---|-------|--------------------|------------------|
| | | 2023 | 2022 |
| ASSETS | | | |
| Cash and cash equivalents | | 202.332 | 18.866 |
| Trade and other receivables | 11 | 838.124 | 833.451 |
| Income taxes receivable - current | 10 | — | — |
| Inventories | 12 | 133.922 | 127.688 |
| Other assets | 13 | 8.230 | 10.321 |
| Total current assets | | 1.182.608 | 990.326 |
| Property, plant and equipment | 14/23 | 3.904 | 5.106 |
| Investment in subsidiaries | 15 | 25.732 | 25.732 |
| Pension Asset | 16 | 14.527 | 9.010 |
| Deferred income taxes | 10 | 6.980 | 6.165 |
| Other assets | 13 | 608 | 551 |
| Total non-current assets | | 51.751 | 46.564 |
| Total assets | | 1.234.359 | 1.036.890 |
| LIABILITIES | | | |
| Accounts payable | 17 | 574.304 | 434.547 |
| Deferred revenue and other liabilities | 18 | 34.269 | 50.908 |
| Provisions | 19 | 209.853 | 303.616 |
| Income taxes payable | 10 | 12.012 | 960 |
| Debt - current | 23 | 1.086 | 1.058 |
| Total current liabilities | | 831.524 | 791.089 |
| Deferred revenue and other liabilities | 18 | 6.608 | 3.192 |
| Provisions | 19 | 200.554 | 80.861 |
| Debt – non-current | 23 | 1.438 | 2.525 |
| Total non-current liabilities | | 208.600 | 86.578 |
| Total liabilities | | 1.040.124 | 877.667 |
| EQUITY | | | |
| Common stock | 20 | 108.000 | 108.000 |
| Capital in excess of par value of stock | | 320 | 222 |
| Accumulated other comprehensive income/(loss) | 21 | — | — |
| (Accumulated losses)/Retained Earnings | | 85.915 | 51.001 |
| Total equity | | 194.235 | 159.223 |
| Total liabilities and equity | | 1.234.359 | 1.036.890 |

The accompanying notes are part of the financial statements.

Ford Motor Company A/S

STATEMENT OF CASH FLOWS
(in DKK thousands)

| | As at December 31, | |
|---|--------------------|-----------------|
| | 2023 | 2022 |
| Cash flows from operating activities | | |
| Net profit/(loss) | 32.235 | 19.620 |
| Depreciation | 1.200 | 1.520 |
| Share-based payment expense/(income) | 98 | 56 |
| Pension/OPEB expense/(income) | 2.679 | 3.219 |
| Foreign currency adjustments | (104) | (284) |
| Decrease/(Increase) in inventory | (6.234) | 59.467 |
| Decrease/(Increase) in trade and other receivables and other assets | (14.795) | 104.832 |
| (Decrease)/Increase in provisions | 25.930 | 107.220 |
| (Decrease)/Increase in accounts payable and other liabilities | 126.495 | (391.793) |
| Cash flows from taxes | 11.052 | 3.147 |
| Other | (6.103) | (4.396) |
| Net cash provided by/(used in) operating activities | 172.453 | (97.391) |
| Cash flows from investing activities | | |
| Capital spending | — | — |
| Group undertakings | 12.156 | 80.141 |
| Net cash provided by/(used in) investing activities | 12.156 | 80.141 |
| Cash flows from financing activities | | |
| Lease payments | (1.143) | (1.155) |
| Cash dividends | — | — |
| Net cash provided by/(used in) financing activities | (1.143) | (1.155) |
| Net increase/(decrease) in cash and cash equivalents | 183.466 | (18.405) |
| Cash and cash equivalents at January 1 | 18.866 | 37.271 |
| Net increase/(decrease) in cash and cash equivalents | 183.466 | (18.405) |
| Cash and cash equivalents at December 31 | 202.332 | 18.866 |

The accompanying notes are part of the financial statements.

Ford Motor Company A/S

STATEMENT OF CHANGES IN EQUITY
(in DKK thousands)

| | Common Stock | Cap. In Excess of Par Value of Stock | Accum. Other Comprehensive Income/(Loss) | (Accumulated losses)/ Retained Earnings | Total |
|--------------------------------------|-----------------|--|--|---|----------------|
| Balance at January 1, 2022 | 108.000 | 166 | — | 28.162 | 136.328 |
| Comprehensive income/(loss) | — | — | — | — | — |
| Net profit/(loss) | — | — | — | 19.620 | 19.620 |
| Other comprehensive income/(loss) | — | — | 3.219 | — | 3.219 |
| Reclassifications | — | — | (3.219) | 3.219 | — |
| Comprehensive income/(loss) | — | — | — | 22.839 | 22.839 |
| Transactions with shareholders | — | — | — | — | — |
| Dividends | — | — | — | — | — |
| Share-based compensation | — | 56 | — | — | 56 |
| Total transactions with shareholders | — | 56 | — | — | 56 |
| Balance at December 31, 2022 | 108.000 | 222 | — | 51.001 | 159.223 |
| Balance at January 1, 2023 | 108.000 | 222 | — | 51.001 | 159.223 |
| Comprehensive income/(loss) | — | — | — | — | — |
| Net profit/(loss) | — | — | — | 32.235 | 32.235 |
| Other comprehensive income/(loss) | — | — | 2.679 | — | 2.679 |
| Reclassifications | — | — | (2.679) | 2.679 | — |
| Comprehensive income/(loss) | — | — | — | 34.914 | 34.914 |
| Transactions with shareholders | — | — | — | — | — |
| Dividends | — | — | — | — | — |
| Share-based compensation | — | 98 | — | — | 98 |
| Total transactions with shareholders | — | 98 | — | — | 98 |
| Balance at December 31, 2023 | 108.000 | 320 | — | 85.915 | 194.235 |

The accompanying notes are part of the financial statements.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

Index

| Footnote | | Page |
|-----------------|---|-------------|
| Note 1 | Background and Basis of Preparation | 12 |
| Note 2 | Material Accounting Policy Information | 12 |
| Note 3 | Critical Accounting Judgments, Estimates, and Assumptions | 17 |
| Note 4 | New Standards and Interpretations not yet Adopted | 19 |
| Note 5 | Revenues | 20 |
| Note 6 | Total Cost of Sales and Selling, Administrative, and Other Expenses | 21 |
| Note 7 | Other Interest Income/(Expense) and Finance Income/(Cost), Net | 21 |
| Note 8 | Other Income/(Expense), Net | 21 |
| Note 9 | Net Foreign Currency Exchange Gains/(Losses) | 22 |
| Note 10 | Income Tax Benefit/(Expense) | 22 |
| Note 11 | Trade and Other Receivables, Net | 24 |
| Note 12 | Inventories | 24 |
| Note 13 | Other Assets | 24 |
| Note 14 | Property, Plant, and Equipment | 25 |
| Note 15 | Interests in Subsidiaries | 26 |
| Note 16 | Employee Benefits | 26 |
| Note 17 | Accounts Payable | 29 |
| Note 18 | Deferred Revenue and Other Liabilities | 29 |
| Note 19 | Provisions | 29 |
| Note 20 | Capital Stock | 30 |
| Note 21 | Accumulated Other Comprehensive Income/(Loss) | 31 |
| Note 22 | Share-Based Payments | 31 |
| Note 23 | Right-of-Use Assets and Lease Commitments | 32 |
| Note 24 | Financial Risk Management | 33 |
| Note 25 | Controlling Parties | 33 |
| Note 26 | Related Parties Transactions | 33 |
| Note 27 | Employee Costs and Auditor Fees | 34 |
| Note 28 | Business Combinations | 35 |
| Note 29 | Events Subsequent to the Reporting Date | 35 |
| Note 30 | Proposed Dividend | 35 |

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. BACKGROUND AND BASIS OF PREPARATION

Background

Ford Motor Company A/S was founded in 1919. The company operates as an importer and wholesaler of passenger and commercial vehicles as well as spare parts and accessories. Ford Motor Company A/S operates in Denmark and has sales externally to one dealership in Iceland and one dealership in Faroe Island.

