Controlant hf.

Consolidated Financial Statements 2024

Controlant hf.
Smáratorgi 3
201 Kópavogi

Reg.no. 670605-0780

Contents

Endorsement and Statement by the Board of Directors and the Co-CEOs

Operations of the Company

Controlant hf. (the "Company") is a global leader in the optimization of life sciences supply chains, with managed solutions comprising a validated visibility platform, real-time IoT devices, advanced analytics, and extensive customer services. Offering flexible and scalable business models, Controlant's vision is to deliver zero-waste supply chains through real-time visibility and automation. Leading pharmaceutical companies and logistics providers trust Controlant as a validated source of data for their systems of record, making their operations significantly more reliable, cost-effective, and sustainable. Ultimately, Controlant helps ensure the best outcomes for patients - keeping people safe and improving access to life-saving medicines. Although the majority of the operations are based in Iceland, the Company generates almost all of it revenues from its global customer base.

The Consolidated Financial Statements for the year ended 31 December 2024 comprise the financial statements of the Company and its subsidiaries (together "the Group" or "Controlant"). The subsidiaries of the Company that comprise the group are incorporated in Iceland, Denmark, USA, Poland and the Netherlands. These statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and include additional disclosures required by Icelandic law.

The Company´s operations in 2024

The year 2024 was a transformative period for Controlant, marked by an organizational recalibration and decisive actions taken to secure the foundation for long-term growth. Reflecting on this period, the Board of Directors acknowledges both the challenges encountered and the significant progress made in shaping a leaner, more resilient organization, while ensuring it is aligned with the Company's long-term strategic goals.

In 2024, Controlant achieved operating revenue of USD 80.6 million, comprising of USD 23.4 million from core operations and USD 57.2 million from non-cash deferred income. This represents a significant decrease from 2023, or around 56%. Net loss in 2024 was USD 24.6 million compared to a net loss of USD 10.5 million in 2023 while operating loss was USD 31.6 million compared to a loss of USD 12.2 million in 2023. Despite the figures, core business segments demonstrated a strong momentum, particularly income from service to pharma customers, which grew >50% year on year. Revenue from logistics service providers also continued to scale during the year, and has tripled over the past two years.

Management considers the risk of write-offs of accounts receivables to be immaterial, underpinning the strength of the Company's customer base.

Organizational restructuring

During 2024, Controlant undertook two phases of organizational restructuring, in August and November, in response to slower-than-forecasted revenue growth caused primarily by delayed implementation cycles with its key customers. Over the course of the year the workforce of the Company was reduced by over 200 in total. Post-restructuring, 240 employees remained across five operational hubs. These changes were vital in aligning the cost base and revenue profile, laying the groundwork for operational profitability. It should be noted that workforce reductions executed in November are still included in the full time equivalent at the end of the financial year. At year-end, the gender diversity of all FTEs stood at 41/59 female to male ratio compared 23/77 in the Executive Team and 40/60 in the Board of Directors.

Continued innovation and new financing

In 2024, Controlant underscored its commitment to innovation through the successful release of new software applications and the pilot launch of the Saga Card. This pioneering IoT-at-unit-level solution represents the first of its kind within the pharmaceutical supply chain and is currently undergoing validation with early adopters.

In 2024, the Company concluded an equity financing round in two phases with a combined total of USD 28 million, with USD 3 million of that closing in January 2025. In addition, the company secured new loan financing of USD 10.7 million. A portion of the raised funding has been allocated to continued development the Saga Card and associated applications and further advancing our next-generation solution portfolio.

At the end of 2024, aggregated capitalized research and development cost amounted to USD 53.2 million compared to USD 40.6 million at the end of 2023.

Endorsement and Statement by the Board of Directors and the CEO, contd.:

Fire incident

In November 2024, Controlant experienced a fire incident at its US service center. The Company promptly activated its business continuity protocols, resulting in uninterrupted service delivery to customers. While valuable equipment was lost, the financial impact is expected to be minimal due to insurance coverage, but as the insurance claims are still being processed there are no revenues accounted for that in the 2024 revenue statement. The Company has now opened up a new US service center in new location in New Jersey.

Future outlook

Controlant enters 2025 with a clear strategic focus on revenue growth, diversification of its customer base and solution offering, as well as enhancing efficiency and achieving sustainable operations. Tender processes and upsell activities with existing clients in 2024 yielded promising outcomes, underpinning a strong and growing sales pipeline.

The Board remains confident in the management team's ability to deliver on our strategic priorities. We are committed to delivering meaningful progress towards stronger underlying profitability, creating long-term value for our shareholders.

Corporate governance and non-financial information

Controlant's corporate governance consists of a framework of principles and rules, based on applicable laws, including its Articles of Association and the Guidelines on Corporate Governance, 6th edition, published by the Iceland Chamber of Commerce, S.A. -Confederation of Icelandic Enterprises and Nasdaq Iceland in 2021, which are accessible on the website of the Iceland Chamber of Commerce. The Company's Corporate Governance Statement and overview of non-financial reporting is provided in appendices Non-financial reporting and Corporate Governance Statement.

Controlant acknowledges that strong governance is essential for generating long-term value for all stakeholders, including shareholders, employees, customers, and the broader community. The Company's corporate governance documents including its Articles of Association, Rules of Procedure for the Board of Directors, Remuneration Policy and prior year's Financial Statements are available on the Company's website at: https://www.controlant.com/corporate-governance.

The EU Taxonomy disclosure, non-financial information reporting alongside the Corporate Governance Statement can be found in the appendix to the Financial Statements.

Share Capital

During the financial year, the Company undertook a share capital increases in a financing round managed by Arion banki hf. First part of the transaction was concluded in November 2024 with issuance of 114,960,412 B shares to investors, with second part committed in December 2024 with issuance of 13,822,001 B shares, concluded in January 2025. With reference to paragraph 4 of Article 6 of the Articles of Association of Company, as amended by the Extraordinary General Meeting of the Company on 17 October 2024, the shares were issued at a price of 30 ISK per share. Subsequently to this issuance, the new issuance of shares at the price of 30 ISK per share, led to applicability of contractual rights, of investors participating in the equity financing round in November 2023, adjusting the average share price of the November 2023 issuance from 105 ISK per share to 30 ISK per share, which could be settled either by cash payment or subscription of additional B shares at nominal value. The Company opted to settle the contractual obligation with issuance of 135,068,453 B shares at nominal value. The shares were issued with reference to paragraph 7 of Article 6 of the Articles of Association of the Company, as amended by the Extraordinary General Meeting of the Company on 17 October 2024, in November 2024 at a price of 1 ISK per share.

Endorsement and Statement by the Board of Directors and the CEO, contd.:

In addition, immaterial share capital increases have been conducted during the year, with issuance of A shares in accordance with employee stock option agreements concluded by the Company.

At year end 2024 the Company's 10 largest shareholders were the following:

	Nominal value	Share
1 Gildi - lífeyrissjóður	122.853.333	13,4%
2 Birta lífeyrissjóður	65.043.999	7,1%
3 Frumtak 2 slhf.	57.697.334	6,3%
4 Stormtré ehf.	44.971.908	4,9%
5 Líra ehf.	33.354.092	3,6%
6 Furinge Invest ApS	27.195.007	3,0%
7 HB6 ehf.	24.360.900	2,7%
8 Sio ehf.	22.359.808	2,4%
9 Almenni lífeyrissjóðurinn	20.855.332	2,3%
10 NG Invest Ltd.	20.683.467	2,3%
Other shareholders (376)	477.007.333	52,1%
Total share capital (386)	**916.382.513**	**100%**

The Board of Directors will propose to the 2025 Annual General Meeting that no dividends will be paid to shareholders for the operational year 2024. Reference is made to the Statement of Changes in Equity in the Financial Statements for an overview of changes in shareholder equity of the Company.

Statement by the Board of Directors and the Co-CEOs

According to the Board of Directors' and Co-CEO's best knowledge these Consolidated Financial Statements comply with International Financial Reporting Standards as adopted by the European Union and additional Icelandic disclosure requirements, giving a true and fair view of the Company's financial position as at 31 December 2024, operating performance and the cash flows for the year ended 31 December 2024 as well as describe the principal risk and uncertainty factors faced by the Company.

The Board of Directors and Co-CEOs hereby ratify the Consolidated Financial Statements of Controlant for the year 2024 with their signatures.

Kópavogur, 14 April 2025

Board of Directors:

Søren Skou

DocuSigned by:
Søren Skou
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Ásthildur Otharsdóttir

DocuSigned by:
Ásthildur Margrét Otharsdóttir
9D90BA86F33D43A...

Steve Van Kuiken

DocuSigned by:
Steve Van Kuiken
140EAA6693FF406...

Kristín Friðgeirsdóttir

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Kristín Friðgeirsdóttir
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Trausti Þórmundsson

Signed by:
Trausti Þórmundsson
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Co-CEOs:

Gísli Herjólfsson

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Gísli Herjólfsson
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Trausti Þórmundsson

Signed by:
Trausti Þórmundsson
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Independent Auditors' Report

To the Board of Directors and shareholders of Controlant hf.

Opinion

We have audited the consolidated financial statements of Controlant hf. ("the Company"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and additional Icelandic disclosure requirement in accordance with Icelandic Financial Statements Act No. 3/2006.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Iceland and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and CEO for the Financial Statements

The Board of Directors and CEO are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as adopted by the European Union and additional Icelandic disclosure requirement in accordance with Icelandic Financial Statements Act No. 3/2006, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors and CEO are 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 unless they either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements of the Group and the Parent Company

Our objectives are to obtain reasonable assurance about whether the consolidated 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 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 consolidated 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 content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with The Board of Directors 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.

Report on Other Legal and Regulatory Requirements

Pursuant to the legal requirement under Article 104, Paragraph 2 of the Icelandic Financial Statements Act No. 3/2006, we confirm that, to the best of our knowledge, the report of the Board of Directors and CEO accompanying the consolidated financial statements includes the information required by the Financial Statements Act if not disclosed elsewhere in the financial statements.

Reykjavík, 14 April 2025

KPMG ehf.

Hjördís Ýr Ólafsdóttir — Signed by: Hjördís Ýr Ólafsdóttir 9B99FE9DC2A14C5...

Jón Arnar Óskarsson — Signed by: Jón Arnar Óskarsson F8D80F2038BD425...

