DRIVING TECHNOLOGY FORWARD

MOTORK

ANNUAL REPORT 2024

We fuel digital innovation for the automotive industry.

We shape the industry's digital future by equipping manufacturers and dealerships with AI-powered technology that enhances efficiency and growth.

WE ARE MOTORK

"At MotorK, we are committed to excellence and relentless pursuit of innovation.

Innovation isn't just part of our strategy, it's in our DNA. As pioneers in AI-driven automotive retail, we push boundaries and deliver intelligent, scalable solutions. We call ourselves SparKers because we ignite change, leading the digital revolution in mobility. Technology evolves gradually - until it transforms everything at once. We believe we are at that turning point, and MotorK is at the forefront, driving the industry forward."

Marco Marlia
Chief Executive Officer

HIGHLIGHTS

Revenues
€40.3m
Restated 2023: €38.5m

Committed annual recurring revenues (CARR)[1]
€36.6m
Restated 2023: €34.5m

Net cash[2]
€3.4m
2023: €3.5m

Adjusted EBITDA[3]
-€0.5m
Restated 2023: -€5.2m

Cash EBITDA[4]
-€8.8m
Restated 2023: -€15.2m

PDF/PRINTED VERSION

This document is the PDF/printed version of MotorK's 2024 Annual Report and has been prepared for ease of use. The 2024 Annual Report in European Single Electronic Format (ESEF) is the official version. The ESEF reporting package is available on the Company's website. In case of any discrepancies between this PDF version and the ESEF reporting package, the latter prevails.

ABOUT THIS REPORT

This report is intended to inform stakeholder groups that have an impact on, or are impacted by, our business. This includes customers, investors and shareholders, regulators and supervisors, employees, government authorities and non-governmental organisations. It aims to give our stakeholders a balanced overview of our activities and MotorK's ability to create and sustain value. We welcome reactions and views, which can be emailed to investors@motork.io. Additional disclosures are available on investors@motork.io.

FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. Such forward-looking statements speak only as of the date of this Annual Report and are expressly qualified in their entirety by the cautionary statements included in this Annual Report. Without prejudice to its obligations under Dutch law and English law in relation to disclosure and ongoing information, the Company undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Nothing in this Annual Report should be construed as a profit forecast.

1 This is a non-GAAP measure considered relevant by management and it is considered a Group Alternative Performance Measure (APM). Reconciliation with the accounts is provided on page 154 of this Annual Report.
2 It is equivalent to the caption Cash on hand and cash at banks reported in the Consolidated Statement of Financial Position on page 94 of this Annual Report.
3 This is a non-GAAP measure considered relevant by management and it is considered a Group APM. Reconciliation with the accounts is provided on page 156 of this Annual Report.
4 This is a non-GAAP measure considered relevant by management and it is considered a Group APM. Reconciliation with the accounts is provided on page 157 of this Annual Report.

WE ARE MOTORK

Tech mindset, automotive focus

SIMPLIFYING THE DIGITAL LANDSCAPE

We are a leading and fast-growing software as a service (SaaS) provider for the automotive retail industry in the Europe, Middle East and Africa (EMEA) region.

We empower car dealers and original equipment manufacturers (OEMs) to improve their customer experience through a broad suite of fully integrated digital products and services.

OUR PLATFORM

Our open and scalable automotive retail platform, SparK, enables dealers and OEMs to move in step with changing consumer behaviour by integrating sales, marketing and operations activities into a single, cost-effective outsourced solution.

Integrations

300+

automotive-specific features

A TRUSTED PARTNER

Enterprise customers

30

2023: 38

Retail customer base

6,000

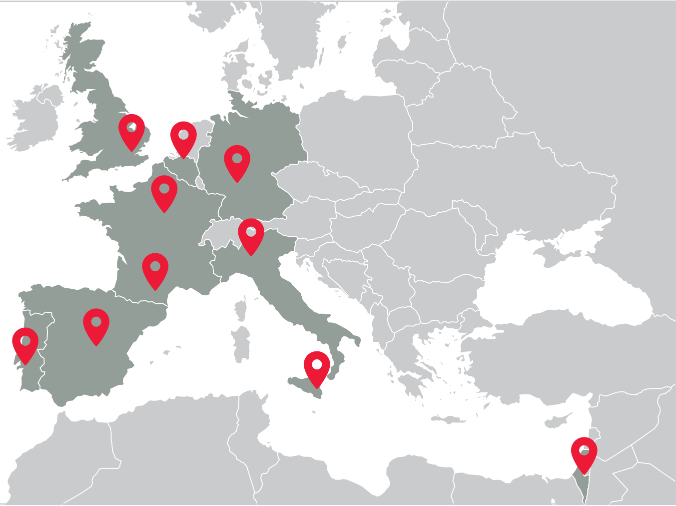
2023: 5,200

Innovation is at the heart of our DNA

READ MORE ABOUT OUR BUSINESS MODEL:
PAGE 18

BROAD GEOGRAPHICAL FOOTPRINT

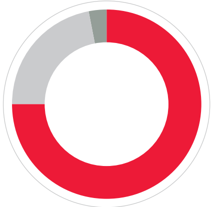
We operate through 10 offices in 8 countries, employing 385 people[1].



1 This is the number of employees at the end of the reporting period (please refer to the Financial and Non-Financial KPIs section on page 40).

REVENUE

Revenue mix



- SaaS platform **75%** (2023: 73%)*
- Digital marketing **22%** (2023: 20%)
- Other revenues **3%** (2023: 7%)

*It includes Contract start-up revenue. Please refer to the Financial and Operating review Section on page 35 for further details.

DRIVING INNOVATION AND GROWTH

Everything we do is aligned to achieve our vision.

OUR VISION
To be the most trusted technology partner for mobility distribution.

OUR MISSION
We shape the future of mobility.

OUR VALUES

CUSTOMER *OBSESSED*

FORWARD *THINKING*

RESULT *DRIVEN*

ALWAYS *AMBITIOUS*

EMPOWERING *INCLUSION*

READ MORE: **PAGE 19**

OUR FOUNDATIONS

TECHNOLOGY
We are a natively digital Company: innovation is deeply rooted in our DNA.

READ MORE: **PAGE 5**

MOBILITY
We speak the language of mobility: we understand the industry and its challenges.

READ MORE: **PAGE 6**

PEOPLE
We design technology to create value for mobility players and customers.

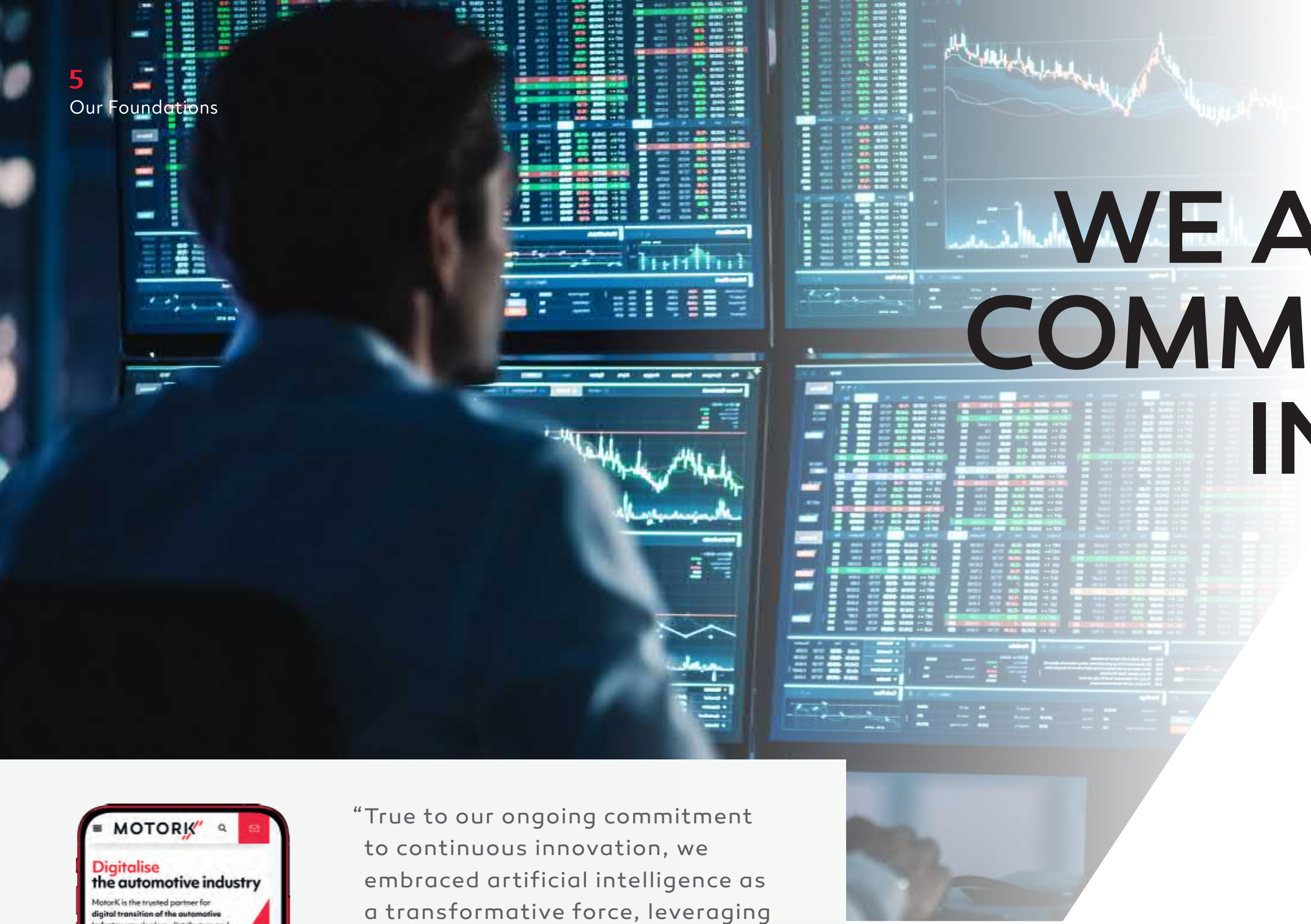
READ MORE: **PAGE 7**

OUR BUSINESS MODEL
Providing innovative digital solutions to meet the specific needs of OEMs and dealers, including managing the entire vehicle sales process, customer loyalty and after-sales relationships, with significant investment in research and development (R&D).