Ford Motor Company A/S's registered office is Borupvang 1, Ballerup, 2750, Denmark.

Basis of Preparation

Statement of Compliance

We prepared our financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in conformity with IFRS as adopted by the European Union, together with any additional Danish disclosure requirements for large enterprises. We present the financial statements on the going concern basis.

With reference to section 112 of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Presentation

The financial statements are presented in Danish Kroners, being the functional currency of the company. All financial information has been rounded to the nearest thousand, except where otherwise indicated.

The statement of financial position differentiates between current and non-current assets and liabilities. Assets and liabilities are classified as current if they mature within one year.

Recognition and Measurement

The financial statements have been prepared under the historical cost basis except when IFRS explicitly requires use of fair value.

NOTE 2. MATERIAL ACCOUNTING POLICY INFORMATION

Revenue Recognition

Revenue is generated primarily by sales of vehicles, parts and accessories. Revenue is recorded when obligations under the terms of a contract with our customer are satisfied; generally, this occurs with the transfer of control of our vehicles, parts or accessories. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods. When we give our dealers the right to return eligible parts for credit, we reduce the related revenue for expected returns.

Sales and Marketing Incentives

Sales and marketing incentives generally are recognised as revenue reductions in Revenues. The incentives generally take the form of cash payments to dealers and dealers' customers. The reduction to revenue is accrued at the later of the date the related vehicle is sold or the date the incentive program is both approved and communicated. We generally estimate these accruals using incentive programs that are approved as of the balance sheet date and are expected to be effective at the beginning of the subsequent period.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

Foreign Currency Revaluation

We re-measure monetary assets and liabilities denominated in a currency that is different from Ford Motor Company A/S's functional currency.

The effect of this remeasurement process is reported in Cost of sales, Selling, administrative, and other expenses, and Other interest income/(expense) and finance income/(cost), net.

Trade Receivables

Trade receivables consist primarily of receivables from contracts with our customers for the sale of vehicles, parts, and accessories. Trade receivables initially are recorded at the transaction amount and are typically outstanding for less than 30 days. Each reporting period, we evaluate the collectability of the receivables and record an allowance for doubtful accounts representing our estimate of the expected losses that result from all possible default events over the expected life of a receivable.

Other receivables relate to deposits with other group entities. These receivables are initially recorded at the nominal amount of the deposit and are short term in nature. Each reporting period, we evaluate the collectability of these receivables. There is no history of uncollectible receivables against group undertakings in the past and we do not foresee such an occurrence in the future; therefore, no allowance for doubtful accounts has been recorded related to these receivables.

Expected bad debt loss rates are applied to receivables that are grouped based on their number of days past due (aging buckets) to calculate the overall allowance. Default occurs when a receivable is 90 days or more past due. The allowance for doubtful accounts is measured using a provision matrix method based on the number of days a receivable is past due. Separate provision matrices are developed for each major type of receivable for each country. A receivable is written-off when it is deemed uncollectible and all collection efforts have been exhausted. Additions to the allowance for doubtful accounts are made by recording charges to bad debt expense reported in Selling, administrative, and other expenses.

Ford's exposure to credit risk arising from trade receivables is influenced primarily by the default risk of customer base and the risk associated with the industry and the country in which the customers operate. Our credit policy requires that credit limits be established for each external customer before the first shipment is released. The process of establishing or reaffirming credit limits considers the financial conditions and creditworthiness of the customer based on information such as current and historical financial statements, credit agency reports, and trade references. The credit limits are monitored and reviewed at least annually. Sales exceeding the limits are placed on hold if necessary to limit risk.

The carrying amount of trade receivables represents the maximum credit exposure. Ford may require a mortgage collateral from certain dealers for vehicle sales. In a few markets, we may require bank guarantees for direct sales or service parts for certain trade receivables. Ford does not have trade receivables and contract assets for which no loss allowance is recognized because of collateral.

Income Taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the income statement except to the extent that it relates to a business combination, items recognised directly in equity, or items recognised in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

Deferred Taxes

Deferred tax is recognised for temporary differences that exist between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

In determining the amount of current and deferred tax the company has no uncertain tax positions to take into consideration.

A deferred tax asset is recognised for unused tax losses, tax credits, and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Presentation of Sales and Sales-Related Taxes

We collect and remit taxes assessed by different governmental authorities that are both imposed on and concurrent with a revenue-producing transaction between us and our customers. These taxes may include, but are not limited to, sales, use, value-added, and some excise taxes. We report the collection of these taxes on a net basis (excluded from revenues).

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in local bank accounts available upon demand and are recognised at nominal value.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined by methods approximating the first-in first-out ("FIFO") principle, and includes expenditures incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Lease Accounting

A lease asset and a corresponding lease liability are recognised in the balance sheet when a lease has been concluded and the lease asset has been made available.

The lease asset is initially measured at cost equivalent to the value of the lease liability added prepaid lease payments. The lease liability is initially measured at the net present value of future lease payments discounted at the interest rate implicit in the lease or the Company's incremental borrowing rate if the interest rate implicit in the lease is not available. The right-of-use assets and lease liabilities are reported in Property, plant, and equipment and Other Financial Liabilities, respectively, on our balance sheet.

Subsequently, the asset is measured at cost less accumulated depreciation and impairment losses. The lease asset is depreciated over the lease term. Depreciation is recognised on a straight-line basis in the income statement.

Leases with terms of less than 12 months are not recognised in the balance sheet. This also applies to leases of low-value assets. Lease payments are instead recognised in the income statement on a straight line basis over the lease term. No leases subject to variable payments have been concluded.

When assessing the expected lease term, the non-cancellable lease term is identified. If the lease includes an extension option which Management is reasonably certain to exercise, this is added to the noncancellable lease term.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

Property, Plant, and Equipment

Property, plant, and equipment are recorded at cost, net of accumulated depreciation and impairments. We capitalise new assets when we expect to use the asset for more than one year. Routine maintenance and repair costs are expensed when incurred.

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of the property, plant, and equipment, taking into consideration our best estimate of its residual value.

Property and equipment are depreciated primarily using the straight-line method over the estimated useful life of the asset. Useful lives range from 6 to 14.5 years. The estimated useful lives generally are 14.5 years for machinery and equipment

Investments in subsidiaries

Investments in subsidiaries are stated at cost less provisions for impairment.

Employee Benefits

We provide short-term and long-term benefits to our employees. Short-term employee benefit obligations generally take on the form of salaries, bonuses and profit sharing and are measured on an undiscounted basis. We generally expense short-term benefits in the period the related benefit is provided. Long-term employee benefit obligations generally take on the form of post-employment benefits.