Statement of Comprehensive Income for the year 2024

	Notes	2024	2023*
Operating revenue			
Sales of goods and services	3	80.611.741	184.890.281
		80.611.741	184.890.281
Operating expenses			
Cost of goods and services sold		12.295.523	22.029.102
Salaries and salary-related expenses	4	39.864.220	50.035.039
Other operating expenses		9.751.586	12.157.851
Depreciation and amortisation	5	50.252.385	112.827.267
		112.163.714	197.049.259
Operating loss before financial income and expenses		(31.551.973)	(12.158.978)
Financial income and expenses			
Interest income		2.085.505	303.647
Interest expenses		(8.280.308)	(3.896.976)
Net currency exchange difference		1.596.716	2.084.784
Fair value adjustment on warrant	14	5.358.479	250.929
	7	760.392	(1.257.616)
Loss before tax		(30.791.581)	(13.416.594)
Income tax	6	6.152.507	2.886.331
Loss for the year		(24.639.074)	(10.530.263)
Other comprehensive income:			
Operating items that may be reclassified income statement recognized directly in equity:			
Translation differences due to the activities of subsidiaries		(5.589)	2.107
Total comprehensive loss for the year		(24.644.663)	(10.528.156)

* Restatement, see note 22

Statement of Financial Position as at 31 December 2024

	Notes	31.12.2024	31.12.2023
Assets			
Development costs	8	53.186.209	40.595.093
Other intangible assets	8	1.752.294	2.907.373
Operating assets	9	126.386.947	166.365.088
Deferred tax asset	6	13.518.189	7.207.145
Total non-current assets		194.843.639	217.074.699
Trade receivables	11	9.250.800	21.125.456
Other receivables	12	4.148.479	4.525.686
Cash and cash equivalents		26.772.258	45.475.147
Total current assets		40.171.537	71.126.289
Total assets		235.015.176	288.200.988
Equity			
Share capital		7.005.714	5.196.729
Share premium		13.226.759	23.622.780
Reserves		54.244.614	42.511.071
Total equity	13	74.477.087	71.330.580
Liabilities			
Loans and borrowings	14	47.937.566	33.091.976
Warrants	14	2.083.916	7.442.396
Lease liabilities	15	4.173.978	6.542.970
Deferred income	2	63.745.451	122.531.523
Total non-current liabilities		117.940.911	169.608.865
Current maturities of lease liabilities	15	2.437.050	2.577.264
Trade payables		2.342.203	5.218.711
Deferred income	2	31.872.730	30.632.881
Other payables		5.945.194	8.832.688
Total current liabilities		42.597.177	47.261.544
Total liabilities		160.538.088	216.870.408
Total equity and liabilities		235.015.176	288.200.988

Statement of Changes in Equity for the year 2024

	Share capital	Share premium	Restricted equity due to development costs	Reserve for profit share	Translation reserve	Accumulated deficit	Total equity
2024							
Equity 1.1.2024	5.196.729	23.622.780	40.595.076	1.979.612	(63.617)	0	71.330.580
Comprehensive loss for the year					(5.589)	(24.639.074)	(24.644.663)
Increase of share capital	1.808.985	23.741.897					25.550.882
Effect of subsidiaries				1.391.315		(1.391.315)	0
Capitalization of development costs			10.347.817			(10.347.817)	0
Effect of stock options						2.240.288	2.240.288
Transferred		(34.137.918)				34.137.918	0
Equity 31.12.2024	7.005.714	13.226.759	50.942.893	3.370.927	(69.206)	0	74.477.087
2023							
Equity 1.1.2023	4.795.473	16.910.932	24.217.171	308.099	(65.724)	(7.370.732)	38.795.219
Comprehensive loss for the year					2.107	(10.530.263)	(10.528.156)
Increase of share capital	401.256	40.364.895					40.766.151
Effect of subsidiaries				1.671.513		(1.671.513)	0
Capitalization of development costs			16.377.905			(16.377.905)	0
Effect of stock options						2.297.366	2.297.366
Transferred		(33.653.047)				33.653.047	0
Equity 31.12.2023	5.196.729	23.622.780	40.595.076	1.979.612	(63.617)	0	71.330.580

Statement of Cash Flows for the year 2024

	Notes	2024	2023
Cash flows from operating activities:			
Loss for the year		(24.644.663)	(10.528.156)
Adjustment for:			
Expenses due to stock options	4	2.240.288	2.297.367
Depreciation	5	50.252.385	112.827.267
Net financing (income) expense		(760.392)	1.257.616
Income tax	6	(6.152.507)	(2.886.331)
		20.935.111	102.967.763
Changes in current assets and liabilities:			
Trade and other receivables, decrease		14.241.736	2.411.284
Trade and other payables, decrease		(5.764.002)	(44.855.625)
Deferred income, decrease		(57.546.222)	(64.206.291)
Changes in current assets and liabilities		(49.068.488)	(106.650.632)
Interest income received		2.085.505	303.647
Interest expenses paid		(2.463.570)	(1.936.261)
Net cash from operating activities		(28.511.442)	(5.315.483)
Cash flows used in investing activities:			
Investment in intangible assets	8	(20.234.178)	(24.145.131)
Investment in operating assets	9	(2.493.277)	(12.531.836)
Net cash used in investing activities		(22.727.455)	(36.676.967)
Cash flows from financing activities:			
Increase of share capital		25.550.882	40.766.151
New loans and borrowings	14	10.000.000	38.609.369
Payment of the principal portion of lease liabilities	15	(3.014.873)	(2.534.715)
Net cash from financing activities		32.536.009	76.840.805
Change in cash and cash equivalents		(18.702.888)	34.848.355
Cash and cash equivalents at 1 January		45.475.147	10.626.792
Cash and cash equivalents at 31 December		26.772.258	45.475.147
Investing and financing activities without cash flow effect:			
Investment in operating assets		0	(40.000.000)
Other receivables		0	40.000.000

Notes

1. Reporting entity

Controlant hf. (the "Company") is an Icelandic limited liability Company. The registered office of the Company is at Smáratorg 3, Kópavogur. The Company's main operations are sale and development of the Company's solutions, which consist of hardware, software and services with a special emphasis on global pharmaceutical companies to reduce risk and waste in the supply chain.

2. Basis of accounting

a. *Statement of compliance*

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and, as applicable, additional requirements of the Icelandic Act no. 3/2006 on Annual Financial Statements.

The Company's functional currency was determined in accordance with the relevant rules of the standards and is considered to be US dollar (USD). The financial statements are prepared and presented in USD.

Annual financial statements were approved by the Company's Board of Directors on 14. April 2025.

The preparation of the consolidated financial statements in accordance with International Financial Reporting Standards requires management to make decisions, evaluate and make assumptions that affect the application of accounting policies and disclose the amounts of assets, liabilities, income and expenses. The final results may differ from this assessment.

The assessment and its premises are under constant review. Changes in accounting estimates are recognized in the period in which the change occurs and in the future periods that the changes affect.

b. *Foreign currency other than functional currency*

Transactions in foreign currencies are translated to the respective functional currencies of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the conversion rate at that date.

c. *Revenue recognition*

Revenues from the sale of goods and services are recognised in the Income Statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from the sale of services is recognised in the Income Statement when the service has been provided. This is normally done at the beginning or end of each month or relevant period according to agreements.

d. *Development cost*

In the Statement of Financial Position, development cost is capitalized on the basis of direct salary expenses and other related costs. Amortization is expensed when the product is available for sale and the amortization period is three to five years. Book value of capitalized development cost is transferred from accumulated deficit to reserves within equity, according to Act no. 3/2006. See further in note 8.

e. *Other intangible assets and operating assets*

Items of other intangible assets and operating assets are measured at cost less accumulated depreciation and accumulated impairment losses. Depreciation and amortization is calculated on the straight-line basis according to the estimated useful life of assets until a residual value has been reached.

2. Basis of accounting, contd:

f. Lease assets

At the beginning of the contract, the group evaluates whether the contract or part of it constitutes a lease agreement. An agreement is a partial or full lease agreement if it includes the right to control a specific property for a specific period of time in exchange for payment. When assessing whether a lease agreement includes control of a specific asset, the group uses the definition of a lease agreement according to IFRS 16.

(i) The Group as lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.
The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2. Basis of accounting, contd:

g. *Inventories*

Inventories comprise equipment in stock that are available for utilization of services for customers. They are measured at cost or net realisable value, whichever is lower.

h. *Trade receivables and other receivables*

Trade receivables and other receivables are measured at nominal value in the Balance Sheet less provision.

i. *Cash and cash equivalents*

Cash and cash equivalents according to the Balance Sheet comprise of cash balances.

j. *Income tax*

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous year. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted at the reporting date.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Income tax assets and income tax liabilities are equalized when there is a legal right to do so, they relate to income tax imposed by the same authorities on the same Company or different Companies that are jointly taxed and are expected to pay taxes jointly.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

l. *Operating assets*

(i) Recognition and measurement

Items of operating assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of operating assets have different useful lives, then they are accounted for as separate items (major components) of operating assets.

Any gain or loss on disposal of an item of operating assets is recognised in profit or loss.

2. Basis of accounting

l. *Operating assets, contd.*

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance is expensed as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Items of operating assets are depreciated on a straight-line basis in profit or loss over the estimated useful lives of each component unless other systematic method is considered appropriate. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The estimated useful lives for the current and comparative periods are

Monitoring equipment	4-5 years
Office equipment	3-5 years

Depreciation methods, lifetime and closing prices are reassessed on the settlement date and changed if applicable.

m. *Deferred income*

Deferred income, related to agreements with customers, amounted to USD 95,6 million at year end. This relates to prepayment of services reiceived by the Company primarily during the years 2020–2022 where proceeds were allocated solely for investment in operating asset, ensuring the Company´s ability to fulfill customer service requests. The deferred income is categorized into short-term and long-term debt, with an anticipation of recognizing revenues amounting to USD 31,8 million during 2025.

g. *Impairment*

Financial assets

A financial asset, not recognised at fair value, is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets measured at amortised cost is the difference between, on the one hand, their carrying amount, and on the other hand, the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment loss on financial assets available for sale is determined on the basis of their fair value at each time. Individual significant financial assets are tested specifically for impairment. Other financial assets are classified together based on credit risk characteristics and each group is tested specifically for impairment.

An impairment loss is expensed in the statement of comprehensive income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Impairment loss on investments held to maturity is reversed in the statement of comprehensive income.

Other assets

Carrying amount of other assets of the Group, except for inventories and tax asset, is reviewed at each reporting date to determine whether there are indications of impairment. If there is any such indication the recoverable amount of the asset is estimated. Goodwill is tested for impairment at least once a year.

The recoverable amount of an asset or a cash generating unit is the higher of their net fair value or value in use. Value in use is 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 asset.

g. *Impairment, contd.*

An impairment loss is expensed when the carrying amount of an asset or a cash generating unit is higher than its recoverable amount. A cash generating unit is the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or asset groups. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of the goodwill and then to reduce the carrying amounts of the other assets in the cash generating unit on a pro rata basis. An impairment loss is expensed in the statement of comprehensive income.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

n. *New financial reporting standards and interpretations not yet adopted*

A few new international reporting standards apply to accounting periods beginning on or after 1 January 2025 and early adoption is permitted. The Group has however not implemented new or changed reporting standards prior to adoption when these financial statements were prepared.

3. Revenue

Revenues are specified as follows:

	2024	2023
Revenue recognition of deferred income	57.168.625	80.074.035
Per shipment revenue	14.009.332	64.829.187
Lost loggers revenue	285.412	21.927.257
Service revenue	1.009.872	9.411.668
Rental	6.158.047	7.541.776
Other revenue	1.980.453	1.106.358
Total revenue	80.611.741	184.890.281

4. Personnel expenses

Salaries and salary-related expenses are specified as follows:

Salaries	43.898.308	53.604.534
Salary-related expenses	9.810.302	9.262.672
Accrued vacation pay and vacation settlement	874.303	1.713.636
Charge of stock options, see note 16	2.240.288	2.297.366
Capitalized salaries	(16.958.981)	(16.843.169)
Total salaries and other personnel expenses	39.864.220	50.035.039
Average number and full time equivalents during the year	437	506
Full time equivalents at the end of the year	295	545

Salaries of the Co-CEOs amounted to USD 460,000 for the year 2024 (2023: USD 391,000). Remuneration of the Board of Directors amounted to USD 94,000 for the year 2024 (2023: USD 63,000).