READ MORE: **PAGE 18**

OUR STRATEGIC ELEMENTS
Based on MotorK's core values, our Innovate, Land and Expand, and Consolidate pillars positions us well to achieve our vision and mission.

READ MORE: **PAGES 19–22**



WE ARE COMMITTED TO INNOVATION

WE CHAMPION AI-POWERED INNOVATION AS THE DRIVING FORCE OF OUR STRATEGY.

"True to our ongoing commitment to continuous innovation, we embraced artificial intelligence as a transformative force, leveraging it as a strategic element to reshape the automotive industry, create value and unlock new growth opportunities."

TECHNOLOGY

Pioneering AI-driven digital transformation in automotive retail, we deliver intelligent, fully integrated solutions that redefine how mobility players operate. In 2024, we accelerated our AI research by enhancing MotorK LABS, reinforcing our leadership in predictive analytics, automation, and customer experience optimisation. Our technology empowers dealers with real-time insights, streamlines operations, and drives measurable business impact—ensuring they remain competitive in an evolving market.

READ MORE: PAGE 20

WE UNDERSTAND THE INDUSTRY AND ITS CHALLENGES

WE SPEAK THE LANGUAGE OF MOBILITY: OVERCOMING COMPLEXITY TO GENERATE COMPETITIVE ADVANTAGE.

MOBILITY

MotorK is at the forefront of the AI revolution in automotive retail. We don't just react to industry shifts, we anticipate them. By embedding AI across our platform, we provide dealers and OEMs with data-driven insights, automated lead qualification, and predictive marketing solutions that enhance decision-making and improve profitability. In 2024, we reinforced our security framework and continued investing in scalable, AI-powered solutions to help our partners navigate an increasingly complex landscape. These strategic initiatives drive our vision: equipping mobility players with state-of-art technology to transform challenges into opportunities.

READ MORE: **PAGE 19**

"Our vision to be the most trusted technology partner for mobility distribution can only be achieved through continuous R&D investments and a customer-first mindset."

WE SUPPORT OUR PEOPLE TO CREATE VALUE

“We are people working for people, putting our technology at the service of our partners and their end customers.”

WE DESIGN TECHNOLOGY TO CREATE VALUE FOR MOBILITY PLAYERS AND CUSTOMERS.

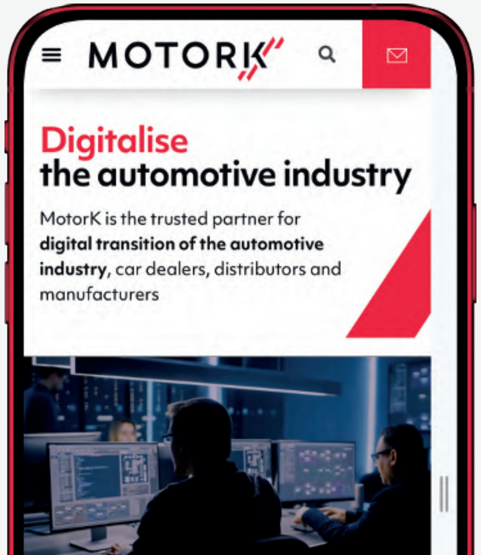
PEOPLE

At MotorK, our people - known as “SparKers” - are the driving force behind our innovation. Their expertise fuels our AI-first approach, ensuring we continue to deliver transformative solutions to our partners. In 2024, the appointment of Boaz Zilberman and Johnny Quach reaffirmed our commitment to fostering a customer-centric and innovating culture. With a strong focus on long-term growth and profitability, we continue to invest in talent and leadership, empowering our teams to shape the future of mobility.

READ MORE: **PAGES 24–27**

DRIVING INNOVATION AND GROWTH

Through continuous innovation and a data-driven approach, MotorK has established itself as a leading European SaaS provider, empowering dealers and OEMs with intelligent, scalable solutions that drive efficiency and profitability.



DIFFERENTIATED SOLUTIONS

- First at-scale, AI-powered SaaS platform for automotive retail
- Advances features to optimise the entire vehicle lifecycle, from distribution to aftersales
- Expanding ecosystem of integrated apps and strategic partnerships
- Scalable, modular, and future-proof technology infrastructure
- Strong commitment to continuous AI innovation and product development

READ MORE:
PAGE 18

RESILIENT FINANCIAL PERFORMANCE

- Growth both via organic and acquisition
- Recurring revenues from SaaS model
- Track record of successfully integrating acquisitions
- Temporary market uncertainty slightly impacting CARR target in the reporting period
- Significant year-on-year improvement in Cash EBITDA position

READ MORE:
PAGES 83–157

FAVOURABLE MARKET DYNAMICS

- Sizeable addressable market, still largely underserved
- Well-positioned in terms of scale, product suite and regional exposure in EMEA to leverage consolidation opportunities in a highly fragmented market

READ MORE:
PAGES 15–17

CLEAR STRATEGY FOR GROWTH

- Innovate: ongoing investment in innovation to extend product categories and embrace industry trends
- Land and Expand: upselling and cross-selling to a loyal and growing customer base
- Consolidate: selected acquisitions to enter new markets and expanding presence in existing markets to consolidate market share and strengthen our position as the European leader

READ MORE:
PAGES 19–22

R&D investments as a % of Group total revenues
32%
Restated 2023: 38%

CARR[1]
€36.6m
Restated 2023: €34.5m

API integrations[2]
300+
2023: 200+

Adjusted EBITDA[3]
-€0.5m
Restated 2023: -€5.2m

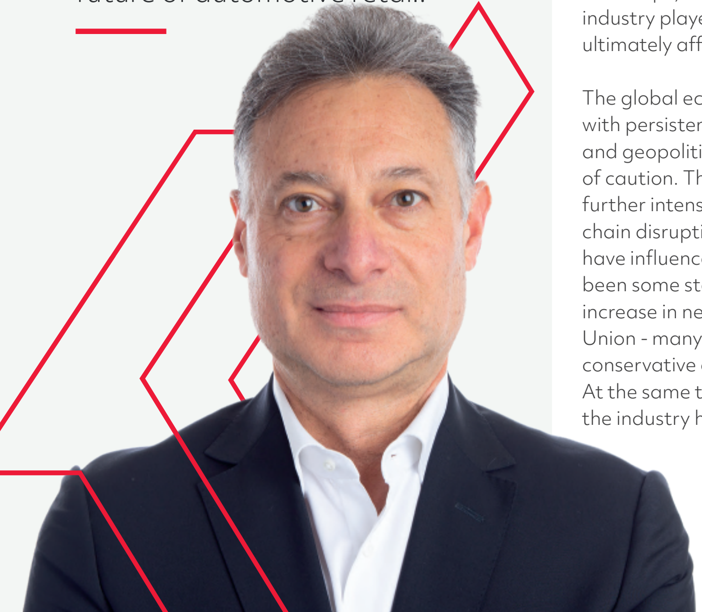
1 This is a non-GAAP measure considered relevant by management and it is considered a Group APM. Reconciliation with the accounts is provided on page 154 of this Annual Report.
2 Application Programming Interface is defined as a set of rules, protocols and tools that allows different software applications to communicate and interact with each other.
3 This is a non-GAAP measure considered relevant by management and it is considered a Group APM. Reconciliation with the accounts is provided on page 156 of this Annual Report.

Strategic Report

STRATEGIC REPORT

CHAIRMAN'S LETTER

"2024 tested us, but it also reinforced our conviction: by focusing on our core strengths, embracing AI, and building resilient customer relationships, we are not just surviving change—we are shaping the future of automotive retail."



Dear Shareholders,
First and foremost, I would like to express my heartfelt gratitude for your ongoing trust and support. Your confidence in MotorK has been instrumental as we navigated a year of significant transformation in the automotive industry. While 2024 presented a series of challenges, it was also a year marked by resilience, adaptability, and strategic progress for our Company.

NAVIGATING A SHIFTING INDUSTRY LANDSCAPE

In 2024, the European automotive industry has been shaped by several transformative trends that have significantly impacted OEMs and dealerships. Economic uncertainties, an evolving competitive landscape, and regulatory pressures have forced industry players to reassess their strategies, ultimately affecting their digital investment decisions.

The global economic climate has remained volatile, with persistent inflation, fluctuating interest rates, and geopolitical instability creating an environment of caution. The transition to electrification has further intensified financial pressures, as supply-chain disruptions and soaring raw material costs have influenced investment priorities. While there has been some stability - illustrated by a modest 0.8% increase in new car registrations in the European Union - many OEMs and dealerships have adopted a conservative approach to spending.
At the same time, the competitive dynamics within the industry have evolved rapidly. The rise of Chinese electric vehicle (EV) manufacturers in Europe, alongside increasing supply chain disruptions and the push for localised production, has heightened pressure on traditional players. Consumers are also driving change, demanding more affordable EV options, flexible ownership models, and software-driven experiences. This shift has forced automakers and dealerships to rethink their business models, increasing the urgency for digital transformation while also requiring careful resource allocation.