Defined benefit pensions are measured based on the present value of projected future benefit payments for all participants for services rendered to-date. The measurement of projected future benefits is dependent on the provisions of each specific plan, demographics of the group covered by the plan, and other key measurement assumptions. For plans that provide benefits dependent on salary assumptions, we include a projection of salary growth in our measurements. No assumption is made regarding any potential changes to benefit provisions beyond those to which we are presently committed (e.g., in existing labour contracts).

The net periodic benefit costs associated with the company's defined benefit pension plans are determined using assumptions regarding the benefit obligation and the plan assets (where applicable) as of the beginning of each year. Net periodic benefit costs are recorded in Cost of sales and Selling, administrative, and other expenses.

The funded status of the benefit plans, which represents the difference between the benefit obligation and fair value of plan assets, is calculated on a plan-by-plan basis. The benefit obligation and related funded status are determined using assumptions as of the end of each year. The impact of plan amendments and actuarial gains and losses are recorded in Accumulated other comprehensive income/(loss), and then reclassified to retained earnings at the end of the year.

Curtailment gains or losses are recorded when an event occurs that significantly reduces the number of employees covered by the plan. We record a curtailment gain when the employees who are entitled to the benefits terminate their employment; we record a curtailment loss when it becomes probable a loss will occur.

Ford Motor Company A/S shall recognise a settlement gain or loss in the period in which a transaction that permits derecognition of the net defined benefit liability. The gain or loss on a settlement shall comprise: (a) the present value of the obligation being settled, as determined on the date of the settlement; and (b) the settlement price, including any assets transferred and/or payments made.

Ford Motor Company A/S shall re-measure the plan as of the date of the action if there is a significant curtailment or settlement.

Our policy for funded pension plans is to contribute annually, at a minimum, amounts required by applicable laws and regulations. We may make contributions beyond those legally required.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit or loss.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

The net pension asset is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan (asset ceiling).

Provisions

A provision is recognised if, as a result of a past event, we have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. We record provisions for warranty, dealer and customer claims and similar matters.

Due to the inherent uncertainty of the amount and timing of expected payments, we measure our provisions using patterned estimation models that take into consideration historical experience with similar matters, recent facts and circumstances, as well as assumptions about current trends. Each measurement reflects our best assumptions at each reporting period, but the ultimate outcome of any matter could result in an amount different than the amount we have accrued and/or disclosed.

Provisions expected to be paid in a period of greater than one year are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as interest expense in Other interest income/(expense) and finance income/(cost), net.

Warranties

We accrue obligations for warranty costs and field service actions (i.e., safety recalls, emission recalls, and other product campaigns) at the time of sale. We establish estimates for warranty and field service action obligations using a patterned estimation model using historical information regarding the nature, frequency, and average cost of claims for each vehicle line by model year. We re-evaluate the adequacy of our accruals on a regular basis and any revisions to our estimated obligation for warranties and field service actions are reported as Changes in accrual related to pre-existing warranties.

Dealer and Customer Claims

We accrue for dealer and customer claims related to incentive programs that are approved as of the reporting date and are expected to be effective at the beginning of the subsequent period.

Share-Based Payments

Share-based payment arrangements include awards that will be settled by the delivery of shares. The shares are measured at fair value on the grant date. The fair value of the awards that employees are expected to earn is recognised as compensation cost over the vesting period. Changes in the number of awards that employees are expected to earn are recognised in profit or loss over the vesting period.

We measure the fair value of stock options using an option-pricing model and the fair value of restricted stock units using the closing market price of our Common Stock on the grant date.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

We consider an accounting estimate to be significant if: 1) the accounting estimate requires us to make assumptions about matters that were highly uncertain at the time the accounting estimate was made, and 2) changes in the estimate that are reasonably likely to occur from period to period, or use of different estimates that we reasonably could have used in the current period, would have a material impact on our financial condition or results of operations.

The Management of the ultimate parent company has discussed the development and selection of these critical accounting estimates with the Audit Committee of our Board of Directors. In addition, there are other items within our financial statements that require estimation but are not deemed critical as defined above. Changes in estimates used in these and other items could have a material impact on our financial statements.

Warranty and Product Recalls

Nature of Estimates Required. We provide warranties on the products we sell. Separately, we also periodically perform field service actions related to safety recalls, emission recalls, and other product campaigns. Pursuant to these warranties and field service actions, we will repair, replace or adjust all parts on a vehicle that are defective in factory-supplied materials or workmanship. We accrue the estimated cost of both basic warranty coverages and field service actions at the time of sale.

Assumptions and Approach Used. We establish estimates for warranty and field service action obligations using a patterned estimation model. We use historical information regarding the nature, frequency, and average cost of claims for each vehicle line by model year. We re-evaluate our estimate of warranty and field service obligations on a regular basis. Experience has shown that the initial data for any given model year may be volatile; therefore, our process relies on long-term historical averages until sufficient data are available. As actual experience becomes available, we use the data to modify the historical averages in order to ensure that the estimate is within the range of likely outcomes. We then compare the resulting accruals with present spending rates to ensure that the balances are adequate to meet expected future obligations. Based on these data, we revise our estimates as necessary. Warranty coverages vary; therefore, our warranty accruals vary depending on the type of product and the geographic location of its sale for specific periods of time and/or mileage. Field service actions are distinguishable from warranties in that they may occur in periods beyond the basic warranty coverage period. Our best estimate of the obligation related to field service actions includes expected future payments related to vehicles produced in the most recent eight model years and announced field service actions for vehicles produced before this period.

Due to the uncertainty and potential volatility of these factors, changes in our assumptions could materially affect our financial condition and results of operations. See Note 19 of the Notes to the Financial Statements for information regarding warranty and product recall related costs.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

Pensions

Nature of Estimates Required. The estimation of our defined benefit pension plan obligations and expenses requires that we make use of estimates of the present value of projected future payments to all participants, taking into consideration the likelihood of potential future events such as demographic experience and health care cost increases. Plan obligations and expenses are based on existing retirement plan provisions. No assumption is made regarding any potential future changes to benefit provisions beyond those to which we are presently committed (e.g., in existing labour contracts).

Assumptions and Approach Used. The assumptions used in developing the required estimates include the following key factors:

- Discount rates. Our discount rate assumption is based primarily on the results of a cash flow matching analysis, which matches the future cash outflows for each major plan to a yield curve based on high-quality bonds specific to the country of the plan. Benefit payments are discounted at the rates on the curve and a single discount rate specific to the plan is determined.
- Salary growth. Our salary growth assumption reflects our long-term actual experience, outlook, and assumed
- Inflation. Our inflation assumption is based on an evaluation of external market indicators, including real gross domestic product growth and central bank inflation targets.
- Expected contributions. Our expected amount and timing of contributions is based on an assessment of minimum requirements, cash availability, and other considerations (e.g., funded status, avoidance of regulatory premiums and levies, and tax efficiency).
- Retirement rates. Retirement rates are developed to reflect actual and projected plan experience.
- Mortality rates. Mortality rates are developed to reflect actual and projected plan experience.

Assumptions are set at each year end and are generally not changed unless there is a major plan event such as a significant curtailment or settlement that would trigger a plan remeasurement.

The effects of actual results differing from our assumptions and the effects of changing assumptions are recognised in Accumulated Other Comprehensive Income/(Loss) on our balance sheet.

See Note 16 for more information regarding pension costs and assumptions.

Income Taxes

Nature of Estimates Required. We must make estimates and apply judgment in determining the provision for income taxes for financial reporting purposes. We make these estimates and judgments primarily in the following areas: (i) the calculation of tax credits, and (ii) the calculation of differences in the timing of recognition of revenue and expense for tax and financial statement purposes that will ultimately be reported in tax returns. Changes in these estimates and judgments may result in a material increase or decrease to our tax provision, which would be recorded in the period in which the change occurs.