Notes, contd.:

5. Depreciation

Depreciation is specified as follows:

	2024	2023
Development cost	13.520.761	8.632.890
Other intangible assets	1.155.079	1.411.498
Operating assets	39.075.206	104.750.173
Lease assets	2.389.038	2.036.288
Depreciation capitilized as development cost	(5.887.699)	(4.003.582)
Depreciation total	50.252.385	112.827.267

6. Income tax

Income tax is specified as follows:

Loss before tax	(30.791.581)	(13.416.594)
Income tax according to current tax rate, 21/20%	6.466.232	2.683.319
Non-taxable income - tax relief Rannís	397.974	403.818
Non-deductible expenses - stock option agreements	(448.058)	(459.473)
Other changes	(263.641)	258.667
Income tax in the income statement	6.152.507	2.886.331
Effective tax rate	20,0%	21,5%

Deferred tax asset is specified as follows:

Deferred tax asset 1.1	7.207.145	4.212.587
Income tax recognised in income statement	6.152.507	2.886.331
Income tax due to equity movements	0	69.647
Other changes	158.537	38.580
Deferred tax asset 31.12	13.518.189	7.207.145

Deferred tax asset is attributable to the following:

Intangible assets and operating assets	2.448.712	2.050.738
Lease assets	(1.305.867)	(1.739.289)
Lease liabilities	1.322.206	1.824.047
Account receivables	24.769	22.336
Deferred currency exchange difference	(380.195)	(116.759)
Tax-loss carry forwards	11.408.564	5.166.072
Deferred tax asset 31.12	13.518.189	7.207.145

Notes, contd.:

6. Income tax, contd.

The Unutilized tax loss at the end of 2024, which may be carried forward according to tax law, amounts to USD 58.5 million. A deferred tax loss that is not used against profit within ten years of its formation is cancelled.

Transferable tax loss is usable as follows:	2024	2023
Taxable loss 2019, usuable until 2029	2.582.536	2.453.387
Taxable loss 2020, usuable until 2030	8.093.632	7.874.823
Taxable loss 2023, usuable until 2033	15.183.201	15.520.150
Taxable loss 2024, usuable until 2034	31.183.451	0
Total	57.042.820	25.848.360

7. Financial income and expenses

Financial income and expenses are specified as follows:

Interest income on cash and cash equivalents	2.085.505	303.647
Interest expense on loans and borrowings	(7.574.150)	(3.182.426)
Interest expenses on lease liabilities	(706.158)	(714.550)
Net currency exchange	1.379.577	(332.257)
Fair value adjustment on warrant	5.358.479	250.929
Foreign Exchange Contract, fair value change	217.139	2.417.041
Total	760.392	(1.257.616)

8. Intangible assets

Development cost

The Company has worked on a development project regarding automated traceability. In the year 2012 the Company received confirmation from Rannís – The Icelandic Centre for Research, that the project was accepted as a development project according to Act no. 152/2009. With the confirmation the Company receives the right to a special reimbursement based on 25% (2023: 25%) of the cost directly attributable to the project. Development cost is specified as follows:

Balance at 1.1.	40.595.093	24.217.188
Capitalized wages and salary-related expenses	16.958.981	16.843.169
Capitalized other development costs	5.265.067	6.183.134
Depreciation capitilised as development cost	5.877.699	4.003.582
Calculated refund Rannís	(1.989.870)	(2.019.090)
Depreciation	(13.520.761)	(8.632.890)
Balance at 31.12.	53.186.209	40.595.093

The estimated reimbursement costs for the development project amounted to USD 2.0 m for the year 2024 (2023: USD 2.0 m).

Other intangible assets are trademarks and patents and are classified as follows:

Balance 1.1.	2.907.373	1.180.953
Additions	0	3.137.918
Depreciation	(1.155.079)	(1.411.498)
Balance at 31.12.	1.752.294	2.907.373
Depreciation ratios	25-30%	25-30%

Notes, contd.:

9. Operating assets

Specified as follows:

	Lease assets	Monitoring equipment	Office equipment	Total
Cost				
Balance at 1.1.2024	12.785.796	324.536.925	6.822.887	344.145.608
Reclass to Other receivables	0	0	(1.229.103)	(1.229.103)
Additions	0	2.469.930	23.347	2.493.277
Effect of revaluation of lease liabilities	221.929	0	0	221.929
Balance at 31.12.2024	13.007.725	327.006.855	5.617.131	345.631.711
Depreciation				
Balance at 31.12.2023	4.089.350	169.817.694	3.873.475	177.780.519
Depreciation	2.389.038	38.282.151	793.055	41.464.244
Balance at 31.12.2024	6.478.388	208.099.845	4.666.530	219.244.763
Carrying amounts				
Balance at 1.1.2023	9.248.605	206.567.094	3.319.885	219.135.584
Balance at 31.12.2023	8.696.446	154.719.231	2.949.412	166.365.088
Balance at 31.12.2024	6.529.337	118.907.010	950.601	126.386.947
Depreciation ratios	3-10%	25-30%	20-33%	

10. Shares in subsidiaries

The Company owns 100% shares in five subsidiaries and are specified as follows:

	2024	2023
Controlant Denmark ApS.	100%	100%
Controlant Inc,	100%	100%
Controlant Netherlands B.V	100%	100%
Controlant Poland Sp.z o.o	100%	100%
C-Loggers ehf.	100%	100%

11. Trade receivables

Trade receivables are specified as follows:

Trade receivables	9.374.643	21.237.135
Allowance for impairments	(123.843)	(111.679)
Total trade receivables	9.250.800	21.125.456

12. Other receivables

Other receivables are specified as follows:

Reimbursement costs for the development project (Rannís grant)	1.989.870	2.019.090
Value added tax deposit	346.330	855.923
Prepaid cost spreading	970.105	957.880
Other short term receivables	842.174	692.793
Total other receivables	4.148.479	4.525.686

13. Equity

Shares

The Company's share capital according to its Articles of Association amounts to ISK 916,382,513 at the end of 2024 and is divided into 161,129,867 A shares and 755,252,646 B shares. One vote is attached to each share in the Group. Class B Shareholders shall be granted priority in payments equivalent to their initial investments, see further in the Company's articles of association. The Company's share capital has been converted into USD in the Company's Balance Sheet.

Share premium

Share premium consists of excess value of sales price of share capital over nominal value. Accumulated deficit can be set off againt share premium.

Capitalized development cost

The carrying amount of capitalized development costs is transferred from retained earnings to a restricted account among equity in accordance with the International Financial Reporting Standards.

Unrealized profits of subsidiaries

In accordance with International Financial Reporting Standards, the share of the results of subsidiaries in the income statement is transferred from retained earnings to a restricted account in equity to the extent that the share exceeds the dividends received from these companies or the dividends that have been decided to be distributed.

Translation difference

The translation difference consists of exchange rate differences that arise due to the translation of the financial statements of foreign subsidiaries into the functional currency of the parent ompany.

Capital structure policy

It is the policy of the Board of Directors to maintain a strong equity position to support the future development and growth of the Company. The equity ratio was 25% at year-end 2024 compared to 25% at year-end 2023, but the large amount of deferred income skews this ratio considerably, and therefore must be considered when assessing the equity ratio.

14. Loans, borrowings and warrants

Loans and borrowings are specified as follows:	**2024**	**2023**
Loans and borrowing - maturity date July 2029	37.795.003	33.091.976
Loans and borrowing - maturity date November 2027	10.142.563	0
Total loans and borrowing	47.937.566	33.091.976

14. Loans, borrowings and warrants, contd.:

In November 2024, the Company entered into a USD 10,700,000 loan aggreement with repayment period of three years. The Company can extend the loan for two more years if certain conditions are met.

In July 2023, the Company entered into a USD 40,000,000 credit facility with a repayment period of six years. Prepayment is allowed after 31 December 2025, subject to a 2% prepayment fee.

The credit facility has quarterly interest payments in the range of 12-12.75%. The interest can be either, at the Company's discretion, (a) 12% interest rates or (b) a 6% interest rates with the remaining interest 6% + 0.75% PIK fee, or 6.75% added to notional. Interest rates are therefore in the range of 12-12.75%.

In relation to the credit facility, the Company issued penny warrants to the lender in conjunction with a USD 40 million credit facility issued in July 2023. The underlying option associated with these warrants has an approximate value of USD 7.5 million. At year end 2024 the fair value of the warrant was USD 2.1 million and USD 5.4 million are regonised as fair value adjustment in the income statement for the year 2024. The valuation of the option was determined using the Black-Scholes methodology. The total number of shares covered by these warrants is approximately 9.4 million shares. The strike price for these penny warrants is 1 ISK per share. The warrant can be exercised while the loan is unpaid.

Gains and losses on derivatives related to warrant loans

Interest expense	(7.189.193)	(2.789.264)
Fair value adjustment on warrant	5.358.479	250.929
	(1.830.714)	(2.538.335)

Warrant Classification:

Warrants are freestanding financial instruments that can be legally detached from the underlying shares. Pursuant to the requirements of IAS 32 Financial Instruments: Presentation, the Company classifies these warrants as financial liabilities. The reason for this classification is that the exercise price of the warrants is denominated in ISK, while the Company's functional currency is USD.

Accounting Treatment of warrant:

The outstanding warrants are recognized as warrant liabilities in the Consolidated Statement of Financial Position. Initially, their fair value is measured on the issuing date. Subsequently, at each reporting period, changes in fair value are recorded as a component of Change in Fair Value in the Consolidated Income Statement and other comprehensive income, following the guidelines of IFRS 13, Fair Value Measurement.

15. *Lease liabilities*

The Company leases office premises and warehouses. Lease liabilities are specified as follows:

	2024	2023
Carrying amount at 1.1.	9.120.233	9.943.542
New leases and effect of remeasurement of leases	505.667	1.711.406
Repayments	(3.014.873)	(2.534.715)
Total lease liabilities	6.611.027	9.120.233
Current maturities of non-current lease liabilities	(2.437.050)	(2.577.264)
Total non-current lease liabilities	4.173.978	6.542.970

Undiscounted leases liabilities are payable in the following years as follows:

Within 12 months	2.437.050	2.577.264
One to five years	4.394.966	5.925.760
More than five years	756.206	2.691.354
Total undiscounted lease liabilities	7.588.222	11.194.378
Unrealised interest expense	(977.194)	(2.074.143)
Net liabilities in leases	6.611.027	9.120.234

16. Related parties

The Company's related parties are its directors, management, companies owned by the directors and its subsidiaries. Information regarding salaries is in note 4.

Stock option agreement

Agreements have been made with management, other employees and advisors with outstanding nominal value of 23.2 million shares in accordance with the Board authority in the Articles of Association. The average purchase price in the agreements is ISK 41.30 per share. The agreements are exercisable in the years 2023-2031. They will only be settled with delivery of shares against the agreed payment.

Risk management

17. Overview

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operating risk

This note presents information on each of the above risks, objectives, policies and processes of the Group for measuring and managing risk.

The Group's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and to monitor it. Risk management policies and systems are reviewed regularly.

18. Credit risk

Credit risk refers to the potential loss arising from the failure of counterparties (such as customers, suppliers, or financial institutions) to fulfill their contractual obligations.

Key revenue pillars for the Company are few, large but financially strong, customers and write-offs of accounts receivables based off credit risk have historically been immaterial.

Exposure to credit risk

The Group's maximum exposure to credit risk of financial assets is their carrying amount which at year-end was as follows:

		Carrying amount	
	Notes	**2024**	**2023**
Trade receivables	11	9.250.800	21.125.456
Other receivables	12	4.148.479	4.525.686
Cash and cash equivalents		26.772.258	45.475.147
		40.171.537	71.126.289

At year-end the Group's most significant customer account for USD 3.6 m of trade receivables (2023: USD 16.9 m).