Regulatory changes have played an equally crucial role in reshaping the industry. Stricter emissions standards and sustainability requirements are accelerating the push towards electrification, prompting significant investments in charging infrastructure and next-generation mobility solutions. Policies promoting a circular economy and sustainable practices further necessitate adaptation, pushing OEMs and dealerships to align with evolving regulatory demands.

These dynamics have also influenced the approach to digitalisation investments. Several customers in our OEM and dealership networks delayed major digital transformation projects, which impacted our CARR for the year. However, these delays reflect necessary adjustments to an unpredictable market rather than a decline in demand.

I am confident that the digital transformation of the automotive industry is an irreversible trend. Our record-breaking € 24 million pipeline at the close of the year is a testament to the enduring shift towards digitalisation. While short-term fluctuations may arise, the long-term trajectory toward digitalisation

remains clear, and MotorK is well-positioned to meet these evolving demands.

STRENGTHENING MOTORK'S FOUNDATIONS FOR GROWTH

In response to these challenges, we focused on what we could control: fortifying our internal foundations and strengthening customer relationships to ensure long-term growth. To support this vision, we made two key leadership additions.
In April, Boaz Zilberman joined as Chief Operating Officer. With his extensive experience scaling technology businesses, Boaz has been instrumental

CARR[1]

€36.6m

Restated 2023: €34.5m

SparKers[2]

385

2023: 449

R&D Investment

32%

Restated 2023: 38%

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2 Number of employees as at the end of the reporting period. Please refer to page 40 of this Annual Report.

in driving operational efficiency and fostering a culture of continuous improvement across departments. Under his leadership, we implemented targeted cost optimisation initiatives that accelerated our path to profitability and scalability.

This culture spread across the Company and all departments, and by leveraging cutting-edge technology and best practices, we streamlined operations, renegotiated vendor agreements, and sharpened our focus on high-impact investments. These efforts led to a 42% improvement in our Cash EBITDA[1] year-over-year. Although the delays in digitalisation projects impacted our topline, preventing us from reaching Cash EBITDA profitability, this performance demonstrates our ability to deliver impactful results while staying on course for our 2025 goals.

Customer-centricity remained the second pillar of our strategy. We understand that true competitive advantage comes from relentless innovation; AI has become the cornerstone of our transformation, enhancing every MotorK solution. Through AI-driven capabilities, we provide intelligent insights, hyper-personalisation, and automation that drive efficiency and revenue growth for our customers. This is more than a technological upgrade—it represents a fundamental shift in how we create value in an increasingly data-driven market.

In 2024, we reaffirmed our commitment to our research and development investments, allocating 32% of our revenue. Customer feedback has been central in shaping our roadmap, ensuring that our solutions deliver measurable impact. Our focus on AI-powered machine learning models, predictive analytics, and automation tools has driven strong interest from clients. These advancements are helping dealerships optimise inventory management, improve customer targeting, and streamline sales and service operations.

To further consolidate our path in this direction, in November, Johnny Quach joined as Chief Product and Marketing Officer. His expertise in AI-driven solutions and customer-focused product development is refining our product strategy and ensuring that our platform remains aligned with market demands. More about his vision can be found on pages 20-21.

COMMITMENT TO ESG AND CORPORATE RESPONSIBILITY

At MotorK, we believe that long-term success goes beyond financial performance. As a responsible corporate citizen, we are committed to driving positive environmental, social, and governance (ESG) impact. Our sustainability initiatives focus on reducing our carbon footprint through energy-efficient operations while supporting customers in their transition toward greener automotive practices. We also prioritise diversity and inclusion within our workforce, cultivating an environment that values different perspectives and based on merit. Our robust governance practices ensure transparency and accountability in all our decision-making processes, building trust with stakeholders. Looking ahead, we are committed to producing a Sustainability Report in 2026 and to explore ways to further integrate ESG principles into our business strategy. By aligning our objectives with global sustainability goals, we aim to create long-term value not only for shareholders but also for society as a whole.

LOOKING AHEAD

As we enter 2025, the global economic landscape presents new challenges, particularly with the recent introduction of tariffs in both America and Europe. These developments are likely to have a significant impact on the automotive sector in Europe, potentially influencing costs and market dynamics. Despite these challenges, our strategic priorities remain clear. We aim to achieve a growth rate between 10% and 13% this year, with a focused path toward becoming Cash EBITDA - positive by year end. The automotive industry is undergoing a profound digital shift, and MotorK is at the forefront of this transformation. By continuing to invest in AI, nurturing customer relationships, and expanding our market reach, we are well-positioned to seize significant opportunities.

We are not passive participants in this evolution; we are actively shaping the future. Our investments in AI and digitalisation are helping OEMs and dealerships rethink their business models, optimise operations, and unlock new revenue streams. The shift toward a more intelligent, data-driven industry is accelerating, and MotorK is committed to leading this change - not just as a technology provider but as a strategic partner to our customers.

On behalf of the Board of Directors and the entire MotorK team, I want to thank you once again for your continued support and confidence. We are resolute in our vision and excited about the opportunities ahead. Together, we will continue driving the digital transformation of automotive retail and shaping the future of the industry.

Sincerely,

Amir Rosentuler
Executive Chairman
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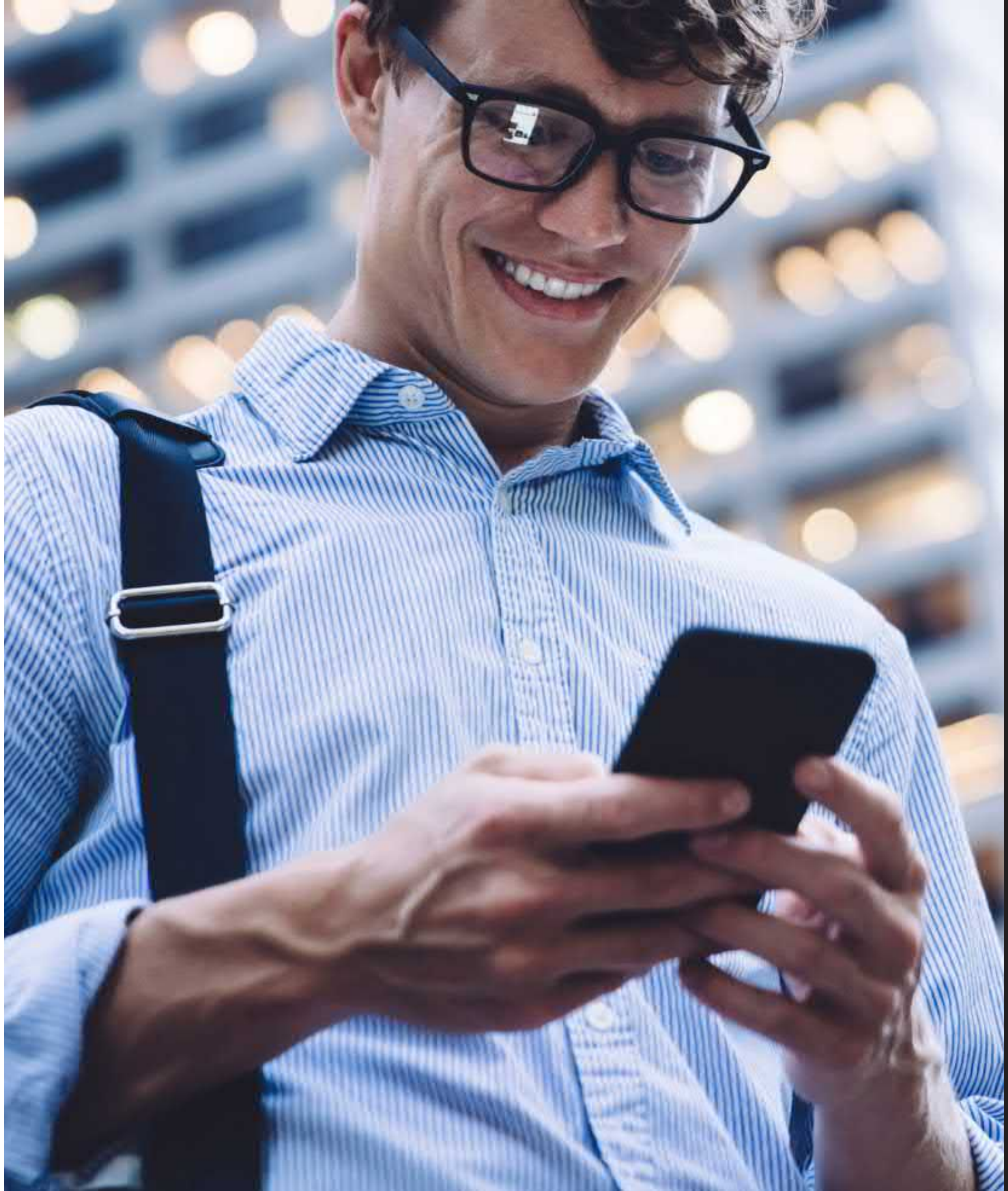
Amir Rosentuler
Executive Chairman



Q&A WITH MARCO MARLIA

"In 2024, we grew ARR by 10.7% to €34.2 million and secured a record €24 million order pipeline. In 2025, our priority is converting this into growth and profitability while driving AI-powered innovation in automotive retail."