Assumptions and Approach Used. We are subject to the income tax laws and regulations of the Danish tax jurisdiction. We must assess the likelihood that we will be able to recover our deferred tax assets against future sources of taxable income. IFRS recognizes deferred tax assets to the extent that it is more likely than not (defined as a likelihood of more than 50%) that sufficient taxable profits will be available to utilize the deductible temporary difference or unused tax losses.

Changes in our judgment regarding the ability to recover our deferred tax assets are reflected in our tax provision in the periods in which the changes occur.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. IMPLEMENTATION OF NEW STANDARDS, AMENDMENTS, AND INTERPRETATIONS

Adoption of New Accounting Standards

We adopted the following amendments during 2023, which did not have a material impact on our financial statements or financial statement disclosures:

Insurance Contracts (effective January 1, 2023). The new standard addresses the differences in accounting treatment across jurisdictions and insurance products, which made it difficult for investors and analysts to understand and compare insurers' results. The majority of the change relates to long duration contracts.

| Amendments | Effective Date |
|---|-----------------------|
| Initial Application of IFRS 17 and IFRS 9 (Financial Instruments) – Comparative Information (Amendment to IFRS 17 and IFRS 9) | January 1, 2023 |
| Classification of Liabilities as Current or Non-Current (Amendment to IAS 1) | January 1, 2023 |
| Definition of Accounting Estimates (Amendment to IAS 8) | January 1, 2023 |
| Disclosure Initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) | January 1, 2023 |
| Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (Amendment to IAS12) | January 1, 2023 |
| International Tax Reform - Pillar Two Model Rules (Amendments to IAS 12) | January 1, 2023 |

Accounting Standards Issued But Not Yet Adopted

The following represent the standards and amendments that are applicable to Ford, none of which are expected to have a material impact to our financial statements or financial statement disclosures:

| Amendments | Effective Date |
|--|---|
| Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) | January 1, 2024 |
| Non-current liabilities with Covenants (Amendments to IAS 1 and IFRS Practice Statement 2) | January 1, 2024, with retrospective application |
| New disclosure requirements for supplier finance arrangements (Amendments to IAS 7 & IFRS 7) | January 1, 2024 |

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. REVENUES

Amounts included in Revenues on our income statement were as follows (in TDKK):

| | As at December 31, | |
|---|--------------------|------------------|
| | 2023 | 2022 |
| Sales of new vehicles, parts, and accessories (a) | 3.507.406 | 3.180.399 |
| Other (b) | 13.176 | 11.711 |
| Total revenues | 3.520.581 | 3.192.110 |

(a) Risk wise (all sold to dealers) and business wise (spare parts supporting the vehicle sales)

(b) Other includes extended service plan revenue of MDKK 13,2 for the year ended December 31, 2023 (2022: MDKK 11,7)

All of our new vehicles were sold to the dealers in 2023 and financed by Santander. There are three dealer groups that had the majority of sales in 2023 (three dealers during 2022).

Total Company revenues, split geographically, for the years ended December 31 were as follows (in TDKK):

| | 2023 | 2022 |
|----------------------|------------------|------------------|
| Domestic | 3.365.837 | 3.052.241 |
| Iceland | 131.023 | 110.453 |
| Faroe Island | 23.722 | 29.416 |
| Total company | 3.520.581 | 3.192.110 |

Revenue is recognized when obligations under the terms of a contract with our customer are satisfied; generally, this occurs with the transfer of control of our vehicles, parts, accessories, or services. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods or providing services. The transaction price is allocated to each performance obligation based on the relative standalone selling price at contract inception for each performance obligation. Sales, value add, and other taxes we collect concurrent with revenue-producing activities are excluded from revenue.

The expected costs associated with our base warranties and field service actions continue to be recognized as expense when the products are sold (see Note 19). We recognize revenue for vehicle service contracts that extend mechanical and maintenance coverages beyond our base warranties over the life of the contract. We do not have any material significant payment terms as payment is received at or shortly after the point of sale.

Vehicles, Parts, and Accessories. For the majority of vehicles, parts, and accessories, we transfer control and recognize a sale when we ship the product from our manufacturing facility to our customer (dealers and distributors). We receive cash equal to the invoice price for most vehicle sales at the time of wholesale. When the vehicle sale is financed by a third party (Santander Consumer Bank A/S), the dealer pays the third party when it sells the vehicle to the retail customer (see Note 17). Payment terms on part sales to dealers, distributors, and retailers range from 30 to 120 days. The amount of consideration we receive and revenue we recognize varies with changes in marketing incentives and returns we offer to our customers and their customers. When we give our dealers the right to return eligible parts and accessories, we estimate the expected returns based on an analysis of historical experience. We adjust our estimate of revenue at the earlier of when the most likely amount of consideration we expect to receive changes or when the consideration becomes fixed.

Used Vehicles. We sell used vehicles both at auction and/or through our dealers. Proceeds from the sale of these vehicles are recognised in revenues upon transfer of control of the vehicle to the customer and the related vehicle carrying value is recognised in Cost of sales.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

Extended Service Contracts. We sell separately-priced service contracts that extend mechanical and maintenance coverages beyond our base warranty agreements to vehicle owners. The separately priced service contracts range from 12 to 24 months. We receive payment at the inception of the contract and recognize revenue over the term of the agreement in proportion to the costs expected to be incurred in satisfying the obligations under the contract. We don't have any unearned revenue associated with outstanding contracts that was reported in Other Liabilities and deferred revenue and neither was any revenue recognized as revenue during the year ended December 31, 2023. At December 31, 2023, the unearned amount was MDKK 8,3. We expect to recognize approximately MDKK 6,6 of the unearned amount in 2024, MDKK 1,7 in 2025. We record a premium deficiency reserve to the extent we estimate the future costs associated with these contracts exceed the unrecognized revenue. Amounts paid to dealers to obtain these contracts are deferred and recorded as Other assets. These costs are amortized to expense consistent with how the related revenue is recognized. We had a balance of MDKK 7,6 in deferred costs as of December 31, 2023, and recognized MDKK 8,9 of amortization during the year ended December 31, 2023.

Other revenue. Other revenue consists primarily of net commissions received for serving as the agent in facilitating the sale of a third party's products or services to our customers. We transfer control and recognize the net commission when the products are delivered to our customer (dealer and distributor).