Changes in allowance for impairment in respect of trade receivables during the year were as follows:

	2024	**2023**
Balance at 1 January	(111.679)	0
Changes during the year	(12.164)	(111.679)
Balance at 31 December	(123.843)	(111.679)

Impairment of trade receivables in 2024 increased by USD 12 thousand.

Notes, contd.:

19. Liquidity risk

Liquidity risk is the risk of being unable to meet short-term financial obligations due to insufficient cash or liquid assets. The Company currently operates with negative cash flow following significant decline in revenues. To offset this risk, the Company raised USD 38 million in 2024 in capital in the form of both debt and equity.

As of year-end 2024, the Company had USD 26.8 million in cash. Management is actively executing on revenue growth strategies as well as cost reduction initiatives aligning the revenue profile and the cost base, laying the groundwork for operational profitability to further reduce the liquidity risk of the Company.

Contractual installments of liabilities, including expected interest payments, are specified as follows:

2024	**Carrying amount**	**Contractual cash flows**	**Less than 1 year**	**2-5 years**	**Later**
Non-derivative financial liabilities:					
Loans and borrowings	47.937.566	87.807.711	3.651.055	84.156.657	0
Lease liabilities	6.611.028	7.588.222	2.437.050	4.394.966	756.206
Trade payables	2.342.203	2.342.203	2.342.203	0	0
Other payables	5.945.194	5.945.194	5.945.194	0	0
	62.835.991	103.683.330	14.375.502	88.551.623	756.206

2023					
Non-derivative financial liabilities:					
Loans and borrowings	33.091.976	73.863.563	2.486.175	11.799.203	59.578.186
Lease liabilities	9.120.234	11.194.378	2.577.264	5.925.760	2.691.354
Trade payables	5.218.711	5.218.711	5.218.711	0	0
and other payables	8.832.688	8.832.686	8.832.686	0	0
	56.263.609	99.109.338	19.114.836	17.724.963	62.269.540

20. Market risk

Market risk is the risk that changes in market prices of foreign currencies and interests will affect the Group's financial position. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

The Company regularly evaluates its currency-related risks, as a large portion of its costs are incurred in Icelandic Krona while almost all of its revenues are generated in USD and other major currencies. To mitigate this risk, the Company has utilized ISK/USD currency hedges.

20. Market risk, contd:

The following significant exchange rates were applied during the year:

	Average rate		Reporting date spot rate	
	2024	2023	2024	2023
ISK / USD	0,0073	0,0072	0,0072	0,0073
EUR / USD	1,0825	1,0809	1,0444	1,1050
PLN / USD	0,2514	0,2381	0,2437	0,2546
DKK / USD	0,1451	0,1451	0,1396	0,1483

21. Operating risk

Operating risk is the risk of direct or indirect losses that could occur in many parts of the operations, work of employees, technology, organizational or external factors.
The Company aims at striking a balance between safeguarding against losses and fostering an innovative environment.

Operating risk applies to all parts of the operations. It’s the Company’s policy to manage operational risk as best as possible to minimize risk of financial losses and to protect the reputation of the Company, while still ensuring that the operating policies and procedures do not limit creativity and innovation of employees. To limit operational risk, the Company e.g. applies segregation of duties, performs regular risk assessments, systematically trains employees, applies and documents standard operating procedures and procures insurances as that applies.

It's worth mentioning that the Companys products are designed for a regulated industry. The products are validated to comply with FDA 21 CFR Part 11 and GMP Annex 11 compliance requirements.
The Controlant data loggers hold various certifications and country-specific approvals.

Risk assessment is conducted according to established standards, these include:
ISO 9001:2015: Quality management system standards.
ISO/IEC 27001:2013: Information security management system standards.
In addition, the Company undergoes annual SOC 2 Type 2 audit, which is a criteria for evaluating service organizations’ controls related to security, availability, processing integrity, confidentiality, and privacy.

22. Restatement of prior year financials

Comparative amounts in the consolidated financial statement have been restated. In the prior year, the capitalization of development costs related to depreciation was incorrectly deducted from other operating expenses instead of under depreciation.The restatement had no effect on EBIT, loss for the year and statement of financial positions at year end 2023. The restatement impacted following line items in the consolidated income statement:

	2023	Change	2023 restated
Total revenue	184.890.281	0	184.890.281
Cost of goods and services sold	(22.029.102)	0	(22.029.102)
Salaries and salary-related expenses	(50.035.039)	0	(50.035.039)
Other operating expenses	(8.154.269)	(4.003.582)	(12.157.851)
Depreciation and amortisation	(116.830.849)	4.003.582	(112.827.267)
Operating loss before financial income and expenses	(12.158.978)	0	(12.158.978)

Non-financial reporting

Controlant hf. (the "Company") is a global leader in the optimization of life sciences supply chains, with managed solutions comprising a validated visibility platform, real-time IoT devices, advanced analytics, and extensive customer services. Offering flexible and scalable business models, Controlant's vision is to deliver zero-waste supply chains through real-time visibility and automation.

Leading pharmaceutical companies and logistics providers trust Controlant as a validated source of data for their systems of record, making their operations significantly more reliable, cost-effective, and sustainable. Ultimately, Controlant helps ensure the best outcomes for patients—keeping people safe and improving access to life-saving medicines.

Founded in 2007, Controlant had an average of 437 FTE employees representing 36 nationalities in 2024.

Minimum safeguards, code of conduct and policies

Corporate Governance is the framework that defines how companies are directed and controlled. Controlant acknowledges that strong governance is essential for generating long-term value for all stakeholders, including shareholders, employees, customers, and the broader community. Controlant's commitment to a robust governance framework, respect for human rights, adherence to social and labor standards, anti-corruption measures, promotion of fair competition, and commitment to responsible taxation across all its activities serves as the cornerstone of its efforts to ensure compliance with minimum safeguard requirements. Furthermore, these minimum safeguards are reinforced through established Company policies, code of conduct, mandatory employee training, and external audits conducted by

Controlant operates according to relevant laws and regulations in Iceland. Its operations are guided by its Articles of Association as well as internal policies and procedures which take into consideration the guidelines on corporate governance, 6th edition, published by the Iceland Chamber of Commerce, S.A.- Confederation of Icelandic Enterprise and Nasdaq Iceland in 2021.

Controlant supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment, and anti-corruption and is committed to making the UN Global Compact and its principles a part of the strategy, culture and day-to-day operations of the Company. Controlant became a participant in the UN Global Compact in 2022. Recognizing the ongoing importance of minimum safeguards standards, Controlant remains committed to prioritizing these areas. The Company aims to prevent, detect, and address such activities within the organization to protect Controlant's reputation, values, and legal compliance – reflected in Controlant's policies such as Controlant's Anti-Bribery and Corruption Policy, Environmental Policy, Corporate Sustainability Policy, Health and Safety Policy, Procurement, Equality, Diversity, and Inclusion Policy, and Community Engagement Policy among others (available on Controlant.com and/or on request).

Controlant's code of conduct applies to all its employees and suppliers who provide services and support to Controlant. The code of conduct outlines commitment to fair, compliant, transparent, and sustainable business practices and governance structure. Controlant strives to fulfill the laws and regulations of the countries where it operates and expects nothing less from its partners.

Controlant maintains technical and organizational controls as defined by industry best practices. During 2024 the risk management function was further strengthened, particularly around improved risk documentation and standard operating processes for conducting risk assessments. As part of the risk assessment, risks are identified, analyzed, evaluated, and mitigation controls are adopted to reduce the operational risks of Controlant. The purpose of risk treatment is to define systematic means of reducing or controlling such risks. Controlant has a certified quality and information security management system based on ISO9001 and ISO27001, certified by the British Standard Institute Iceland. Policies on environmental issues, social and employee matters, human rights, and actions against corruption and bribery are in place in the management system of Controlant and formally trained out to all employees.

In 2024 Controlant performed its second climate-related risk and opportunity assessment in line with the Task Force on Climate-Related Financial Disclosures (TCFD). Selected risk causes and opportunity triggers deemed most relevant for Controlant are summarized in the following table.

Controlant conducts an annual corporate risk assessment, covering all organizational assets including sustainability and climate risk. Controlant has a three-stage risk management process (identification, assessment, response) to effectively address asset risks, including transitional and physical climate-related risk. In 2023, 136 corporate asset risks were identified, further assessed in a double heat map and mitigation steps put in place as deemed necessary by the Executive Team. During 2023 Controlant performed its first climate-related risk and opportunity assessment in line with the Task Force on Climate-Related Financial Disclosures (TCFD). Selected risk causes and opportunity triggers deemed most relevant for Controlant are summarized in the following table.

Non-financial reporting, contd.:

Risk type	Identifier	Main climate-related risk	Value chain stage where the risk occurs	Time horizon	Likelihood	Magnitude of impact		Likely potential financial impact	Primary response to risk
						1.5 °C scenario	2.5 °C scenario		
Transition risks	Policy	Changes to legislation such as ESG reporting, Renewable Energy Certificates, EU Green Claims Directive, WEEE, EPR and Iceland's Paris Agreement carbon reduction target	Direct operations	Short-term	Very likely	High	Medium	Increased compliance costs	Greater compliance with regulatory requirements
	Emerging regulation	Carbon tax and Carbon Border Adjustment Mechanism regulation	Direct operations	Medium-term	Very likely	Medium	Medium	Increased operating/compliance costs	Sustainable procurement practices
	Technology	Increased cost for material substitution to low emission options	Upstream value chain	Short- to Medium-term	Very likely	High	Medium	Increased operating costs	Establish end-of-life infrastructure
	Technology	Plastic: Transition to lower emissions technology and products	Upstream value chain	Short-term	Very likely	Medium-high	Medium	Increased operating costs	Move from single-use plastic products/packaging towards reuse models
	Market	Consumer pressure for sustainability leadership and market competitiveness	Downstream value chain	Short-to Medium-term	Very likely	High	Medium	Increased operating costs and potential reduced profitability	Sustainability integration into business strategy and operations
Physical risks	Acute	Rising temperatures, shifts in wind patterns, floods, earthquakes, and volcanic eruptions	Direct operations	Short- to Medium-term	Very likely	Low	Medium	Increased operating costs	Business Continuity Planning
	Chronic	Sustained high temperatures and sea level rise	Upstream value chain	Long-term	Likely	Low	High	Increased operating costs	Supplier screening and supplier audits
Transition opportunities	Products and services	Development and/or expansion of low emission goods and services	Direct operations	Medium-term	Very likely	Medium	Medium	Likely increased revenues resulting from increased demand for products and services	Life-cycle assessment to understand the carbon footprint of Controlant's solutions
	Products and services	Development of new products or services through R&D and innovation	Downstream value chain	Medium-term	Likely	Medium	Medium	Returns on investment in low-emission technology	Incorporating circular design thinking into future solutions
	Resilience	Participation in renewable energy programs and adoption of energy-efficiency measures	Direct operations	Short-term	Very likely	Medium-low	Medium-low	Likely increased access to capital	Measuring and reporting share of renewable electricity and renewable energy
	Market	Access to new markets	Downstream value chain	Medium-term	Likely	Medium-high	Medium-high	Likely increased revenues resulting from increased demand for products and services	Integrating sustainability criteria into Controlant's portfolio management framework

Notes: Company information. Short-term <0-3 yrs, Medium-term 3-10 yrs, Long-term >10-30 yrs. Potential financial impact both positive and negative cannot be fully assessed and is likely to be integrated into Controlant's day-to-day operations. Mitigating actions are evaluated to align with Controlant's business strategy to minimize negative effects and maximize opportunities, where possible.