Q: Marco, in summary, what were the most significant financial results of 2024, and how do they position MotorK for 2025?

A: 2024 was a year of significant challenges, with an unstable economic landscape that led some of our clients, particularly OEMs and large dealerships, to postponing significant investment decisions. Nevertheless, we closed the year with a CARR of €36.6 million, marking a 6% increase compared to the previous year.

The ARR grew by 10.7%, reaching €34.2 million, a solid result considering the circumstances. It is important to highlight that our order pipeline reached a record level, exceeding €24 million, demonstrating the persistent demand for our solutions. This makes us confident for 2025, where we plan to convert this into actual sales effectively.

Recurring revenues in 2024 reached €32.1 million, with a 7% increase compared to 2023, and now represent 80% of total revenues, confirming the strength of our SaaS business model, increasingly focused on predictability and stability. A testament to our ability to generate value with existing customers, Net Revenue Retention resulted in a solid 109% and the Average Contract Value (ACV) of the retail segment, exceeded the €20,000 threshold for the first time, reaching €20,700.

These figures reflect the validity of our platform development strategy and our ability to build solid and lasting relationships with customers, essential for overcoming market turbulence.
Finally, the Cash EBITDA recorded a substantial improvement, with a reduction in losses from €15.2 million to €8.8 million.

This result was achieved through rigorous financial discipline and the implementation of effective cost optimisation measures. However, the inability to convert some contracts, which remained in the pipeline due to customer decision delays, into ARR prevented us from achieving Cash EBITDA profitability in 2024, a primary goal for 2025.

**Q: MotorK has implemented a revision of revenue recognition according to IFRS 15.
Can you explain in simple terms what this change means, why it was necessary, and how it will affect investors' understanding of the financial results?**

A: We've conducted a reassessment of how we recognise revenue for our SaaS products, moving from a 'point in time' recognition to an 'over time' recognition, in accordance with IFRS 15. Previously, we recognised the entire contract revenue when the customer gained access to the software.

Now, we recognise revenue gradually, as we provide our services over the contract period. This change was necessary because we realised that, in light of the latest practices at the Company, we provide our customers with a right to access intellectual property that is continuously updated and enhanced.
Factors like regular enhancements, ongoing customer benefit, hosting and maintenance of services, and alignment with industry best practices led us to conclude that 'over time' revenue recognition better reflects the nature of our services. In simple terms, it's like moving from recognising a full year's subscription payment upfront to recognising that revenue gradually throughout the year as the service is used. This approach provides a more accurate representation of the value we deliver to our customers over time and improves the transparency of our financial results.

Changes to provide frequent functional upgrades have occurred over the period and, in management's judgement, while not contractually obliged to deliver upgrades, an implicit promise gives rise to a performance obligation under IFRS 15 with the Group's customers from the last day of FY2022 that this business practice will continue. As such, the opening balance as at 1 January 2023 and FY2023 revenue have also been restated to be recognised over time. This change

signals our commitment to transparent and high-quality financial reporting, providing investors with a more precise view of our long-term revenue generation model and business performance.

Q: Artificial intelligence plays a key role in your strategy. How are you integrating AI into your solutions, and what concrete benefits do you see for your customers?

A: 2024 marked a pivotal year for AI in automotive, with MotorK leading the way in redefining automotive retail.

We identified five key trends shaping the industry: hyper-personalisation, tailoring sales experiences to individual preferences; real-time engagement through virtual assistants and chatbots 'stock intelligence', revolutionising inventory management; predictive campaigns anticipating customer needs; and AI-driven efficiency transforming operations into 'revenue machines.' AI-powered CRMs now provide deep customer insights, enabling personalised interactions and data-driven decision-making.

This year, our strategy centred on delivering AI-powered solutions that address critical challenges in automotive retail. Building on our AI integration since 2019, we deepened its role across both external offerings and internal operations.

The ability to harness data for precise marketing, predictive analytics, and customer engagement has strengthened our clients' competitive edge, enhancing every touchpoint in the customer journey. Our Tech Labs initiative expanded AI capabilities, optimising business operations, improving customer experiences, and tackling industry challenges such as predictive maintenance. With a focus on internal efficiency we appointed Boaz as Chief Operating Officer. Internally, AI has streamlined processes and enhanced cross-department collaboration, driving productivity and agility. On the other hand, Johnny's appointment as Chief Product and Marketing Officer reinforced our commitment to customer centricity and AI-driven innovation.

Q: Can you share some details about MotorK's external growth initiatives in 2024?

A: Due to a focus on short-term profitability, we decided to pause new acquisitions for the year and prioritise optimising existing ones. 2024 was focused on integrating the customers of our acquired companies into our platform. A key milestone was an acceleration in migrating acquired customers in Spain and France, which allowed us to strengthen our position and focus also on integration of Benelux, and Germany.

This approach helped solidify our presence in these markets, where we've seen increasing traction. Once these integrations are fully realised, we plan to explore further expansion opportunities to fuel MotorK's growth in new markets, along with our role as a consolidator.

Q: What initiatives has MotorK undertaken in 2024 regarding ESG (Environmental, Social, and Governance) factors?

A: In 2024, MotorK took substantial steps to integrate ESG considerations into our business strategy. We began our journey to align with the Corporate Sustainability Reporting Directive (CSRD) by 2026. This is a significant milestone in our commitment to sustainability and transparency.

We have established an internal team and processes to monitor our data, enabling us to produce a Sustainability Report in 2026 that will provide insights into our environmental and social impacts. Additionally, we focused on governance by prioritising information security, achieving ISO 27001 certification. This certification underscores our commitment to the highest standards of data protection and security, which are essential for both our customers and our business operations.

Q: What is your outlook for MotorK in 2025?

A: Our primary goal for 2025 is to convert our record order pipeline into tangible revenue, aiming for a CARR increase between 10% and 13%. This milestone, combined with the growth of recurring revenue, is fundamental to building a sustainable growth trajectory. Concurrently, we are committed to achieving Cash EBITDA profitability by the end of 2025, a critical step for the Company's financial soundness. To achieve these objectives, we will continue to leverage artificial intelligence-based solutions, expand our platform offerings, and strengthen relationships with OEMs and dealerships, supporting them in the digital transformation of the automotive sector. Our strategy focuses on balancing short-term profitability with long-term growth, maintaining a stable cost base while scaling our recurring revenue model. Converting our large order pipeline and enhancing the functionalities of the SparK platform will be decisive for our success in 2025.

Marco Marlia
Chief Executive Officer

MARKET OVERVIEW

"In a dynamic year of challenges and opportunities, our adaptability and market foresight have been crucial. Leveraging deep automotive expertise and technological strength, we empower clients to navigate transformation and achieve sustainable growth."

Marco Marlia
CEO

The automotive sector in 2024 navigated a complex landscape marked by fluctuating economic conditions and evolving consumer preferences. While the year began with signs of economic recovery, leading to a modest increase in new car sales across key European Union (EU) markets, rising consumer costs significantly impacted purchasing decisions. Furthermore, the European automotive industry faced increasing pressure from global competition, particularly from Chinese manufacturers, prompting the European Commission to initiate anti-subsidy investigations into BEV imports. This action reflects the industry's struggle to maintain its competitive edge amid rising production costs and technological challenges. In addition, there was a great deal of pressure put onto the EU commission by the ACEA concerning the 2025 CO_2 emissions rules. This is due to the current market not fully accepting the EV transition at the rate that was expected. These factors, combined with ongoing supply chain disruptions and geopolitical uncertainties, have created a dynamic and challenging environment for European automotive manufacturers, requiring strategic agility and adaptability.

THE TRENDS IN THE INDUSTRY

The automotive landscape is undergoing a significant transformation, driven by several converging trends. Firstly, the shift towards electrification continues, though at a modulated pace, with hybrid vehicles gaining significant traction. Secondly, the rise of Chinese automotive manufacturers presents a formidable competitive challenge, prompting automakers to reassess their strategies. Thirdly, digitalisation and connectivity are reshaping the in-car experience, with increasing

emphasis on software-defined vehicles and advanced driver-assistance systems. This trend necessitates substantial investments in research and development, as well as strategic partnerships with technology companies. Fourthly, there is a growing focus on sustainability and circular economy principles. Notably, the EASCY model highlights the interconnectedness of Electrification, Autonomous driving, Shared mobility, Connected cars, and Yearly updates, underscoring the rapid pace of innovation. This is profoundly impacting the automotive sales model. OEM direct sales and agency models are becoming more prevalent, requiring robust software solutions that facilitate seamless omnichannel experiences. The COVID-19 pandemic accelerated the digitalisation of car sales, and this trend continues, with online platforms and personalised digital experiences becoming critical. AI and machine learning are playing a significant role in enhancing customer experiences through personalised services and predictive maintenance. In essence, the automotive value chain now extends beyond the factory floor, encompassing the entire lifecycle of the vehicle, demanding software solutions that cater to both direct buyers and users in shared mobility models. These trends are creating a dynamic and competitive environment, requiring automotive retail software providers to offer comprehensive, integrated solutions that enable manufacturers and dealers to thrive in this evolving market.

OEMS

Building upon the complex landscape of 2024, European OEMs experienced a year of significant pressure. The fluctuating economic climate, coupled with high interest rates and persistent economic uncertainty, led to a noticeable slowdown in consumer demand. This was further exacerbated by the elevated prices of new vehicles, driven by substantial R&D investments in the sustainable transition, particularly electrification.