NOTE 6. TOTAL COST OF SALES AND SELLING, ADMINISTRATIVE, AND OTHER EXPENSES

Amounts included in Cost of sales and selling, administrative, and other expenses on our income statement were as follows (in TDKK):

| | As at December 31, | |
|---|--------------------|------------------|
| | 2023 | 2022 |
| Purchase of new vehicles, parts and accessories | 3.291.293 | 2.953.511 |
| Depreciation | 1.200 | 1.520 |
| Warranty | 112.381 | 110.829 |
| Advertising | 35.247 | 29.253 |
| Wages and salaries (note 27) | 32.717 | 30.290 |
| Fixed Marketing | 6.430 | 10.888 |
| Other | 23.489 | 37.350 |
| Total cost of sales and selling, administrative, and other | 3.502.757 | 3.173.641 |

NOTE 7. OTHER INTEREST INCOME/(EXPENSE) AND FINANCE INCOME/(COST), NET

Amounts included in Other interest income/(expense) and finance income/(cost), net on our income statement were as follows (in TDKK):

| | As at December 31, | |
|---|--------------------|--------------|
| | 2023 | 2022 |
| Interest income | 2.066 | 89 |
| Interest income from related parties | 27.843 | 2.587 |
| Interest (expense) | (5.648) | (905) |
| Total other interest (expense)/income, net | 24.261 | 1.771 |

NOTE 8. OTHER INCOME/(EXPENSE), NET

Amounts included in Other income/(expense), net on our income statement were as follows (in TDKK):

| | As at December 31, | |
|--------------|--------------------|--------------|
| | 2023 | 2022 |
| Commission | 1.830 | 1.444 |
| Total | 1.830 | 1.444 |

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. NET FOREIGN CURRENCY EXCHANGE GAINS/(LOSSES)

Net foreign currency exchange gains/(losses) recognized on our income statement were as follows (in TDKK):

| | As at December 31, | |
|--|--------------------|------------|
| | 2023 | 2022 |
| Net foreign currency exchange (losses)/gains | 104 | 284 |
| | 104 | 284 |

NOTE 10. INCOME TAX BENEFIT/(EXPENSE)

The Income tax benefit/(expense) on our income statement was estimated as follows (in TDKK):

| | As at December 31, | |
|---|--------------------|----------------|
| | 2023 | 2022 |
| Current | | |
| Current tax on (loss)/profits for the year | (12.012) | (960) |
| Change in estimates related to prior years | — | (909) |
| Total current | (12.012) | (1.869) |
| Deferred | | |
| Origination and reversal of temporary differences | 2.978 | (477) |
| Changes in tax losses carried forward | (577) | (3.392) |
| Write down | (2.069) | 3.675 |
| Total deferred | 332 | (194) |
| Income tax benefit/(expense) | (11.680) | (2.063) |

Ford Motor Company A/S' applicable tax rate is 22,0%. The income tax prepaid during 2023 was TDKK 0 (2022: TDKK 0). The final income tax paid during 2023 was TDKK 12.012 (TDKK 960 during 2022).

The amount of reported income taxes in the statement of comprehensive income reconciled with income taxes calculated using Ford Motor Company A/S' applicable tax rate at December 31 was as follows in TDKK.

| | As at December 31, | |
|---|--------------------|----------------|
| | 2023 | 2022 |
| (Loss)/Income before income taxes | 43.915 | 21.684 |
| Tax calculated at domestic tax rates applicable to profits (2023 – 22,0 % and 2022 – 22,0 %). | (9.661) | (4.771) |
| Tax effects of: | | |
| Expenses/(Income) not (taxable)/deductible for tax purposes | 50 | (58) |
| Change in tax rates | | — |
| Change in estimate related to prior years | | (909) |
| Write down | (2.069) | 3.675 |
| Income tax benefit/(expense) | (11.680) | (2.063) |
| Effective tax rate | (27)% | (10)% |

The deferred tax amounts shown on the balance sheet at December 31 were as follows (in TDKK):

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

| | As at December 31, | |
|--------------------------------|--------------------|--------------|
| | 2023 | 2022 |
| Deferred tax assets | 7.284 | 6.500 |
| Deferred tax liabilities | (304) | (335) |
| Net deferred tax assets | 6.980 | 6.165 |

Deferred taxes by major category at December 31 were as follows (in TDKK):

| | As at December 31, | |
|--|--------------------|--------------|
| | 2023 | 2022 |
| Deferred tax assets | | |
| Tax losses carried forward | — | 577 |
| Dealer and customer claims | 8.025 | 4.700 |
| Reserve for doubtful debts | 6 | — |
| Compensation accruals | 2.500 | 2.883 |
| Remeasurement Effects Recognized in OCI | (1.178) | (1.660) |
| Deferred tax assets | 9.353 | 6.500 |
| Less: Write down | (2.069) | — |
| Total deferred tax assets | 7.284 | 6.500 |
| Deferred tax liabilities | | |
| Depreciation and amortization (excluding leasing transactions) | (304) | (335) |
| Total deferred tax liabilities | (304) | (335) |
| Net deferred tax assets | 6.980 | 6.165 |

At December 31, 2023, Ford Motor Company A/S had pre-tax operating loss carry-forwards for income tax purposes in the amount of TDKK 0. Tax benefits of operating loss carry-forwards are evaluated on an ongoing basis, including a review of historical and projected future operating results, the eligible carry forward period, and other circumstances.

The current and non-current portions of deferred income taxes expected to be recovered or settled within and after one year at December 31 were as follows (in TDKK):

| | As at December 31, | |
|---------------------------------------|--------------------|--------------|
| | 2023 | 2022 |
| Deferred tax assets | | |
| Current portion | 2.000 | 2.000 |
| Non-current portion | 5.284 | 4.500 |
| Total deferred tax asset | 7.284 | 6.500 |
| Deferred tax liabilities | | |
| Current portion | (304) | (335) |
| Non-current portion | — | — |
| Total deferred tax liabilities | (304) | (335) |
| Net deferred tax assets | 6.980 | 6.165 |

In December 2021 the OECD has issued guidelines for a new global minimum taxation. The EU member states transformed this into a new EU directive in December 2022. Locally, in Denmark, this was not adopted in 2023 as it is effective as of 1/1/2024. The Danish NSC is formally affected by the rules and expects no material impact.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. TRADE AND OTHER RECEIVABLES, NET

Trade and other receivables, net on our statement of financial position were as follows (in TDKK):

| | As at December 31, | |
|------------------------------------|--------------------|----------------|
| | 2023 | 2022 |
| Trade receivables | 105.779 | 89.903 |
| Amounts owed by group undertakings | 1.486 | 532 |
| Cashpooling | 730.860 | 743.016 |
| Total | 838.124 | 833.451 |
| Current | 838.124 | 833.451 |
| Non-current | — | — |
| Total | 838.124 | 833.451 |

Amounts owed by group undertakings are unsecured; elements bear interest at a variable rate which is capitalised monthly and are repayable on demand.

The fair value of all trade and other receivables is approximate to the carrying value. Amounts overdue do not have a material impact on these financial statements. There is no history of uncollectivity.

Receivables are denominated in the functional currency (DKK) with no currency impact.

Excess liquidity is placed with a finance center within the Ford Group and carries interest. In the Financial Statements this item is classified as cashpooling of MDKK 731 (2022: MDKK 743). The deposit in the finance center ranks subordinate in relation to the debt of the finance center to Ford Motor Company, to debt to certain other companies in the Ford Motor Company group and to debt to certain external lenders.

NOTE 12. INVENTORIES

Inventories on our statement of financial position were as follows (in TDKK):

| | As at December 31, | |
|-----------------------------|--------------------|----------------|
| | 2023 | 2022 |
| Parts/Accessories Inventory | — | 84 |
| Finished products | 119.443 | 112.091 |
| Company Service vehicles | 14.479 | 15.513 |
| Total | 133.922 | 127.688 |

The impairment of inventories for the year ended December 31, 2023 is DKK 0. (0 DKK for the year ended December 31, 2022).

NOTE 13. OTHER ASSETS

Other assets on our statement of financial position were as follows (in TDKK):

| | As at December 31, | |
|--------------|--------------------|---------------|
| | 2023 | 2022 |
| Prepayments | 8.838 | 10.872 |
| Total | 8.838 | 10.872 |
| Current | 8.230 | 10.321 |
| Non-current | 608 | 551 |
| Total | 8.838 | 10.872 |

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment includes machinery and equipment that we use in our normal operations. Depreciation is recognized in the income statement on a straight-line basis over the estimated useful lives of the property, plant, and equipment, taking into consideration our best estimate of its residual value.