Sustainability initiatives in which Controlant takes part:
· Festa, Centre for Sustainability in Iceland
· Science Based Targets initiative (SBTi)
· UN Global Compact
· UN Sustainable Development Goals

Corporate social responsibility

Throughout 2024 Controlant continued on its path toward corporate sustainability leadership as set out in 2023. With the aim to balance environmental, social, and economic performance. In line with market needs and strategic initiatives, Controlant continued simplifying its operating model to create a leaner and more flexible organization, while improving efficiency and reducing costs. The company's workforce was reduced from FTE of 545 in 2023 to 295 FTEs in 2024, to improve the company's cost structure, agility, and customer-centric focus, supporting Controlant in achieving its long-term goal of sustainable growth. Post-restructuring, 240 employees remained across five operational hubs. It should be noted that workforce reductions executed in November are still included in the full time equivalent at the end of the financial year.

Controlant's vision is to unleash the power of people and technology to deliver zero-waste supply chains for its partners and the planet. By reducing waste in one of the world's most critical supply chains, the Company is helping to shape the future of sustainable and responsible supply chains. Sustainability is a key value for Controlant and the Company is committed to corporate sustainability leadership.

The global nature of pharma supply chains requires seamless connectivity and collaboration. Partnerships play a pivotal role in Controlant's ability to deliver exceptional solutions. By combining advanced technology with strategic partnerships, Controlant continues to redefine what's possible in pharmaceutical supply chain management, delivering meaningful benefits to both patients and the planet. Stakeholder engagement with Controlant's customers, employees, suppliers, investors and the communities in which it operates is key to improving performance and creating shared value. In 2024 Controlant collaborated with Vodafone on a case study conducted by the Carbon Trust, highlighting the transformative potential of real-time monitoring in pharmaceutical supply chains. Furthermore, Controlant announced a partnership with SmartCAE to transform lane risk assessment and thermal packaging in pharma; a strategic partnership with FDK Corporation to strengthen battery performance; and Nippon Express on end-to-end monitoring of cargo status.

Controlant reports transparently on its sustainability journey, key milestones achieved, and ESG performance metrics aligned with the Nasdaq ESG data reporting guide 2.0. Controlant reports its progress towards corporate sustainability leadership through the Communication on Progress (accessible on unglobalcompact.org), providing a transparent account of Controlant's corporate sustainability activities and impacts aligned with the Ten Principles and the UN Sustainable Development Goals (UN SDG).

Non-financial reporting, contd.:

In 2024, Controlant participated for the second time in the UN SDG day, a united call for international cooperation to promote well-being and make the world a better place by 2030. Controlant prioritizes four of the UN SDGs. These goals are as follows:

·**Goal 9**, which focuses on building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation.
·**Goal 3**, which centers around ensuring healthy lives and promoting well-being for all individuals, regardless of age.
·**Goal 4**, which aims to guarantee inclusive and equitable quality education, in addition to promoting lifelong learning opportunities for all
·**Goal 13**, which emphasizes the urgent need to take action against climate change and its impacts

In 2024 Controlant launched an ESG Reporting Hub on Controlant.com/sustainability providing access to Controlant's sustainability reports and metrics to all stakeholders.

Controlant continued to drive measurable progress to enable zero-waste pharmaceutical supply chains. The importance of formal environmental, social, and governance (ESG) ratings is required by most of Controlant's customers in line with the industry's decarbonization efforts. Through ESG ratings Controlant can demonstrate and maintain transparency about its sustainability performance while aligning with shareholder expectations for sustainable business practices. Increased adoption of Controlant's sustainable solutions and encouraging feedback on the Company´s ESG ratings are indicators of successful stakeholder engagement, creating positive change.

As part of its commitment to environmental transparency, Controlant made its second annual environmental information submission to the Climate Disclosure Project (CDP), the global non-profit that runs the world's leading environmental disclosure platform awarded Controlant with a B rating, The rating marks an improvement from prior year's B- rating and highlights the company's steadfast progress toward a low-carbon economy, especially as CDP constantly raises the bar for what qualifies as environmental leadership. On a scale from D- to A for environmental leadership and best practice, Controlant scored an A/A- in the categories of scope 3 disclosure, industry collaboration, emission reduction initiatives, and low carbon products, supported by lifecycle assessment. This year's rating improvement was further supported by Controlant addressing environmental impact through policies, value chain engagement, and risk and governance processes.

Controlant has been rated Silver in its 2025 EcoVadis sustainability assessment, placing Controlant among the top 15% of over 150,000 rated companies across industries. EcoVadis is the world's leading provider of business sustainability ratings. This marks the second consecutive year that Controlant has achieved a silver rating. In the 2025 assessment, Controlant earned their highest overall score to date of 72/100, further solidifying its position as a sustainability leader for the life-sciences ecosystem.

The following table reflects Controlant's latest available ESG ratings as of March 2025.

	2024	2023	2022
CDP Climate	B	B-	-
EcoVadis	Silver (72/100)	Silver (66/100)	Bronze (50/100)

Environmental responsibility

Controlant achieved a 72% reduction in total emissions in 2024, staying firmly on track to meet its 2030 science-based target. In May 2023 Controlant had its science-based target validated and published by the Science Based Target initiative. Controlant commits to reducing absolute scope 1 and scope 2 greenhouse gas emissions by 42% by 2030 from a 2022 base year and committed to measuring and reducing its scope 3 emissions.

Combined emissions from scope 1 and 2 were lowered by 16% in 2024 compared to 2023 and reflect emission savings from the consolidation of various office spaces in Iceland and lower usage of the US service center in the fourth quarter. In Iceland, three office locations were consolidated into one office building, enhancing cross-functional collaboration and reducing the need for commuting between offices. This has however resulted in higher energy intensity for 2024, which the Company expects to reverse in 2025.

Emissions from scope 3 decreased by 75%, mainly due to purchased goods & services (category 1), less business travel (category 6), employee commuting (category 7), and lower emissions from downstream transportation and distribution (category 9) as highlighted in the Nasdaq ESG data table. By optimizing inventory management and shifting to greener logistics, Controlant cut emissions from purchased goods and services, Controlant's largest emission category, by 83% in 2024.

Non-financial reporting, contd.:

Carbon intensity to revenue decreased by 42% in 2024, reflecting the company's commitment to sustainable growth. In 2024, Controlant increased its renewable energy share to 93% (2023: 87%) which is aligned with Controlant's customers' goals on renewable energy sourcing.

A quantitative case study conducted by the London-based independent climate consultancy Carbon Trust, looked at the emissions avoided by using Controlant's real-time visibility solution to monitor global shipments of vaccines. The case study found that avoided emissions compared to the industry average was a reduction of 53 kg of CO2e per box, which is approximately 15% of the full life cycle emission of a box of vaccines. Taken together, 16,700 tons of CO2e were avoided for deliveries made in one year.

In 2024 Controlant signed up to the Sustainable Procurement Pledge and participated in the Pharma Chapter Best Practice Sharing Initiative, collaborating with its customers on demonstrating how Controlant's solutions create substantial life cycle Greenhouse Gas emission savings compared to the best performing alternative solution, thereby enabling Controlant's customers to deliver on their climate strategies.

In 2024 Controlant began creating end-of-life processes for its devices, enabling the reuse of components and the recycling of all plastic generated in its operations. These initiatives will contribute to minimizing plastic waste and enhancing sustainable supply chains.

Social responsibility

All employees of Controlant are employed in compliance with applicable labor laws and practices. Controlant does not use any forced labor or child labor in its operations. Controlant respects all rights of employees, including the right to associate freely, join or not join labor unions. Almost three-quarters of employees are covered under a collective bargaining agreement (2024: 74%). Employees can communicate openly with management regarding working conditions without threat of reprisal, intimidation, or harassment. Controlant provides its employees with a healthy working environment, all in compliance with applicable laws and regulations regarding the workplace. Discrimination of any kind is not tolerated.

The Company's culture is built around creating the best possible work environment for its employees. Valuing equality, diversity, and inclusion in the workplace where its people feel safe, supported, and included. Controlant is proud to be certified as an equal-pay employer in Iceland.

In 2024 Controlant launched its volunteer day initiative, which allows every employee to dedicate one workday every year to volunteer activities of their own choice.

UNICEF in Iceland and Controlant are united in raising awareness about the importance of childhood vaccinations and, in March 2024, partnered with the Chief Epidemiologist in Iceland to launch a joint campaign to raise awareness for child vaccinations.

In the US, Controlant partners with Employment Horizons to offer employment opportunities to individuals with special needs through its service center in New Jersey.

Controlant's core values

Creativity	We believe in fostering creativity and innovation.
Transparency	We believe in transparency in our work and with our customers.
Excellence	We believe in high quality and seeing the standard for excellence.
Fun	We believe in making work enjoyable; it keeps us coming back.

Corporate Governance Statement

Controlant hf. ("Controlant" or the "Company") is a public limited Company (non-listed) incorporated in Iceland, with its head office in Kópavogur, Iceland. The Company acknowledges that strong governance is essential for generating long-term value for all stakeholders, including shareholders, employees, customers, and the broader community. The following statement is provided in accordance with Article 66 (c) of the Icelandic Financial Statements Act no. 3/2006 and outlines the Company's approach to corporate governance.

The Company adheres to all relevant laws and regulations in Iceland, including Act no. 2/1995 on Public Limited Companies. The Company´s operations are guided by its Articles of Association alongside internal policies and procedures. The Company's Board of Directors has adopted Rules of Procedures, aligning with the guidelines on corporate governance, 6th edition, published by the Iceland Chamber of Commerce, S.A. - Confederation of Icelandic Enterprise and Nasdaq Iceland in 2021. The guidelines are available on the Iceland Chamber of Commerce website. The Company ensures compliance with these guidelines in all key areas, except for the Board´s current decision not to establish any sub-committees. Furthermore, a nomination committee has not been established.

The current remuneration policy for Controlant was approved at the Annual General Meeting held on 3 May 2024. The policy governs the remuneration of the members of the Board of Directors, the Co-CEOs and the executive team of the Company.

The Company´s rules of procedure for the Board of Directors, Articles of Association, and the Company´s remuneration policy are available on the Company's website at https://www.controlant.com/corporate-governance.

Board of Directors

The Board of Directors holds ultimate authority over Company matters between shareholder meetings, operating in accordance with Icelandic laws and regulations, the Company's Articles of Association and the Rules of Procedure adopted by the Board. The Board is elected by shareholders at each Annual General Meeting and consists of five Board members. Furthermore, two alternative members are elected. The Board is generally elected for the term of one year but, according to the Company's Articles of Association, a shareholder meeting may decide, at the meeting where board election takes place, that the term of office of the Board or of individual Board members will be different or split, given that a proposal is brought before the meeting, in relation to the election of the Board of Directors.

According to Icelandic law, the Board of Directors allocates responsibilities between its members. The Board of Directors elects a Chairman and Vice-Chairman and is responsible for the Company's organization, for setting the long-term objectives and strategy, and for ensuring the proper conduct of its operations. The Board of Directors has the authority to make decisions on all significant matters in accordance with the statutory division of responsibilities among the Board of Directors, the Co-CEOs, and the Executive Team. To achieve these objectives, the Board of Directors sets strategic goals and targets, and evaluates the performance of the Co-CEOs and the Executive Team.