Simultaneously, the aggressive market entry of Chinese competitors, offering competitive pricing and increasingly sophisticated technology, eroded the market share of established OEMs. The strategic shift towards direct OEM sales, while intended to enhance competitiveness and customer control, presented its own set of operational challenges. Consequently, OEMs found themselves compelled to prioritise short-term profitability, resulting in a slight adjustment to the timeline of planned digitalisation investments.

While the commitment to digital transformation remains, the immediate need to address financial pressures has led to a strategic recalibration, with some initiatives being deferred or phased. This measured approach acknowledges the criticality of robust digital infrastructure for long-term success, particularly in managing direct sales and enhancing customer relationships. OEMs recognise that leveraging data analytics, providing seamless online experiences, and effectively managing customer interactions through digital channels are essential for navigating the evolving automotive landscape. Therefore, while short-term profitability has necessitated a temporary adjustment, the industry's focus on digitalisation remains a key strategic priority, poised to accelerate as economic conditions stabilise.

DEALERS

The confluence of 2024's events and trends profoundly reshaped the European dealership landscape. The implementation of the agency model, while underway, is far from completed, creating a period of transition and uncertainty for dealerships.

This ongoing shift, coupled with the persistent economic pressures and the rise of digital sales channels, has accelerated market consolidation, with larger dealership groups actively acquiring smaller entities to achieve economies of scale and expand their market reach. Amidst these changes, the need for strategic digitalisation has become paramount.

Dealers recognise that to remain competitive, they must invest in digital tools that enhance efficiency and expand customer touchpoints across the omnichannel journey, encompassing both sales and after-sales services. This includes implementing advanced CRM systems, developing user-friendly online platforms, and leveraging data analytics to improve lead conversion rates, maximise Return on investment (ROI), and cultivate lasting customer loyalty.

However, despite the clear commitment to digital transformation, many dealers have been hesitant to make significant investments, hoping for less uncertainty in the market. Digitalisation is not merely about online sales; it is about creating a seamless, personalised experience that fosters customer engagement and strengthens brand relationships. While the economic pressures of 2024 necessitate careful prioritisation, dealers understand that these digital investments are crucial for navigating the evolving market and ensuring long-term sustainability in an increasingly competitive environment, particularly as they adapt to the ongoing, phased transition to the agency model.

MOTORK POSITIONING

Within this dynamic landscape, MotorK stands uniquely positioned to empower both OEMs and dealerships, enabling them to turn challenges into opportunities. For OEMs, MotorK's comprehensive suite of solutions addresses the critical needs of this evolving market. As a multi-country provider with deep vertical expertise in the automotive sector, MotorK offers a one-stop-shop platform that covers the entire customer journey, from initial engagement to after-sales service.

Our ability to manage large and complex projects simultaneously in multiple countries, coupled with 15 years of experience working closely with dealerships, provides OEMs with the confidence and support needed to navigate the transition to direct sales models. By leveraging MotorK's cutting-edge technology, OEMs can enhance operational efficiency, optimise customer interactions, and strengthen brand loyalty, effectively creating a higher barrier to entry for emerging competitors. For dealerships, MotorK's solutions are crucial for success in an increasingly digital and competitive market. Smaller dealerships can leverage our platform to enhance efficiency and effectiveness, optimising their operations to compete with larger groups. Larger dealerships can harness the power of MotorK's data analytics capabilities to gain deeper insights into customer behaviour, personalise interactions, and build stronger relationships with their customer cohort. In essence, MotorK provides the tools and expertise necessary for dealerships of all sizes to thrive in the digital age, ensuring they remain competitive, agile, and customer-centric.

OUR MARKET

ADDRESSABLE MARKET

Based on the current market pricing, the management team estimates that the core market in the top five European countries is worth €4 billion, including both franchised dealerships and OEMs. Expanding the scope to include the entire European market, including all franchised dealerships, OEMs and Small and Medium-sized Businesses (SMBs), increases the total addressable market to €6.2 billion[1].

Italy remains the core market for the Group, once again achieving its performance targets and accounting for 65% of total revenue in 2024, the same percentage with respect to the restated 2023 revenue. As the undisputed market leader in the region, the focus is now shifting from new business acquisition to customer retention, ensuring long-term value and strengthening existing relationships. With a mature market and a well-established presence, Italy continues to be a pillar of stability and a key driver of the Group's overall success.

Spain has made notable progress in team consolidation and key account management, establishing a strong foundation for sustained growth. Accounting for 9% of total revenue in 2024, a slight decline compared to 10% of restated revenue in 2023, the country now has a strengthened leadership and a restructured sales organisation. In addition to that, commercial execution has improved, enhancing alignment and efficiency. The strong pipeline growth in H2 is yielding positive results, reinforcing brand awareness and solidifying client trust - key milestones in the Group's ongoing expansion.

The integration of Fidcar and France Pro Net is nearing completion, reinforcing France's position as a key market and a growth engine for the Group. With Olivier David as the new Country Manager, leadership has been further strengthened to drive expansion. Recently introduced AI-powered solutions are opening new opportunities with OEMs and large dealer groups, setting the stage for accelerated growth in 2025. As a crucial contributor, with a 24% increase year-on-year and representing 14% of total Group revenues in FY 2024 (versus 12% of the restated revenue in 2023), France is poised for sustained success with a solid foundation and a clear strategic direction.

Germany faced some challenges in 2024, with a degree of churn impacting performance, leading to a decrease in its contribution to total revenue, accounting for 6% in 2024 compared to 7% of the restated revenue in 2023. However, the market remains a key focus for the Group, and efforts are underway to address these issues and strengthen customer relationships. The team is actively refining strategies to improve retention and drive growth, with a clear commitment to turning these challenges into opportunities for future success.

Although not yet showing its full potential, Benelux is making progress, with the migration from FusionIT (Carflow) now advancing smoothly and on track after initial delays. Under the leadership of new Country Manager Frank ter Braak, the region is ready for further development. The groundwork has been laid for deeper market penetration and increased traction. Benelux contributed for 6% of total revenue in 2024, the same percentage with respect to the restated 2023 revenue. The region is well-positioned with a clear growth strategy to strengthen its contribution to the Group in the coming years.

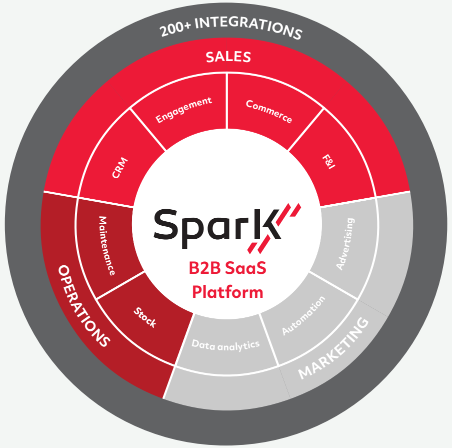
1 Source: ICDP European Car Distribution Handbook, CLIMMAR, GIPA Declarations enseigne, AECDR, Cecra, Statista, Managements assumptions on potencial ACV.

CREATING VALUE FOR STAKEHOLDERS

MotorK is the leading and fast-growing European automotive sales and marketing tech Company. We are the only provider offering a comprehensive suite of SaaS solutions designed to support the full digitalisation of the car sales process. Leveraging our deep vertical expertise across multiple jurisdictions, we have created a transformative platform that connects the entire customer lifecycle, helping both OEMs and dealerships drive sales, enhance profitability, and foster long-term customer relationships.

SPARK: A HOLISTIC PLATFORM FOR AUTOMOTIVE RETAIL

At the core of MotorK's business is SparK, a cutting-edge SaaS platform that seamlessly integrates all key stages of the automotive sales journey. SparK empowers automotive retailers to attract, engage, convert, and retain customers in a unified and coherent manner. By providing a holistic, omnichannel experience, SparK helps dealerships enhance their digital presence, optimise lead generation, improve sales conversions, and build lasting customer loyalty.



SaaS recurring revenue as % of total revenue[1]

75%

Restated 2023: 73%

1 Please refer to the Financial and Operating Review section on page 34.

TWO KEY CUSTOMER SEGMENTS: DEALERS AND OEMS

MotorK serves two primary customer segments, each with unique needs and challenges:

- Dealers: Our platform enables dealerships to maximise their digital sales potential by offering optimised solutions for online visibility, lead generation, and customer engagement. Through SparK, dealerships gain a comprehensive, scalable platform that supports their entire customer lifecycle- from attracting prospective buyers to managing after-sales relationships.
- OEMs: For OEMs, MotorK delivers large-scale, tailored solutions that integrate seamlessly with their global strategies. SparK enables OEMs to manage complex digital operations across multiple jurisdictions, ensuring consistent brand experiences and efficient sales processes across their networks of dealerships. These partnerships are typically characterised by larger contracts and longer sales cycles.

REVENUE MODEL: SCALABLE AND RECURRING

MotorK operates with a subscription-based business model, where long-term agreements with both dealerships and OEMs drive predictable, recurring revenues. Our SaaS solutions are delivered through contracts typically ranging from 12 to 36 months for dealerships, while OEM contracts often involve larger-scale deals with longer durations. In FY2024, 75% of our total revenue was derived from SaaS subscriptions, underscoring the strength and scalability of our recurring revenue model.
The Group's consistent growth trajectory is evident in the expansion of the customer base—from 5,200 customers in 2023 to 6,000 in 2024—as well as the increase in our average annual contract value from €19.5 thousand to €20.7 thousand. This provides a solid foundation for reinvestment in innovation and continued value creation.