Useful lives range from 6 year to 14,5 years. The estimated useful lives generally are 14,5 years for machinery and equipment.

Changes in Property, plant, and equipment balances on our statement of financial position were as follows (in TDKK):

| | December 31, 2023 | |
|--|-----------------------------------|--------------|
| | Machinery, Equipment and Other | Total |
| Cost | | |
| Beginning balance | 2.915 | 2.915 |
| Reclassifications | — | — |
| Additions | — | — |
| Disposals | (227) | (227) |
| WIP | (3) | (3) |
| Ending balance | 2.686 | 2.686 |
| Accumulated depreciation and impairment | | |
| Beginning balance | (1.003) | (1.003) |
| Reclassifications | — | — |
| Depreciation | (218) | (218) |
| Disposals | 227 | 227 |
| Ending balance | (994) | (994) |
| Total | 1.692 | 1.692 |

| | December 31, 2022 | |
|--|-----------------------------------|--------------|
| | Machinery, Equipment and Other | Total |
| Cost | | |
| Beginning balance | 7.617 | 7.617 |
| Reclassifications | — | — |
| Additions | — | — |
| Disposals | (4.705) | (4.705) |
| Ending balance | 2.915 | 2.915 |
| Accumulated depreciation and impairment | | |
| Beginning balance | (5.479) | (5.479) |
| Reclassifications | — | — |
| Depreciation | (228) | (228) |
| Disposals | 4.705 | 4.705 |
| Ending balance | (1.003) | (1.003) |
| Total | 1.912 | 1.912 |

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 15. INTERESTS IN SUBSIDIARIES

Ownership Percentage and Investment Balances

Investment in subsidiaries on our statement of financial position was as follows at the year ended December 31, (in TDKK, except percentages):

| | Ownership percentage | Investment Balance | |
|---|----------------------|--------------------|---------------|
| | | 2023 | 2022 |
| Ford Motor Norge A/S (Jurisdiction: Norway) | 100% | 25.732 | 25.732 |
| | | 25.732 | 25.732 |

The investment in Ford Motor Norge A/S is held at historical cost, no impairment has been recorded against the investment value. According to the latest filed accounts dated 31 December 2022, the net profit was TNOK 32.396 and equity was TNOK 114.329.

NOTE 16. EMPLOYEE BENEFITS

We provide retirement benefits including the following:

Defined Benefit Pension Plans. We have defined benefit pension plans covering salaried employees. Our defined benefit plans are closed to new participants. Our defined benefit pension plans are funded (i.e., have restricted assets from which benefits are paid).

Defined Contribution and Savings Plans. We have also established defined contribution and savings plans for our employees. Contributions to these plans, if any, are made from general Company cash and are expensed as incurred. The expense for our defined contribution and savings plans was MDKK 2,3 in 2023 (MDKK 2,3 in 2022)

Assumptions

The assumptions used to determine expense and benefit obligations were as follows (in TDKK):

| Assumptions used to determine net benefit cost for the year ended December 31 | Pension Plans (Funded) | |
|---|------------------------|---------------------|
| | 2023 | 2022 |
| Discount rate % | 3,50% | 3,50% |
| Average rate of increase in compensation % | 2,00% | 2,00% |
| Mortality Rates | Danish FSA's FT2021 | Danish FSA's FT2020 |
| Life expectancy for a 65 year old male/female | 21.6 / 23.9 years | 21.6 / 23.9 years |

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

Benefit Plans - Expense and Status

The net expense/(income) and remeasurement cost for our defined benefit pension plan for the years ended December 31, were as follows (in TDKK):

| | Pension Plans (Funded) | |
|---|------------------------|----------------|
| | 2023 | 2022 |
| Income/(Expense) | | |
| Current service cost | (11) | 1.394 |
| Interest expense/(income) | (14) | (14) |
| Net expense | (25) | 1.380 |
| Remeasurements | | |
| Return on plan assets (greater)/less than discount rate | 480 | 36.376 |
| (Gain)/loss from changes in financial assumptions | (1.322) | (41.483) |
| Experience (gains)/losses | (3.999) | — |
| Other actuarial (gains)/losses | 2.647 | 980 |
| Total remeasurements | (2.195) | (4.127) |
| Total | (2.220) | (2.748) |

The year- end status of the plan was as follows (in TDKK):

| | Pension Plans (Funded) | |
|---|------------------------|----------------|
| | 2023 | 2022 |
| Change in benefit obligation | | |
| Benefit obligation at January 1 | 102.105 | 147.764 |
| Current service cost | (11) | 1.394 |
| Interest expense | 3.469 | 731 |
| Plan participant contributions | 218 | 227 |
| Benefits paid | (6.526) | (6.529) |
| (Gain)/loss from change in financial assumptions | (1.322) | (41.483) |
| Experience (gains)/losses | (3.999) | — |
| Expenses Paid from Assets | (322) | |
| Benefit obligation at December 31 | 93.613 | 102.104 |
| Change in plan assets | | |
| Fair value of plan assets at January 1 | 111.115 | 151.325 |
| Interest income | — | — |
| Return on plan assets greater/(less) than discount rate | (480) | (36.376) |
| Company contributions | 3.812 | 2.467 |
| Plan participant contributions | 218 | 227 |
| Benefits paid | (6.526) | (6.529) |
| Fair value of plan assets at December 31 | 108.140 | 111.114 |
| Total | 14.527 | 9.010 |
| Change in asset ceiling/minimum funding requirement | | |
| Asset ceiling/minimum funding requirement at January 1 | | — |
| Change in asset ceiling, excluding amounts included in interest cost/(income) | (3.469) | (731) |
| Interest expense/(income) | 3.469 | 731 |
| Asset ceiling/minimum funding requirement at December 31 | | — |
| Total at December 31 | 14.527 | 9.010 |

In 2023, we contributed MDKK 2,5 to our fully funded pension plan (most of which were mandatory contributions). During 2024, we expect to contribute about MKK 2,5 from cash and cash equivalents.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

Estimated Future Benefit Payments

Estimated future gross benefit payments were as follows (in TDKK):

| | Pension Plans (Funded) |
|-----------|-----------------------------------|
| 2024 | 6.215 |
| 2025 | 5.832 |
| 2026 | 5.514 |
| 2027 | 5.243 |
| 2028 | 5.145 |
| 2029-2033 | 26.753 |

There are no current expectations to receive a refund from the defined benefit scheme.

The defined benefit pension scheme's obligations and assets are covered by the Danica Pension Plan.

Risks

Substantial pension liabilities impairing liquidity or financial condition. If our cash flows and capital resources were insufficient to fund our pension obligations, we could be forced to suspend dividend payments or seek additional capital.

Worse-than-assumed economic and demographic experience for postretirement benefit plans (e.g., discount rates). The measurement of our obligations, costs, and liabilities associated with benefits pursuant to our postretirement benefit plans requires that we estimate the present value of projected future payments to all participants. We use many assumptions in calculating these estimates, including assumptions related to discount rates and demographic experience (e.g., mortality and retirement rates). To the extent actual results are less favorable than our assumptions, there could be a substantial adverse impact on our financial condition and results of operations.