The Board of Directors visits Company locations in Iceland and abroad on regular basis and meets with customers and investors to the extent required. Decisions of the Board of Directors are decided by a majority of votes. In the event of a tied vote, the Chairman has the casting vote, and in his or her absence the Vice-Chairman.

The Board of Directors was elected at the Company's Annual General Meeting on 3 May 2024 and consists of Søren Skou, Ásthildur Otharsdóttir, Kristín Friðgeirsdóttir, Trausti Þórmundsson and Steve Van Kuiken, all of whom were elected for a full term. Alternative members of the Board of Directors are Svanhvít Gunnarsdóttir, since 2021 and Magnús Magnússon, since 2019.

The Board of Directors comprises three men and two women, thereby ensuring the Company´s compliance with the gender ratio provisions outlined in Article 63 of the Act no. 2/1995 on Public Limited Companies. The Company´s Board members possess diverse educational background and extensive business experience. At year end 2024, four of the five Board members are considered independent of the Company and all members are considered independent of its major shareholders.

Søren Skou (60), Chairman of the Board

Søren holds an MBA with honors from IMD, Lausanne Switzerland and a graduate diploma in marketing from Copenhagen Business School. He is the chairman of VTG GmbH, Skyborn Renewables GmbH, HES International BV, Danish Crown AmbA, The Lundbeck Foundation,Bygma Gruppen A/S, C W Obel A/S and vice-chairman of Nokia OY. He is furthermore the chairman of The Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping. Previously he was the CEO of A. P. Møller Mærsk, where he had a career in shipping and logistics spanning almost 40 years. Søren is a globally recognized leader in Shipping and Logistics. As of 31 December 2024, Søren holds 4,999,999 shares in the Company through his holding company, Mithel Invest ApS.

Ásthildur Otharsdóttir (57), Vice- Chairman of the Board of Directors

Ásthildur holds an MBA degree from Rotterdam School of Management in the Netherlands as well as a Bachelor of Business Administration degree from the University of Iceland. Ásthildur is a partner at Frumtak Ventures. She is the Chairman of the board of 50skills, Alda, Ankeri, Plaio and Treble Technologies, as well as board member of Kaptio and Business Iceland. Frumtak Ventures is the manager of Frumtak 2 slhf. venture fund which, as of 31 December 2024, holds 57,697,334 shares in the Company.

Ásthildur has been a member of the Board of Directors of the Company since 2021, is a former Chairman and current Vice-Chairman. Ásthildur is considered independent of both the Company and its major shareholders. Ásthildur has no ties with the Company´s main customers or competitors.

Trausti Þórmundsson (53), member of the Board of Directors

Trausti holds a M.Sc. degree in Electrical Engineering from Stanford University and a B.Sc. degree in Electrical Engineering from the University of Iceland. Trausti is a technology leader with 20+ years' of progressive experience in driving advanced research teams and business outcomes in the semiconductor industry in various executive positions. Before joining the Company as Co-CEO in November 2024 he was a Director of Hardware Engineering at Google. Trausti holds 9,228,300 shares in the Company through direct ownership.

Trausti is a co-founder of the Company and has been a member of the Board of Directors since 2007. He is considered independent of the Company and its major shareholders and has no ties with the Company´s main customers or competitors. However, his independence status applied only during majority of the year, reflecting changes in his relationship with the Company during the reporting period.

Kristín Friðgeirsdóttir (53), member of the Board of Directors

Kristín holds a B.Sc. degree in Mechanical and Industrial Engineering from the University of Iceland, M.Sc degree in Financial Engineering and PhD in Management Science and Engineering from Stanford University. Kristín is the former CFO of Sýn hf. and was previously an Adjunct Professor at London Business School as well as an independent management consultant. Kristín is the former chairman of Hagar hf., former vice-chairman TM hf. and Kvika banki hf., as well as being a former board member of Distica hf. and Eik hf. Kristín owns 50% shares in Bolmagn ehf. which holds 416,600 shares in the Company.

Kristín has been a member of the Board of Directors since 2020 and is considered independent of the Company and its major shareholders. Kristín has no ties with the Company´s main customers or competitors.

Steve Van Kuiken (62), member of the Board of Directors

Steve has a B.A. in Economics and History from Hope College. Steve is a Senior Partner Emeritus of McKinsey & Company. Over his long career at McKinsey, Steve founded and led the firm’s healthcare technology practice and later founded and built their technology transformation practice, McKinsey Technology, a fast-growing $2B global business. He was also a long-time leader in the Life Sciences practice, serving large, global pharmaceutical and medical product organizations. Prior to McKinsey, Steve was Vice-President of IT at Baxter Healthcare and Senior Manager at Andersen Consulting. Steve is a board member in CitiusTech, Qualifyze and Exos Bioscience. Steve owns directly and is a beneficiary of 6,125,002 shares in the Company.

Steve has been a member of the Board of Directors of the Company since 2023 and is considered independent of the Company and its major shareholders. Steve has no ties with the Company´s main customers or competitors.

Corporate Governance Statement, contd.:

The Board of Directors held total of 24 meetings during the financial year, with average attendance rate of 96% amongst its members.

Executive Team of the Company

The senior management structure of the Company consists of the Board of Directors and the Executive Team, led by the Co-CEOs, each with distinctive roles and responsibilities to ensure effective oversight and management. The Executive Team is responsible for the daily management and operational execution of the Company's strategy, driving the business performance of the Company.

While the two governance levels remain separate, there was an overlap during the year, following appointment of board member, Trausti Þórmundsson as Co-CEO of the Company in November 2024. It has been communicated publicly that Trausti will step down from the Board of Directors no later than on the annual general meeting of the Company in 2025.

Gísli Herjólfsson (45), Co-CEO

Gísli has been the CEO since he co-founded the Company in 2007 and Co-CEO since November 2024. He has a master's degree in electrical engineering from the University of Iceland. Gísli is a member of the board of directors of several subsidiaries of the Company but does not hold any external directorships. As of 31 December 2022, Gísli holds 24,360,900 shares in the Company through his holding Company HB6 ehf. and an option to purchase up to 2,500,000 A-shares.

Trausti Þórmundsson (53), member of the Board of Directors

Trausti has been Co-CEO of the Company since November 2024. Full information on Trausti can be found in the section relating to the members of the Board of Directors above. Trausti has an option to purchase up to 5,000,000 A-shares.

The Co-CEOs are responsible for overseeing the daily operations of the Company, ensuring alignment with the policies and directives set by the Board of Directors. Together, they are accountable for the overall performance of the Executive Team. To fulfill these responsibilities, the Co-CEOs conduct regular evaluations and discussions with each member of the Executive Team, with formal performance evaluation taking place at least once a year. Furthermore, the Co-CEOs are accountable for ensuring that the Company's financial accounts comply with all applicable laws and regulations, while also safeguarding the Company's assets through secure and responsible management practices.

Executive Team

At year end 2024, the Executive Team of the Company consisted of the following seven members, each with clear task allocation and accountability:

- Gísli Herjólfsson, Co-Founder, Chief Executive Officer (Co-CEO)
- Trausti Þórmundsson,Co-Founder, Chief Executive Officer (Co-CEO)
- Erlingur Brynjúlfsson, Co-Founder, Chief Technology Officer (CTO)
- Guðmundur Árnason, Chief Financial Officer (CFO)
- Anna Karlsdóttir, Chief Quality Officer (CQO) & Head of HR
- Carsten Lutzhøft, Chief Product Officer (CPO)
- Áslaug S Hafsteinsdóttir, Chief Operational Officer (COO)

Further information on the Companies Executive Team is available on the Company´s website https://www.controlant.com/leadership-team.

Corporate Governance Statement, contd.:

Internal controls and risk management

The Company's objective is to ensure that internal controls and risk management processes are effective and efficient. Internal control and risk management are essential in protecting the Company's assets, ensuring accurate financial reporting and achieving our strategic goals. The Company's Board of Directors maintains a dialogue with the Company's Chief Executive Officers (the Co-CEOs) to identify, describe, and manage the financial business risks to which the Company might be exposed. Significant financial risks are outlined in the notes of the 2024 consolidated financial statements.

To ensure that the Company's accounting is applied in accordance with international accounting standards the Company emphasizes well defined responsibilities, normal job segregation along with monthly reporting and transparent operations. Standard operating procedures and work instructions are in place to ensure monitoring of correct revenue reconciliation and operating cost. Risk management is reviewed and assessed on an annual basis with the Company's Quality team and CFO with the purpose of minimizing risks and creating a reaction. All employees of the Company are obligated to complete training regarding their operating procedures and general work rules for the Company.

Monthly reporting is submitted to the Board of Directors for their review.

Internal controls and financial risk management

The Chief Financial Officer (CFO) is responsible for ensuring that the Company's financial processes are followed and that reporting is transparent, accurate, and compliant with applicable accounting standards, laws and regulations. The CFO reports to the CEOs.

External audit

An independent auditing firm is appointed annually at the Annual General Meeting (AGM). The external auditor examines the consolidated financial statements in accordance with generally recognized auditing standards (IFRS: International Financial Reporting Standards) and inspects accounting records and other materials relating to the Company's operation and financial position and expresses an opinion on the financial statements. The external auditor reports any significant findings on accounting matters and internal control deficiencies to the Board of Directors.

KPMG ehf. was elected as auditor of the Company at the AGM of the Company held on 3 May 2024. KPMG has audited and endorsed the Company's 2024 consolidated financial statements.

Diversity

The Company has established policies and principles related to equality, diversity, and inclusion, including equal opportunity and equal pay. The Cpmpany´s policy ensures equal opportunities, fair advancement, remuneration and gender equality, emphasizing the importance of treating all with dignity and respect regardless of gender, race, ancestry, ethnic origin, color, religion, marital status, sexual orientation, age, physical or mental disability, pregnancy or childbirth. All harassment, violence, and bullying are strictly prohibited. The policy is prepared in accordance with Icelandic Act No. 150/2020 on the Equal Position and Equal Rights of Women and Men. Controlant is certified as equal-pay employer in Iceland.

The Board of the Company follows the provisions on gender equality set out in the Icelandic Companies Act No. 2/1995 and gender diversity within the Board of Directors remains stable at 40%.

Gender diversity (female/male ratio)	2024	2023	2022
Board of Directors	40/60	40/60	40/60
Executive Team	23/77	38/62	43/57
Overall Organization	41/59	42/58	41/59

Corporate Governance Statement, contd.:

Communication between shareholders and the Board of Directors

Shareholder meetings, as governed by the Company's Articles of Association and statutory law, serve as the highest authority within the Company and form the primary means of communication between shareholders and the Board of Directors. The annual AGM shall, in accordance with the Articles of Association, be held before the end of August each year, and other shareholder meetings are convened as deemed necessary.

Shareholder meetings, including the AGM, shall, in accordance with the Articles of Association, be called by electronic means with notice to the shareholders. The AGM is called no less than 14 days in advance and extraordinary meetings no less than 7 days in advance. The Chairman is the authorized spokesperson of the Board of Directors.