STRATEGIC GROWTH AND VALUE CREATION

MotorK's growth strategy is driven by our Innovate, Land and Expand, and Consolidate approach, which combines organic growth with strategic acquisitions. As we expand our geographic footprint and evolve our platform's capabilities, we continue to strengthen our position as a leading SaaS provider in the automotive industry. Through this strategy, we are able to meet the evolving needs of both dealerships and OEMs, ensuring long-term customer satisfaction and sustainable growth. Our commitment to innovation, operational excellence, and customer-centricity has allowed us to deliver strong revenue growth, high retention rates, and increased lifetime value for our clients. These factors position MotorK for continued success, creating significant value for all stakeholder.

SHAPING THE FUTURE OF MOBILITY

OUR STRATEGY

At MotorK, we are leading the digital transformation of the automotive retail industry. Since our founding in 2010, we have witnessed the sector undergo a dramatic shift, driven by the rise of digital technologies. The Covid-19 pandemic accelerated this change, making traditional business models increasingly inadequate to meet the evolving needs of customers. There is a clear experience gap between supply and demand—one that our innovative, AI-powered solutions are uniquely positioned to bridge.

Our mission is unwavering: to lead the digital revolution in automotive distribution, empowering dealers, OEMs, and consumers with intelligent, scalable technologies that drive efficiency, growth, and long-term value. As SparKers, we are igniting change, shaping the future of mobility where technology, connectivity, and sustainability converge to create a smarter, more customer-centric automotive ecosystem. MotorK is not just part of the transformation - we are at the forefront, fuelling the next wave of innovation in the industry.

OUR VALUES

Customer obsessed

Our customers are at the heart of everything we do. We are dedicated to delivering exceptional experiences that foster trust, loyalty, and success.

Forward thinking

We are always looking ahead, challenging the status quo and innovating with boldness and creativity to drive excellence.

Results driven

We never stand still. Our focus is on impact, ensuring we achieve measurable outcomes that matter to our customers, employees, and stakeholders.

Always ambitious

We are driven by a contagious energy, pushing boundaries, moving fast, and embracing challenges with passion and ingenuity.

Empowering inclusion

We are stronger because of our diversity. By prioritising integrity, fairness, and work-life balance, we cultivate an inclusive environment that fuels our collective success.

These values serve as the foundation for our three strategic pillars:

INNOVATE

LAND AND EXPAND

CONSOLIDATE

INNOVATE

"At MotorK, our strategy is centred around delivering impactful solutions that address the core pain points of the automotive retail sector."

Johnny Quach
CPMO

R&D investments as a % of Group total revenues

32%

Restated 2023: 38%

Integrations

300+

2023: 200+

We understand that success in this rapidly evolving industry requires not just innovation, but a deep understanding of our customers' needs and the challenges they face. This customer-centric approach drives our platform's development, ensuring we provide tools that genuinely improve operational efficiency and create seamless, engaging experiences for both dealerships and OEMs.

A key differentiator for MotorK is our commitment to leveraging AI across our platform. AI enables us to provide data-driven insights that help our customers optimise marketing, predict customer behaviour, and enhance operational performance. This technology empowers dealerships to make smarter decisions, automate key processes, and ultimately deliver a better experience to their customers, increasing their competitive edge in the marketplace.

The value of our platform is reinforced by its integration capabilities. By centralising essential functionalities—such as lead management, inventory optimisation, and customer engagement - into one unified platform, we are able to simplify operations and provide a more streamlined user experience. This integrated approach creates significant efficiencies for our customers, driving both growth and profitability.

As we look to the future, we remain focused on advancing our platform and continuing to innovate with new features, particularly those powered by AI. Our goal is to deepen our partnerships with both OEMs and large dealerships, equipping them with the tools they need to navigate and thrive in a digital-first automotive market. The work we are doing today is not just about solving today's challenges - it's about preparing for the future of automotive retail and ensuring that MotorK remains at the forefront of this digital transformation.

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FUTURE PRIORITIES

- Extend product categories
- Maintain healthy R&D investment levels
- Embrace future industry trends

LAND AND EXPAND

"MotorK is committed to continuous innovation. As our customers' needs evolve, we remain a trusted partner in their digital transformation journey, driving efficiency, profitability, and growth."

Johnny Quach
CPMO

WebSparK ROI
26x

WebSparK Leads
+30%
Increase compared to third-party providers

The Spark platform is designed to perfectly align with our Company's 'Land and Expand' strategy, enabling dealers and OEMs to start with targeted solutions and scale seamlessly across the entire ecosystem. By offering modular, high-impact tools that integrate effortlessly, SparK ensures rapid adoption and long-term expansion, driving sustained value for every customer. At MotorK, our Land and Expand strategy is designed to cultivate deep, long-term relationships with our customers. We start by providing valuable, fully integrated tools within our SparK platform that help customers solve specific challenges. Once they experience the immediate impact of our solutions, they recognise the platform's full potential and choose to adopt more modules, further increasing the value we deliver. This approach is powered by our SaaS model, which offers flexibility and scalability. Starting with a basic subscription, dealerships and OEMs gradually expand their use of our platform, incorporating additional features as their needs grow. This allows us to serve a wide range of customer segments - whether small independent dealerships or large OEMs—offering tailored solutions that grow alongside their businesses.

€136
Revenue per Lead

Platform Customer Expansion:
€2 - 30K
in ACV

SPARK PLATFORM AS A VALUE UNLOCKER

In today's rapidly evolving automotive landscape, dealers and OEMs face critical challenges in delivering an omnichannel, data-driven, and seamless customer experience. Focusing on three of our solutions, will help understand how our platform applies to the whole end customer journey.

Key components of the Spark platform, WebSparK, FidSpark, and PredictSpark, are specifically designed to bridge the gap between rising customer expectations and the fragmented, outdated digital infrastructure of traditional automotive retail.

WebSparK directly addresses the inefficiencies in lead generation and customer engagement by providing a fully optimised, AI-powered web platform. In an era where 90% of car buyers begin their journey online, having a dynamic, intuitive, and conversion-focused digital presence is essential. With a 30% increase in leads and a staggering 26x ROI, WebSparK ensures dealers not only attract but also convert high-intent buyers, seamlessly integrating with stock management and CRM systems to reduce friction in the purchase journey.

FidSpark tackles the growing importance of e-reputation. Today's consumers rely heavily on online reviews and social proof before engaging with a dealership. Negative or unmanaged feedback can erode trust and cost businesses substantial revenue. FidSpark provides a proactive, AI-driven solution to monitor, respond to, and leverage online reviews, ultimately driving higher engagement and customer satisfaction. With an ROI of 5x, FidSpark pays for itself within just three months, making it a non-negotiable asset for modern dealerships.

PredictSpark revolutionises after-sales revenue and retention through AI-powered predictive marketing. By analysing customer behaviours and lifecycle patterns, it enables dealerships to deliver hyper-personalised service offers, driving higher retention and increased profitability. PredictSpark's ability to lift conversion rates to 8% ensures that dealers maximise every touchpoint beyond the initial sale.

Together, these solutions eliminate data silos, centralise operations, and enhance the customer experience—transforming inefficiencies into profitable opportunities. With the Spark platform, dealers and OEMs not only stay competitive, but lead the industry in innovation and customer-centricity.

CONSOLIDATE

"2024 was focused on integrating the customers of our acquired companies into our platform. A key milestone was an acceleration in migrating acquired customers in Spain and France, which allowed us to strengthen our position and focus also on integration of Benelux, and Germany."

Marco Marlia
CEO

A HIGHLY FRAGMENTED MARKET

The European digital automotive retail market remains highly fragmented, with over 1,000 vendors competing across various regions, most of whom have small revenues and limited market share. This fragmentation creates a significant opportunity for MotorK to continue its role as a market consolidator. As part of our strategy to strengthen our leadership position, we are committed to expanding our customer base, increasing market share, and extending our geographical footprint through a targeted acquisition strategy.

Since 2016, MotorK has successfully completed nine strategic acquisitions, with six of these occurring post-COVID. These acquisitions have significantly enhanced our capabilities, enabling us to integrate complementary technologies, diversify our product offerings, and deepen our relationships with customers across Europe. Notable successes include the acquisition of GestionaleAuto.com in Italy and the integration of Dapda in Spain, both of which have provided strong synergies and market expansion opportunities. Dapda, in particular, demonstrated a remarkable 3x to 5x increase in average ACV for migrated customers, highlighting the value created by cross-selling and upselling within our existing customer base.

Our acquisition strategy has proven effective in consolidating fragmented market segments, positioning MotorK as a dominant player in the European digital automotive retail space. By acquiring businesses with established customer bases and proven technologies, we also enhance our value proposition and ensure that our platform continues to meet the evolving needs of dealerships and OEMs. The continued focus on strategic acquisitions allows MotorK to expand both geographically and through product innovation, offering a comprehensive suite of solutions for the automotive retail industry. Our goal is to remain at the forefront of this digital transformation, driving sustained growth, enhancing our competitive edge, and delivering long-term value to our shareholders.

FUTURE PRIORITIES

- Targeted geographical expansion
- Customer base growth
- Innovation and integration

RESPONSIBLE BUSINESS

Our passion is the digital automotive industry and we are determined to be the technology partner of choice for mobility solutions. Achieving our vision involves more than just technological innovation; it requires us to be a supportive employer, a responsible corporate citizen and a positive force in our local communities. Since we were founded in 2010, the mobility sector has undergone significant change, with a strong focus on sustainability. As stakeholders increasingly prioritise responsible business practices, MotorK cultivates values that define us as an employer that is deeply invested in our colleagues, communities and the environment.