Pension Plan Asset Information

Investment Objective and Strategies. All assets are externally managed, and most assets are actively managed. Managers are not permitted to invest outside of the asset class (e.g., fixed income, public equity, alternatives) or strategy for which they have been appointed. We use investment guidelines and recurring audits as tools to ensure investment managers invest solely within the investment strategy they have been provided.

Fair Value of Plan Assets. Pension assets are recorded at fair value, and include primarily fixed income and equity securities, derivatives, and alternative investments, which include hedge funds, private equity, and real estate.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 17. ACCOUNTS PAYABLE

Accounts payable on our statement of financial position were as follows (in TDKK):

| | As at December 31, | |
|------------------------------------|--------------------|----------------|
| | 2023 | 2022 |
| Trade Payables | 54.205 | 40.400 |
| Amounts owed to group undertakings | 472.808 | 361.923 |
| Social security and other taxes | 47.291 | 32.224 |
| Total | 574.304 | 434.547 |

The fair value of accounts payable is approximate to the carrying value and measured at amortized cost.

NOTE 18. DEFERRED REVENUE AND OTHER LIABILITIES

Deferred revenue on our statement of financial position were as follows (in TDKK):

| | As at December 31, | |
|---------------------------------|--------------------|---------------|
| | 2023 | 2022 |
| Deferred Revenue | 34.485 | 47.561 |
| Social security and other taxes | — | — |
| Other | 6.391 | 6.539 |
| Total | 40.876 | 54.100 |
| Current portion | 34.269 | 50.908 |
| Non-current portion | 6.608 | 3.192 |
| Total | 40.877 | 54.100 |

Revenue is deferred and recognized to income on a straight-line basis over the contract period except in those circumstances where sufficient historical evidence indicates that the costs of performing the services under the contract are incurred on another than a straight-line basis. In those circumstances, revenue is recognized over the contract period in proportion to the costs expected to be incurred in performing services under the contract.

The fair value of deferred revenue is approximate to the carrying value and measured at amortized cost.

NOTE 19. PROVISIONS

Provisions on our statement of financial position were as follows (in TDKK):

| | As at December 31, | |
|----------------------------|--------------------|----------------|
| | 2023 | 2022 |
| Warranties | 248.670 | 177.576 |
| Dealer and customer claims | 161.389 | 206.656 |
| Other | 349 | 245 |
| Total | 410.408 | 384.477 |
| Current portion | 209.853 | 303.616 |
| Non-current portion | 200.554 | 80.861 |
| Total | 410.408 | 384.477 |

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

Warranties

We accrue obligations for warranty costs and field service actions (i.e., safety recalls, emission recalls, and other product campaigns) at the time of sale. We establish estimates for warranty and field service action obligations using a patterned estimation model using historical information regarding the nature, frequency, and average cost of claims for each vehicle line by model year. We re-evaluate the adequacy of our accruals on a regular basis and any revisions to our estimated obligation for warranties and field service actions are reported as Changes in accrual related to pre-existing warranties in the table below.

The changes in provisions for warranties were as follows (in TDKK):

| | As at December 31, | |
|--|--------------------|----------------|
| | 2023 | 2022 |
| Beginning balance | 177.576 | 135.473 |
| Provisions made | 122.675 | 131.753 |
| Changes related to pre-existing provisions | — | (4.673) |
| Payments made | (51.581) | (84.977) |
| Other movements | — | — |
| Ending balance | 248.670 | 177.576 |
| Current portion | 48.116 | 96.715 |
| Non-current portion | 200.554 | 80.861 |
| Total | 248.670 | 177.576 |

Dealer and Customer Claims

We accrue for dealer and customer claims related to incentive programs that are approved as of the reporting date and are expected to be effective at the beginning of the subsequent period.

The changes in provisions for dealer and customer claims were as follows (in TDKK):

| | As at December 31, | |
|--|--------------------|----------------|
| | 2023 | 2022 |
| Beginning balance | 206.656 | 140.303 |
| Provisions made | (19.281) | 100.696 |
| Changes related to pre-existing provisions | (500) | (8.034) |
| Payments made | (26.482) | (24.435) |
| Other movements | 996 | (1.874) |
| Ending balance | 161.389 | 206.656 |
| Current portion | 161.389 | 206.656 |
| Non-current portion | — | — |
| Total | 161.389 | 206.656 |

NOTE 20. CAPITAL STOCK

The number of Common stock shares authorized at December 31 was as follows:

| | 2023 | 2022 |
|-----------------------|----------------|----------------|
| Beginning balance | 900.000 | 900.000 |
| Shares issued | — | — |
| Shares reacquired | — | — |
| Ending balance | 900.000 | 900.000 |

Par value per share is DKK 120 and all shares are fully paid.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 21. ACCUMULATED OTHER COMPREHENSIVE INCOME/(LOSS)

The changes in the accumulated balances for each component of Accumulated other comprehensive income/(loss) attributable to Ford Motor Company A/S were as follows (in TDKK):

| | As at December 31, | |
|---|--------------------|----------|
| | 2023 | 2022 |
| Pension and other postretirement benefits | | |
| Beginning balance | — | — |
| Gains/(Losses) arising during the period | 2.195 | 4.127 |
| Less: Tax/(Tax benefit) | 484 | (908) |
| Other comprehensive income/(loss), net of tax | 2.679 | 3.219 |
| Reclassification to retained earnings, net of tax | (2.679) | (3.219) |
| Total AOCI ending balance at December 31 | — | — |

NOTE 22. SHARE-BASED PAYMENTS

Ford Motor Company A/S's ultimate parent company issues restricted stock units ("RSUs") to our employees, which consist of time-based and performance-based awards. RSUs provide the recipients with the right to shares of Common Stock following a specified performance period and/or vesting period. Time-based awards generally have a vesting feature whereby one-third of each grant of RSUs vests after the first anniversary of the grant date, one-third after the second anniversary, and one-third after the third anniversary. Performance-based RSUs vest at the end of the specified performance period, generally three years, assuming required metrics are met. Performance-based RSUs have two components: one based on Ford's internal financial performance metrics, and the other based on Ford's total shareholder return relative to total shareholder returns of an industrial and automotive peer group. We issue new shares of Common Stock upon vesting of RSUs. All awards issued under the incentive plan are equity settled.

The fair value of both the time-based and the portion of the performance-based RSUs pertaining to internal performance metrics is determined using the closing price of our Common Stock. The fair value of time-based RSUs is expensed over the shorter of the vesting period, using the graded vesting method, or the time period an employee becomes eligible to retain the award at retirement. The fair value of performance-based RSUs is expensed when it is probable and estimable as measured against the performance metrics over the shorter of the performance or required service periods. Expense is recorded in Selling, administrative, and other expenses.

The expense recorded in Ford Motor Company A/S in relation to Share Based payments was DKK 98.099 and DKK 55.590 for the years ended December 31, 2023 and 2022, respectively.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 23. RIGHT-OF-USE ASSETS AND LEASE COMMITMENTS

We lease land, office space and equipment under agreements with contractual periods ranging from less than one year to 3 years. Many of our leases contain one or more options to extend. We include options that we are reasonably certain to exercise in our evaluation of the lease term after considering all relevant economic and financial factors. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations.

Non-lease components are included in the measurement of the lease liabilities.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. All leases contain a variable element in form of a 0,78% index increase per year. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

We calculate the initial lease liability as the present value of fixed payments not yet paid and variable payments that are based on a market rate or an index (e.g. CPI), measured at commencement. The majority of our leases are discounted using our incremental borrowing rate because the rate implicit in the lease is not readily determinable. All other variable payments are expensed as incurred.