Compliance with laws and regulations

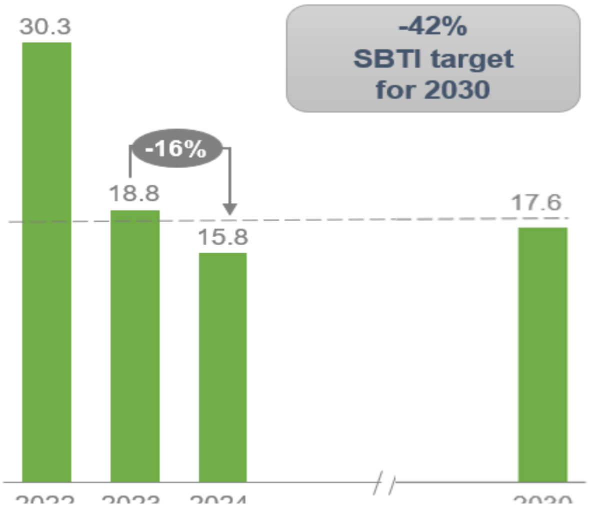
The Company has not been found in breach of any laws or regulations and has no ongoing legal disputes.

The Board of Directors annually reviews and approves the Corporate Governance Statement. This Corporate Governance Statement was examined and approved at a meeting of the Board of Directors on the 14 April 2025.

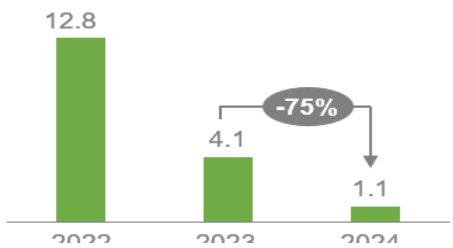
Controlant's Sustainability Highlights 2024

Controlant has further reduced total emissions in 2024 by 72%, which means it is on track to meet its 2030 science-based target.

Controlant has reduced **Scope 1+2** emissions in 2024 by 16%



Controlant has reduced **Scope 3** emissions in 2024 by 75%



Scope 1 and 2 absolute emission reduction	Measure and reduce scope 3 emissions	Carbon intensity to revenue lowered by	Share of renewable energy
16%	**75%**	**36%**	**93%**
(compared to 2023)	(compared to 2023)		

2024 ESG highlights

- **20-74** Age range
- **36** Nationalities
- **41%** Female representation among total workforce
- **46%** People leaders' positions held by women
- **90%** Renewable electricity
- Impact case study with Vodafone and the Carbon Trust
- Signed up to the Sustainable Procurement Pledge
- Improved ratings from EcoVadis & CDP
- Launched employee training budget
- Volunteering Day launched
- Child vaccination awareness campaign with UNICEF in Iceland
- ISO 9001, ISO 27001, SOC 2 and Equal Pay certifications

NASDAQ ESG Indicator

	Nasdaq ESG indicator		Unit	2024	2023
Environmental indicators	**E1.**	**Total GHG Emissions**	tonnes CO_2 eq	**1,142.6**	**4,075.0**
	E1.1	Total amount, in CO2 equivalents, for Scope 1	tonnes CO_2 eq	1.0	0.6
	E1.2	Total amount, in CO2 equivalents, for Scope 2 (location-based)	tonnes CO_2 eq	32.9	37.0
	E1.2	Total amount, in CO2 equivalents, for Scope 2 (market-based)	tonnes CO_2 eq	14.8	18.2
		Total amount, in CO2 equivalents, for Scope 1 and Scope 2 (market-based)	tonnes CO_2 eq	**15.8**	**18.8**
	E1.3	Total amount, in CO2 equivalents, for Scope 3	tonnes CO_2 eq	**1,126.8**	**4,056.2**
		of which is Cat. 1 - purchased goods & services	tonnes CO_2 eq	489.5	2,881.5
		of which is Cat. 2 - capital goods	tonnes CO_2 eq	0.0	3.1
		of which is Cat. 3 - fuel and energy-related activities	tonnes CO_2 eq	7.6	7.9
		of which is Cat. 4 - upstream transportation	tonnes CO_2 eq	0.2	14.0
		of which is Cat. 5 - waste generated in operations	tonnes CO_2 eq	13.3	16.0
		of which is Cat. 6 - business travel	tonnes CO_2 eq	449.6	670.8
		of which is Cat. 7 - employee commuting	tonnes CO_2 eq	124.9	299.6
		of which is Cat. 8 - upstream leased assets	tonnes CO_2 eq	38.3	40.6
		of which is Cat. 9 - downstream transportation and distribution	tonnes CO_2 eq	3.6	122.9
	E2.	**Emissions Intensity**			
	E2.1	Total GhG emissions relative to revenues	tonnes CO_2 eq per USD 1m revenues	14.2	22.0
	E2.2	Total GhG emissions relative to employees	tonnes CO_2 eq per FTE	4.9	7.2
	E2.3	Total GhG emissions relative to square meters	kg CO_2 eq per m²	137.8	446.1
	E3.	**Energy Consumption**			
	E3.1	Total amount of energy directly consumed	MWh	2,860.3	1,968.5
	E3.2	Total amount of energy indirectly consumed	1,000 tonnes	-	-
	E4.	**Energy Intensity**			
	E4.1	Total direct energy usage per output scaling factor	MWh per USD 1m revenues	35.5	10.6
	E5.	**Energy Mix**			
	E5.1	Percentage: Electricity usage by generation type	% of renewable electricity	90.4	88.7
	E5.2	Percentage: Energy usage by generation type	% of renewable energy	92.6	86.9
	E6.	**Water Usage**			
	E6.1	Total amount of water consumed	1,000 m³	-	-
	E7.	**Environmental Operations**			
	E7.1	Does your company follow a formal Environmental Policy?	Yes/No	Yes	Yes
	E7.2	Does your company follow specific waste, water, energy, and/or recycling polices?	Yes/No	Yes	Yes
	E7.3	Does your company use a recognized energy management system?	Yes/No	No	No
	E8.	**Climate Oversight / Board**			
		Does your Board of Directors oversee and/or manage climate-related risks?	Yes/No	Yes	Yes
	E9.	**Climate Oversight / Management**			
		Does your Senior Management Team oversee and/or manage climate-related risks?	Yes/No	Yes	Yes
	E10.	**Climate Risk Mitigation**			
		Total amount invested in climate-related product development	% of revenue	26%	11%
Social indicators	**S1.**	**CEO Pay Ratio**			
	S1.1	CEO total compensation to monthly median FTE total compensation	%	4.5:1	4.7:1
	S1.2	Does your company report this metric in regulatory filings?	Yes/No	No	No
	S2.	**Gender Pay Ratio**			
		Gender pay gap in favor of men (Iceland only, conducted by auditor BSI)	%	2.5	0.7
	S3.	**Employee Turnover**			
	S3.1	Year-over-year change for full-time employees	%	46	32
	S3.2	Voluntary turnover ratio	%	20	12
	S4.	**Gender Diversity**			
	S4.1	Total enterprise headcount held by women and men	%	41/59	42/58
	S4.2	Executive-level positions held by women and men	%	23/77	38/62
	S4.3	Senior leadership (SVP, VP) positions held be women and men	%	39/61	44/56
	S4.4	People leaders (Managers) positions held by women and men	%	46/54	40/60
	S5.	**Temporary Worker Ratio**			
	S5.1	Total enterprise headcount held by part-time employees	%	2.0	0.8
	S5.2	Total contingent workers	%	6.3	3.7*
	S6.	**Non-Discrimination**			
		Does your company follow a sexual harassment and/or non-discrimination policy?	Yes/No	Yes	Yes
	S7.	**Injury Rate**			
		Frequency of injury events relative to total workforce time	TRIR	0.7	0.9
	S8.	**Global Health & Safety**			
		Does your company follow an occupational health and/or global health & safety policy?	Yes/No	Yes	Yes
	S9.	**Child & Forced Labor**			
	S9.1	Does your company follow a child and/or forced labor policy?	Yes/No	Yes	Yes
	S9.2	If yes, does your child and/or forced labor policy cover suppliers and vendors?	Yes/No	Yes	Yes
	S10.	**Human Rights**			
	S10.1	Does your company follow a human rights policy?	Yes/No	Yes	Yes
	S10.2	If yes, does your human rights policy cover suppliers and vendors?	Yes/No	Yes	Yes
Corporate governance indicators	**G1.**	**Board Diversity**			
	G1.1	Total board seats occupied by women and men	%	40/60	40/60
	G1.2	Committee chairs occupied by women and men	%	-	-
	G2.	**Board Independence**			
	G2.1	Does company prohibit CEO from serving as board chair?	Yes/No	Yes	Yes
	G2.2	Total board seats occupied by independents	%	80	100
	G3.	**Incentivized Pay**			
		Are executives formally incentivized to perform on sustainability?	Yes/No	No	No
	G4.	**Collective Bargaining**			
		Total enterprise headcount covered by collective bargaining agreement(s)	%	74	95
	G5.	**Supplier Code of Conduct**			
	G5.1	Are your vendors or suppliers required to follow a Code of Conduct?	Yes/No	Yes	Yes
	G5.2	If yes, what percentage of your suppliers have formally certified their compliance with the code?	%	-	-
	G6.	**Ethics & Anti-Corruption**			
	G6.1	Does your company follow an Ethics and/or Anti-Corruption policy?	Yes/No	Yes	Yes
	G6.2	If yes, what percentage of your workforce has formally certified its compliance with the policy?	%	93	76
	G7.	**Data Privacy**			
	G7.1	Does your company follow a Data Privacy policy?	Yes/No	Yes	Yes
	G7.2	Has your company taken steps to comply with GDPR rules?	Yes/No	Yes	Yes
	G8.	**ESG Reporting**			
	G8.1	Does your company publish a sustainability report?	Yes/No	Yes	Yes
	G8.2	Is sustainability data included in your regulatory filings?	Yes/No	Yes	Yes
	G9.	**Disclosure Practices**			
	G9.1	Does your company provide sustainability data to sustainability reporting frameworks?	Yes/No	Yes	Yes
	G9.2	Does your company focus on specific UN Sustainable Development Goals?	Yes/No	Yes: 3, 4, 9, 13	Yes: 3, 4, 9, 13
	G9.3	Does your company set targets and report progress on the UN SDGs?	Yes/No	Yes	Yes
	G10.	**External Assurance**			
	G10.1	Are your sustainability disclosures assured or validated by a third party?	Yes/No	No	No

* Restated figure due to better data availability

EU Taxonomy

This is the second EU Taxonomy disclosure by Controlant. The EU Taxonomy is a classification system to identify environmentally sustainable economic activities. Environmentally sustainable economic activities are described as those which make a substantial contribution to at least one of the EU's climate and environmental objectives, while at the same time not significantly harming any of these objectives and meeting minimum safeguards.

In accordance with Article 8 of Regulation 2020/852 of the European Parliament and the Council, and Delegated Regulation 2021/2178 of the European Commission, Controlant reports its contribution to the European Union's environmental objectives related to climate change mitigation and climate change adaptation.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation and uncertainties. Starting from 2023, Controlant reports the shares of revenue, capital expenditure (capex), and operating expenditure (opex) that are aligned with the taxonomy, in addition to the shares that are eligible under the taxonomy.

Approximately 29% of Controlant's economic activities from a revenue-, 100% from a capital expenditure-, and 47% from an operational expenditure perspective are taxonomy-eligible, while they do not meet the stringent taxonomy technical screening criteria, to be considered environmentally sustainable.

Controlant's process for determining taxonomy-eligible activities (the nominator of the taxonomy KPIs) has followed the following approach:

Defining the eligible activities and assessing for taxonomy alignment

Taxonomy-eligible economic activities are considered environmentally sustainable and aligned if they significantly contribute to one of the six EU environmental objectives, without causing significant harm to other environmental objectives known as the do-no-significant-harm criteria.