While we are proud of our achievements, we recognise there is more to do on our ESG journey. For this reason, in 2024 we made significant strides in integrating ESG considerations into our strategy, aiming to align it with the CSRD by 2026. We also established an internal team to monitor data and plan to publish a Sustainability Report in 2026, highlighting our environmental and social impacts. Additionally, we prioritised governance by achieving ISO 27001 certification, reinforcing our commitment to the highest standards of data protection and security.

Our commitment to sustainability is outlined under three key pillars:

PEOPLE

- Our approach to managing relationships with our employees helps us to foster an inclusive culture and a positive work environment.

PLANET

- We seek to minimise our environmental impact and support the transition to a low-carbon business.

GOVERNANCE

- We provide insight into how we run our business, covering aspects such as executive remuneration, auditing, internal controls and shareholder rights.

We support the UN Sustainable Development Goals (SDGs), a set of 17 global goals developed to define global priorities and address major societal and environmental concerns. We have identified six priority SDGs[1] and specific targets that sit beneath those, to which we are making a positive contribution.

Relevant UN SDGs and targets	How we contribute
SDG 3 **Good health and wellbeing** Ensure healthy lives and promote wellbeing for all at all ages	We work to promote the wellbeing of all our colleagues by providing support when needed as well as incentivising self-care activities. We are working to develop an online platform to allow on-demand access to resources and have a hybrid work policy. We acknowledge the right to safe and healthy working conditions, as outlined in the International Covenant on Economic and Social Rights, particularly in Part III, Article 7(b).
SDG 4 **Quality education** – ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. **Relevant targets: 4.3, 4.4, 4.5, 4.7**	Our investment in training and development supports all our colleagues, ensuring their skills remain relevant to the evolving needs of MotorK and to wider society. We are working to encourage greater diversity at all levels of our organisation.
SDG 5 Achieve gender equality and empower all women and girls. **Relevant targets: 5.1, 5.5**	Beyond our 'business as usual' approach to recruitment and promotion based on equal opportunities and fair remuneration, we are actively working to increase the attractiveness of the historically male-dominated automotive sector to women, with the aim of increasing female representation at both management and Board level. We encourage the participation of women in the mobility sector by offering certification programmes and training.
SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all. **Relevant targets: 8.2, 8.5, 8.6, 8.8**	Our solutions enhance our customers' productivity and sales opportunities, contributing to economic growth and MotorK's own growth creates rewarding and fulfilling employment for people in the communities in which we operate. Growth of our business also promotes job creation, both for people at the beginning of their careers and for experienced hires who bring new skills into the business.
SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation. **Relevant targets: 9.5**	Our commitment to innovation is at the heart of MotorK's vision, mission and values and is demonstrated by our tech team of 121 people and our significant investment of revenue in R&D.
SDG 12 Ensure sustainable consumption and production patterns. **Relevant targets: 12.5, 12.6**	We are looking to increase the adoption of sustainable practices throughout MotorK and are working to improve measurement and reporting of our impact and initiatives.

1 SDGs – Sustainable Development Goals, United Nations, 2030 Agenda for Sustainable Development.

PEOPLE

DIVERSITY, EQUITY & INCLUSION (DEI) AND EMPLOYEE WELLBEING

Our success is built on the talent, innovation, and dedication of our people. We are committed to fostering an inclusive workplace, enhancing employee wellbeing, and ensuring equal opportunities for all.

01.

DIVERSITY & INCLUSION:

- 32 nationalities represented in our workforce, reflecting our international culture.
- Gender Balance: women represent 35% of our total workforce; we have reached one-third female representation on our Board.
- Inclusive Hiring Practices: we are integrating ED&I best practices into our recruitment to ensure accessibility for diverse candidates.
- Pay Equity & Transparency: in 2025, we will conduct a pay gap analysis to identify and address disparities.

02.

EMPLOYEE WELLBEING:

- Hybrid Work & Core Hours: we have a formalised flexible work policy to balance business needs with work-life integration.
- Welfare Platform: a new employee benefits and wellbeing platform is in development.
- Upskilling & Development: we offer English language training and are expanding professional growth opportunities with leadership training.

03.

KEY ACTIONS FOR 2025:

- Report gender diversity at all levels.
- Conduct a pay equity audit and address any gaps.
- Expand mental health and employee wellbeing programme.

ENGAGING WITH OUR SPARKERS

At MotorK, we recognise that our people are at the core of our success. Maintaining high levels of engagement is a priority, as it fosters innovation, productivity, and a strong Company culture.

Each year, we conduct an Engagement Survey to assess employee sentiment, identify strengths, and pinpoint areas for improvement.

Employee satisfaction score

3.6/5

2023: 3.7/5

NEW HIRE EXPERIENCE

Onboarding is a critical driver of engagement and retention. In 2024, our New Hire Survey recorded a 4.4/5 satisfaction rate from 38 respondents, reflecting a strong initial experience for new employees.

2024 ENGAGEMENT SURVEY RESULTS

This year, 88% (84% in 2023) of employees participated in the survey, demonstrating strong involvement and a willingness to share feedback. The overall engagement score stands at 3.6 out of 5 (3.7 in 2023), providing a valuable benchmark for continuous improvement.

Key strengths identified:

- Fair and respectful management (4.50)
- Recognition from direct managers (4.36)
- Team collaboration and support (4.31)

Areas for improvement:

- Satisfaction with welfare activities (2.88)
- Perceived fairness of remuneration (2.90)
- Recognition and rewards for great performance (2.98)

2025 EMPLOYEE ENGAGEMENT STRATEGY

Building on the 2024 insights, we are committed to strengthening our people strategy in the following areas:

- **Enhancing employee welfare programme** by aligning benefits and initiatives with employee needs and expectations.
- **Reviewing and improving the compensation structure** to ensure fairness and competitiveness in the market.
- **Expanding reward and recognition programme** to better acknowledge contributions and achievements.
- **Strengthening leadership development** through structured training and mentoring to empower managers as engagement drivers.

A key initiative supporting this strategy is our Growth Project, a six-month programme involving eight people managers across different levels. Through biweekly HR-led meetings, the programme helps managers develop leadership skills and drive engagement, preparing them to be catalysts for positive change within their teams.

By continuously listening to employee feedback and implementing targeted actions, we aim to foster an inclusive, motivating, and high-performing work environment in 2025 and beyond.

TRAINING AND DEVELOPMENT

"At MotorK, we believe that continuous learning is a cornerstone of professional success. We are committed to providing our employees with the resources, training, and opportunities they need to develop their skills, grow in their careers, and contribute meaningfully to the Company's success."

Marco Marlia
CEO

STRENGTHENING LEADERSHIP & PROFESSIONAL GROWTH

This year, we launched the Growth Project, a structured six-month leadership development programme designed to enhance managerial capabilities across the Company. The initiative is currently in a pilot phase with eight cross-departmental managers, who receive biweekly training sessions focused on people management, leadership, and driving change within their teams. This programme is a significant step toward equipping our managers with the tools to create a high-performance, engaged workforce.

Additionally, we introduced HR Business Partners, dedicated professionals who support managers and employees in navigating career development, engagement, and people management challenges.

EXPANDING DIGITAL LEARNING

To ensure employees stay ahead of industry advancements, we have expanded our Udemy-based learning programme. Employees can now access customised courses tailored to the specific needs of their departments, with a final certification to validate their skills. This initiative keeps our workforce aligned with the latest technological and business developments.

Furthermore, we reaffirmed our commitment to supporting self-directed learning by maintaining our 50% training contribution policy—covering up to euros 1,000 per year per employee for external certifications. This ensures employees have the flexibility to pursue specialised skills that align with both personal and business growth objectives.

RECOGNISING & REWARDING TALENT

Employee engagement is directly linked to recognition, which is why we introduced:

- **SparKer Awards** – Celebrating employees who have demonstrated exceptional performance, innovation, and a commitment to MotorK's values.
- **Employee of the Semester** – A biannual recognition programme highlighting individuals who have significantly contributed to team success, fostering a culture of appreciation and motivation.

ENCOURAGING CAREER GROWTH & INTERNAL MOBILITY

We continue to emphasise internal career progression, allowing employees to explore new roles within the organisation. In 2024, 13 employees successfully transitioned to new roles or departments (17 in 2023), benefiting from our internal mobility policy. These moves not only support personal development but also enable the Company to retain and leverage existing talent more effectively. Additionally, our remote work flexibility policy allowed 32 employees to work from 20 different countries, reinforcing our commitment to a modern, adaptable work environment.

EVENTS & CUSTOMER TRAINING INITIATIVES

"MotorK is deeply engaged in industry events, knowledge-sharing, and customer education. Our training initiatives extend beyond internal development to include comprehensive client education programmes aimed at enhancing our customers' ability to leverage digital tools effectively."

Marco Marlia
CEO

CUSTOMER TRAINING INITIATIVES

We have expanded and enhanced our customer training programme, offering a variety of formats to meet different learning needs:

- Seminars and 1:1 coaching tailored to dealership professionals.
- One-to-many workshops, enabling broader knowledge-sharing across customer networks.
- Targeted video tutorials, designed to facilitate a seamless transition to digitalisation.
- A new Learning Management System (LMS), providing clients with a structured and continuously updated training platform.