Lease right -of-use assets at December 31 were as follows (in TDKK):

| | 2023 | | |
|----------------------------|--------------------|--------------------------------------|--------------|
| | Land and Buildings | Machinery, Equipment and Other | Total |
| Cost | 5.164 | 259 | 5.423 |
| Accumulated depreciation | (3.052) | (159) | (3.210) |
| Accumulated impairment | — | — | — |
| Net carrying amount | 2.112 | 100 | 2.213 |

| | 2022 | | |
|----------------------------|--------------------|--------------------------------------|--------------|
| | Land and Buildings | Machinery, Equipment and Other | Total |
| Cost | 5.164 | 259 | 5.423 |
| Accumulated depreciation | (2.113) | (116) | (2.229) |
| Accumulated impairment | — | — | — |
| Net carrying amount | 3.051 | 143 | 3.194 |

Minimum non-cancellable lease commitments were as follows (in TDKK):

| | As at December 31, | |
|----------------------------------|--------------------|--------------|
| | 2023 | 2022 |
| Within 1 year | 1.140 | 1.143 |
| After 1 year and within 2 years | 1.163 | 1.140 |
| After 2 years and within 3 years | 297 | 1.163 |
| After 3 years and within 4 years | — | 297 |
| After 4 years and within 5 years | — | — |
| After 5 years | — | — |
| Total | 2.600 | 3.743 |
| Less: Present value discount | (75) | (160) |
| Total lease liabilities | 2.525 | 3.583 |

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

Supplemental cash flow information related to leases for the year ended December 31 was as follows (in TDKK):

| Cash paid for amounts included in the measurement of lease liabilities | 2023 | 2022 |
|---|----------------|----------------|
| Operating cash flows | — | — |
| Financing cash flows | (1.143) | (1.155) |
| Total cash paid | (1.143) | (1.155) |

The components of lease expense for the year ended December 31 were as follows (in TDKK):

| | 2023 | 2022 |
|---------------------------------|--------------|--------------|
| Depreciation | | |
| Land and buildings | (939) | (939) |
| Machinery, equipment, and other | (43) | (30) |
| Total depreciation | (982) | (969) |
| Other Expenses | | |
| Interest expense | 85 | 118 |
| Variable lease expense | — | — |
| Sublease income | — | — |
| Total lease expense | 85 | 118 |

NOTE 24. FINANCIAL RISK MANAGEMENT

Ford Motor Company A/S is exposed to a variety of risks in the normal course of its business. Its financial condition depends on the extent to which it effectively identifies, assesses, monitors, and manages these risks. The principal types of risk to which the company is exposed include:

- Market risk
- Liquidity risk
- Credit risk

Ford Motor Company A/S is embedded in the Ford Motor Company group. Ford Motor Company, the ultimate parent company of Ford Motor Company A/S, manages each of these types of risk on a global consolidated basis in the context of its contribution to its overall risk. It makes business decisions on a risk-adjusted basis and prices its services consistent with these risks. Ford's global risk management policies are established to identify and analyse the risk exposures, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies are reviewed regularly at a global consolidated level to reflect changes in market conditions and Ford's activities.

The company's financial liabilities mainly consist of amounts owed to group undertakings.

There is no contractual maturity for the amounts owed to group undertakings, but the amounts are expected to be paid within 3 - 12 months.

NOTE 25. CONTROLLING PARTIES

The company's immediate parent company is Ford Nederland BV located in the Netherlands. The ultimate parent company and controlling party is Ford Motor Company, a company incorporated in the State of Delaware in the USA, which is the parent undertaking of the largest group to consolidate these financial statements. Copies of the ultimate parent company's financial statements may be obtained from: Ford Motor Company, One American Road, Dearborn, Michigan 48126 USA.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

NOTE 26. RELATED PARTIES TRANSACTIONS

Our related parties include group undertakings of the ultimate parent company and key management personnel.

Transactions with our group undertakings of our ultimate parent company

In the ordinary course of business, we buy from/sell various products and services including vehicles, parts, and components to/from entities under the control of our ultimate parent company of the ultimate parent company.

The income statement effects of transactions with entities under the control of our ultimate parent company was as follows (in TDKK):

| | As at December 31, | |
|--------------------------------------|--------------------|-----------|
| | 2023 | 2022 |
| Sales included in Revenue (a) | — | — |
| Purchases included in Cost of sales | 3.291.293 | 2.953.511 |
| Interest income from related parties | 27.843 | 2.587 |

The effect of transactions with entities under the control of the ultimate parent company on the statement of financial position was as follows (in TDKK):

| | As at December 31, | |
|-----------------------------|--------------------|-----------|
| | 2023 | 2022 |
| Trade and other receivables | 1.486 | 532 |
| Trade and other payables | (472.808) | (361.923) |

Transactions with key management personnel

| | As at December 31, | |
|---|--------------------|--------------|
| | 2023 | 2022 |
| Salaries and other short-term benefits | 3.471 | 3.384 |
| Retirement, and other post-employment and other long-term benefits - defined benefit scheme | 166 | 229 |
| Retirement, and other post-employment and other long-term benefits - other | — | — |
| Share-based compensation | 98 | 56 |
| Other compensation | — | — |
| Total compensation | 3.735 | 3.669 |

During the year 0 Directors (2022: 0 Directors) exercised share options in the ultimate parent company and 1 Director (2022: 1 Director) was eligible to receive shares in the ultimate parent company under a long-term incentive program.

There were no other transactions with key management personnel during 2023. All transactions were on an arm's length basis.

NOTE 27. EMPLOYEE COSTS AND AUDITOR FEES

Employment costs

| | As at December 31, | |
|-----------------------|--------------------|---------------|
| | 2023 | 2022 |
| Wages and salaries | 32.717 | 30.290 |
| Social security costs | 110 | 112 |
| Pension costs | 3.143 | 3.740 |
| Other | (343) | 1.117 |
| Total | 35.627 | 35.259 |

Total number of employees for the year ended December 31, 2023 and 2022 were 49 and 49 respectively.

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

Ford Motor Company A/S
NOTES TO THE FINANCIAL STATEMENTS

Auditor's fees

Auditors' remuneration for the statutory audit of the company's annual financial statements was DKK 400.818 (2022: DKK 387.826). Remuneration for other services was DKK 25.000 (2022: DKK 25.000).

NOTE 28. BUSINESS COMBINATIONS

No transactions were undertaken in 2023 that would qualify as Business Combinations.

NOTE 29. EVENTS SUBSEQUENT TO THE REPORTING DATE

No subsequent events were considered at year-end.

NOTE 30. PROPOSED DIVIDEND

The Board of Directors proposes to declare a dividend as follows (in TDKK):

| | <u>As at December 31,</u> | |
|-------------------|---------------------------|-------------|
| | <u>2023</u> | <u>2022</u> |
| Proposed dividend | — | — |

Independent Auditor's Report

To the Shareholder of Ford Motor Company A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Financial Statements of Ford Motor Company A/S for the financial year 1 January - 31 December 2023, which comprise income statement and statement of comprehensive income, balance sheet, statement of cash flows, statement of changes in equity and notes, including material accounting policy information ("financial statements").

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in 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 about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report

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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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.

Copenhagen, 24 May 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Martin Lunden
State Authorised Public Accountant
mne32209

Gösta Gauffin
State Authorised Public Accountant
mne45821