The six environmental objectives:

Controlant supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment, and anti-corruption and is committed to making the UN Global Compact and its principles a part of the strategy, culture and day-to-day operations of the Company. Controlant became a participant in the UN Global Compact in 2022. Recognizing the ongoing importance of minimum safeguards standards, Controlant remains committed to prioritizing these areas. The Company aims to prevent, detect, and address such activities within the organization to protect Controlant's reputation, values, and legal compliance – reflected in Controlant's policies such as Controlant's Anti-Bribery and Corruption Policy, Environmental Policy, Corporate Sustainability Policy, Health and Safety Policy, Procurement, Equality, Diversity, and Inclusion Policy, and Community Engagement Policy among others (available on Controlant.com and/or on request).

Eligibility does not determine whether an economic activity is sustainable, but rather whether Controlant's taxonomy eligible economic activities meet the technical requirements of the taxonomy, as summarized in the following table.

EU Taxonomy, contd.:

Controlant's Taxonomy-eligible activities

NACE	Sector	Activity Number	Contribution Type
J62, J63.11	Information and communication	8.2	Enabling
Description			Substantial contribution assessment
Development or use of ICT solutions that are aimed at collecting, transmitting, storing data and at its modelling and use where those activities are predominantly aimed at the provision of data and analytics enabling GHG emission reductions. The economic activity covers computer programming, consultancy and related activities and data processing, hosting, and related activities.			Controlant's solutions are predominantly used for the provision of data and analytics enabling GHG emission reductions for its customers, fully in line with Controlant's zero-waste vision. Controlant's solution demonstrates substantial life-cycle GHG emission savings compared to the best performing alternative solution. In 2023 Controlant conducted an internal life-cycle assessment on the Saga Logger according to ISO14040 and 14044 standards, assessing a range of environmental impacts, from Global Warming Potential to Terrestrial Ecotoxicity, ensuring a holistic assessment. While not third party verified Controlant utilized the third-party ISO-standard modelling tool Ecochain and the Ecoinvent database to ensure data accuracy and credibility in its calculations. Controlant's product environmental report for the Saga Logger is publicly accessible. In 2024 Vodafone and Controlant worked together with independent consultancy the Carbon Trust on a case study on avoided emissions, with the results of the study publicly available on Controlant's and Vodafone's websites. As Controlant's life-cycle assessment is not third-party audited, the stringent technical screening criteria to be considered environmentally sustainable are not met.

NACE	Sector	Activity Number	Contribution Type
C27	Services	5.5	Enabling
Description			Substantial contribution assessment
Product-as-a-service and other circular use- and result-oriented service models. Providing customers with access to products through service models, which are either use-oriented services, where the product is still central, but its ownership remains with the provider and the product is rented; or result-oriented, where the payment is pre-defined and the agreed result (i.e., pay per service unit) is delivered. The economic activity covers products that are manufactured by economic activities classified under the NACE codes C27 Manufacture of electrical equipment.			Controlant's cold chain as a service model enables a circular economy. Controlant provides its customers with access to, and use of products, while the ownership remains with Controlant, providing this service. The contractual terms and conditions ensure that all the following sub-criteria are met: there is an obligation for Controlant to take back the used product at the end of the contractual agreement; there is an obligation for the customer to give back the used product at the end of the contractual agreement; Controlant remains owner of the product; the customer pays for access to and use of the product, or the result of access to and use of this product. Furthermore, the activity leads to an extended lifespan or increased use intensity of the product in practice.

EU Taxonomy, contd.:

Classifying for no significant harm and meeting minimum safeguards

Moreover, Controlant assessed that its economic activity does ´no significant harm´ (DNSH) to the remaining environmental objectives.

Controlant adheres to the necessary frameworks for minimum safeguards, encompassing respect for human rights, social and labor standards, anticorruption measures, fair competition, and taxation across all activities, and is built into the value chain. Controlant's internal controls, risk management framework, and employee training equip the organization to prevent, mitigate, and remediate adverse impacts.

Controlant supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment, and anti-corruption and discloses through the annual Communication on Progress which is accessible to all our stakeholders (https://unglobalcompact.org/what-is-gc/participants/151101-Controlant). Those principles are embedded throughout the operation of the organization, from the code of conduct- to specific policies such as the procurement policy, to standard operating procedures, supplier assessments, and internal audits.

All employees receive regular mandatory training that includes topics such as anti-bribery and corruption. As described in Controlant's 2024 Corporate Governance Statement, the co-CEOs are responsible for overseeing the daily operations of the Company, ensuring alignment with the policies. Activities around anti-bribery and corruption, competition, and taxation are addressed in collaboration with Controlant's Legal and Finance teams. Oftentimes Controlant's customers address these safeguards through their code of conduct and business contracts with Controlant that the organization adheres to.

Controlant's governance framework and aligned global processes ensure that Controlant upholds and meets the requirements under the minimum safeguards. For further details please see Controlant's Nasdaq ESG disclosure (particularly S6, S8, S9, S10, G7, and G9 covering aspects of human rights; section G6 covering anti-bribery and corruption); Controlant's 2024 Corporate Governance Statement describing internal controls and responsibilities, and the notes to the 2024 Financial Statements on taxation.

Taxonomy KPI reporting

Controlant is disclosing the proportion of its turnover, capital and operating expenditures (CapEx and OpEx) for the combined economic activities that are taxonomy-eligible and taxonomy-aligned to avoid double counting.

The taxonomy KPIs have been calculated as follows:

- taxonomy revenue KPI = Eligible revenue/Total revenue
- taxonomy CAPEX KPI (additions) = Eligible CAPEX/Total CAPEX
- taxonomy OPEX KPI = Eligible OPEX/Total OPEX

Explanatory note

Reporting principles

Transparency is one of Controlant's core values. In 2024 Controlant launched an ESG Reporting Hub on Controlant.com/sustainability providing free access to Controlant's sustainability reports and metrics to stakeholders. By disclosing the company's ESG performance, Controlant steers towards sustainability leadership for the life sciences ecosystem, enabling its customers and business partners to meet their climate commitments, and for Controlant's shareholders to make more informed decisions.

Controlant aims to give a fair representation of Controlant's sustainability activities and progress by following best-practice guidelines and internationally recognized ESG reporting standards, such as the Greenhouse Gas (GHG) Protocol, an international environmental accounting standard, and frameworks such as the UN Global Compact. The data is referenced to Nasdaq's ESG Reporting Guide 2.0 where applicable.

As a company that is going through different growth phases, ESG data from new locations is brought in as soon as the following two criteria are met: location needs to be in use, and a certain confidence level in data quality achieved; applying a grace period of no more than 12 months.

Controlant's ESG reporting reflects its ESG maturity profile and the company's financial calendar year, from January until December.

Operational control approach

Controlant's environmental information is prepared using the operational control methodology. The business activities performed across these locations are grouped into offices and service centers.

EU Taxonomy, contd.:

Environmental performance

Absolute CO reduction

Controlant reports on absolute CO2 emissions reductions, with 2022 as the base year, per the Science Based Targets initiative. Controlant commits to reducing absolute scope 1 and scope 2 GHG emissions by 42% by 2030, and to measure and reduce its scope 3 emissions.

Scope 1: Direct emissions from Controlant's activities, including fugitive emissions (refrigerants) and emissions from operating Company cars with internal combustion engines.
Scope 2: Indirect emissions from Controlant's activities. In 2022, Controlant's reporting was limited to location-based carbon emissions due to the unavailability of renewable energy certificates in Iceland. Energy attribute certificates in Iceland were introduced again in 2023, enabling Controlant to report market-based emissions.
Scope 3:Indirect emissions from Controlant's value chain, including the following nine categories:
Category 1: Purchased goods and services such as IT equipment, office furniture, IoT devices, and batteries for increased lifetime of the loggers.
Category 2: Capital goods such as cooling/calibration machines for Controlant's services centers.
Category 3: Fuel and energy-related activities such as indirect emissions from the production of fuels and energy purchased and consumed by Controlant, not included in Scope 1 and 2.
Category 4: Upstream transportation from shipping IoT devices to Controlant's service centers.
Category 5: Waste generated in own operations such as offices and service centers.
Category 6: Business travel includes emissions from business flights.
Category 7: Employee commute emissions calculated from a bi-annual employee survey.
Category 8: Upstream leased assets associated with the heating of Controlant's rented properties with no direct control over the energy usage.
Category 9: Downstream transportation and distribution of IoT devices from Controlant's service centers to customers.

Renewable energy

Includes hydro and geothermal in Iceland for electricity and heating, while a mix of hydro, solar, wind, and biomass in other European locations.

Social performance

Headcount

Defined as all employees with an employment contract with Controlant and on payroll at year-end. Excluded are employees on unpaid leave (except parental leave) and contractors.

FTE

Defined as full-time-equivalent employees at year-end excluding contractors.

Injury rate

Total recordable incident rate (TRIR) based on number of reported work-related accidents.

Financial year 2024				Substantial Contribution Criteria						DNSH criteria (Do No Significant Harm)									
Economic Activities	Codes	Turnover	Proportion of Turnover	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Taxonomy aligned (A.1) or - eligible (A.2) proportion of total turnover, year 2023	Category (enabling activity)	Category (transitional activity)
Text		*USD*	*%*	*N, N/E*	*N, N/E*	*N, N/E*	*N, N/E*	*N, N/E*	*N, N/E*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (taxonomy aligned)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional		0	0%							N	N	N	N	N	N	N	0%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0%**		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Product-as-a-service and other circular use- and result-oriented service models	5,5	23.443.116	29%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								45%		
Total (A.1+A.2)		**23.443.116**	**29%**	29%	0%	0%	0%	0%	0%								45%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**57.168.625**	**71%**																
Total (A+B)		**80.611.741**	**100%**																

***Y - Yes, N - No, EL - eligible, N/EL - Non-eligble**

Financial year 2024				Substantial Contribution Criteria						DNSH criteria (Do No Significant Harm)									
Economic Activities	Codes	CapEx	Proportion of CapEx	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Taxonomy aligned (A.1) or - eligible (A.2) proportion of total CapEx, year 2023	Category (enabling activity)	Category (transitional activity)
Text		*USD*	*%*	*;N, N/E*	*N, N/E*	*N, N/E*	*N, N/E*	*N, N/E*	*N, N/E*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (taxonomy aligned)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional		0	0%							N	N	N	N	N	N	N	0%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0%**		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Data-driven solutions for GHG emissions reductions	8,2	30.571.086	100%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								100%		
Total (A.1+A.2)		**30.571.086**	**100%**	100%	0%	0%	0%	0%	0%								100%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**0**	**0%**																
Total (A+B)		**30.571.086**	**100%**																

***Y - Yes, N - No, EL - eligible, N/EL - Non-eligble**

Financial year 2024				Substantial Contribution Criteria						DNSH criteria (Do No Significant Harm)									
Economic Activities	Codes	OpEx	Proportion of OpEx	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Taxonomy aligned (A.1) or - eligible (A.2) proportion of total OpEx, year 2023	Category (enabling activity)	Category (transitional activity)
Text		*USD*	*%*	*Y,N, N/EL*	*N, N/E*	*N, N/E*	*N, N/E*	*N, N/E*	*N, N/E*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (taxonomy aligned)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional		0	0%							N	N	N	N	N	N	N	0%		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0%**		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Data-driven solutions for GHG emissions reductions	8,2	29.034.536	47%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								63%		
Total (A.1+A.2)		**29.034.536**	**47%**	47%	0%	0%	0%	0%	0%								63%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**32.876.793**	**53%**																
Total (A+B)		**61.911.329**	**100%**																

***Y - Yes, N - No, EL - eligible, N/EL - Non-eligble**