These initiatives empower our customers to optimise their operations, increase digital engagement, and fully leverage MotorK solutions.

INDUSTRY EVENTS & THOUGHT LEADERSHIP

In 2024, we strengthened our presence at premium industry events, creating opportunities for networking, brand positioning, and business growth. Key highlights include:

- SparKClub Premium Events – Exclusive gatherings with VIP customers and large dealerships, aimed at fostering cross-selling opportunities and deepening strategic partnerships.
- Hands-on live events – Hosted in Milan, Spain (2), and France (1), providing an interactive learning experience for customers. Targeted video tutorials, designed to facilitate a seamless transition to digitalisation.
- Sales & marketing targeted campaigns – Designed to boost customer loyalty and enhance digital transformation strategies

Additionally, MotorK actively participated in major industry conferences, including:

- Faconauto (Spain)
- Automotive Dealer Day (Italy)
- Connect Distribution (France)
- Nationaal Automotive Congress (the Netherlands)

These events focused on omnichannel customer engagement strategies, equipping dealerships with insights on optimising touchpoints across the digital journey.

EXPANDING DIGITAL & WEBINARS PRESENCE

To complement live events, we expanded our webinar offerings, hosting sessions in Spain and Italy to educate clients on state-of-the-art technology, digital best practices, and MotorK product applications. These sessions have been instrumental in helping dealerships improve efficiency and customer experience.

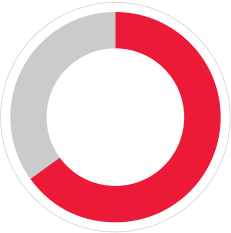
Furthermore, our participation in dealership association events in France and Spain has strengthened our brand visibility and industry credibility, reinforcing our position as a leader in digital transformation for automotive retail.

Nationalities

32

2023: 31

Gender balance



- Male (65%)
- Female (35%)
- Non-binary/non-disclosed (0%)

"We are driven by integrity and fairness. Our diversity makes us stronger, helping us become a better Company."

PLANET

AS A SAAS COMPANY, WE ACKNOWLEDGE THAT OUR GREENHOUSE GAS (GHG) EMISSIONS PRIMARILY STEM FROM BUSINESS TRAVEL, SERVER AND OFFICE ENERGY CONSUMPTION.

While our direct environmental footprint is lower than that of traditional industries, we remain committed to responsible and sustainable business practices. This year, we focused on laying the foundation for long-term sustainability by establishing a dedicated team to ensure compliance with the CSRD. With our first Sustainability Report planned for 2026, this team will guide us through key steps, including materiality assessment, data collection frameworks, impact measurement, and transparent reporting.

CAR AND BUSINESS TRAVEL POLICY

We reaffirmed our commitment to reducing our most material impacts by continuing to refine our car and business travel policies. Our car policy encourages the adoption of fuel-efficient and electric vehicles within our fleet, reinforcing our dedication to reducing emissions while maintaining employee safety and efficiency.

Additionally, we promote sustainable travel choices by prioritising public transport and discouraging unnecessary flights. When business travel is unavoidable, we encourage employees to select eco-friendly accommodations and minimise last-minute changes that could increase emissions.

ENERGY CONSUMPTION AND SERVER INFRASTRUCTURE

As the tech industry evolves, most software companies are increasingly recognising the significant environmental impact of the energy consumed to power their servers, a crucial component of their overall greenhouse gas (GHG) emissions. In alignment with industry trends, we are taking steps to assess and mitigate the energy usage associated with our data centers and server operations. We are actively exploring ways to optimize our server infrastructure, transition to greener energy sources, and improve the efficiency of our technology systems. This will help us reduce our indirect environmental impact and further support our long-term sustainability goals.

OFFICE ENERGY AND WASTE MANAGEMENT

We continue to improve office sustainability by integrating employee recommendations on waste management and increasing energy efficiency. Some of our offices already operate on 100% renewable energy, and we are assessing ways to extend this initiative across all locations.

We also maintain a commitment to responsible electronic waste disposal, in line with the Waste Electrical and Electronic Equipment Directive.

Priorities

- Advance our CSRD compliance strategy to ensure robust sustainability reporting by 2026.
- Expand the use of renewable energy across all office locations.
- Investigate suitable carbon offset initiatives to further mitigate our footprint.

By proactively addressing these priorities, we aim to integrate sustainability into our operational strategy while maintaining our focus on efficiency and innovation.

GOVERNANCE

WE BELIEVE STRONG GOVERNANCE IS CORE TO MAKING PROGRESS ACROSS ALL AREAS OF OUR SUSTAINABILITY FRAMEWORK.

As we prepare for the evolving ESG landscape, we recognise our responsibility to enhance transparency and ensure we can effectively manage our impact on society while balancing the needs of our stakeholders. In anticipation of future regulatory requirements, including CSRD compliance, we are actively structuring our governance framework to integrate ESG considerations into our business operations.

PREPARING FOR ESG GOVERNANCE

Board of Directors

The Board of Directors is responsible for establishing the foundation of MotorK's ESG strategy. While we are still in the early stages of ESG reporting, the Board is working to define clear sustainability goals and align them with the Company's long-term business strategy. As part of this preparation, the Board is assessing how ESG factors will be embedded into decision-making and risk management processes, ensuring readiness for full regulatory compliance by 2026.

Executive leadership

The CEO and Executive Leadership Team, including the CHRO and CFO, are leading the development of our ESG governance structure. They are working to set the strategic direction, define ESG priorities, and prepare internal teams for the implementation of sustainability initiatives. A key focus is ensuring that our organisation is equipped with the necessary expertise and resources to manage ESG requirements effectively in the coming years.

Investor relations

As investor expectations around ESG disclosure grow, our investor relations team is actively exploring best practices for transparent communication of our sustainability progress. We are developing a structured approach to ESG reporting that will align with industry standards and regulatory requirements, ensuring that stakeholders remain informed and engaged.

Human Resources

HR is preparing to strengthen the social dimension of our ESG strategy by assessing current policies on DE&I, employee wellbeing, and ethical workplace practices. Over the next year, we will focus on defining key social impact metrics and integrating them into our broader sustainability strategy.

Risk management and compliance

Our Risk Management and Compliance team is laying the groundwork for ESG risk identification and mitigation. As we prepare for CSRD compliance, we are evaluating data collection processes, impact assessment methodologies, and governance structures to ensure smooth integration into our enterprise risk management framework.

2026 READINESS PLAN

- Establish a structured ESG governance framework to support long-term sustainability integration.
- Strengthen Board oversight of ESG through dedicated training and strategic planning.
- Develop internal ESG reporting capabilities in preparation for CSRD compliance.
- Define and implement key social and environmental policies to support future disclosures.
- Enhance investor engagement on sustainability matters through transparent communication.

By proactively preparing for ESG governance and reporting, we are ensuring that MotorK is well-positioned to manage sustainability effectively and meet future regulatory requirements with confidence.

CYBERSECURITY & DATA PROTECTION

STRENGTHENING OUR DIGITAL RESILIENCE

In today's digital-first world, safeguarding data and protecting against cyber threats is a top priority. At MotorK, we have made significant strides to ensure that the sensitive data we handle is protected by the highest security standards. As part of our commitment to protecting customer and Company data, we achieved ISO/IEC 27001:2022 certification in 2024, a globally recognised standard for information security management.

WHAT IS ISO 27001 CERTIFICATION?

ISO/IEC 27001:2022 is an international standard that sets out the requirements for establishing, implementing, maintaining, and continually improving an Information Security Management System (ISMS).

The standard helps organisations systematically manage sensitive information, ensuring it remains secure by addressing people, processes, and technology. For SaaS companies like ours, this certification demonstrates our commitment to protecting data and ensuring that all security risks, from cyber threats to unauthorised access, are managed proactively. ISO 27001 helps identify and mitigate potential security risks while ensuring compliance with data protection regulations, such as GDPR.

Why is iso 27001 critical for a SaaS business?

As a SaaS provider, we manage large volumes of customer data, often containing sensitive and confidential information. This makes us a potential target for cybercriminals, and even the smallest breach can lead to significant financial losses, regulatory fines, and reputational damage. By achieving ISO 27001 certification, we ensure that our Company implements the most rigorous security practices.

This includes:

- **Risk Management:** Continuously identifying, assessing, and mitigating potential threats to data integrity, availability, and confidentiality.
- **Systematic Security Framework**: Using a risk-based approach to determine the appropriate level of protection, including physical, technical, and procedural measures.
- **Employee Training & Awareness:** Ensuring that all employees are trained to understand and mitigate cybersecurity risks.

In addition, ISO 27001 provides our customers with the confidence that we are committed to safeguarding their data with the highest level of security. For our automotive clients, where

data privacy and security are paramount, this certification offers assurance that we adhere to the highest standards in protecting their customer and business data.

WHY IS ISO 27001 CRUCIAL IN THE AUTOMOTIVE INDUSTRY?

The automotive industry is undergoing a digital transformation, with increasing reliance on connected vehicles, big data analytics, and AI-driven systems. As car manufacturers and dealerships collect and manage massive amounts of data—ranging from vehicle performance metrics to customer preferences—data security becomes critical. The industry's reliance on big data for personalised customer experiences, predictive maintenance, and fleet management creates an urgent need for robust cybersecurity protocols. Automotive companies are more vulnerable than ever to cyberattacks, especially as the shift toward digital retail platforms and connected vehicles increases the volume of sensitive data being shared and stored. MotorK's ISO 27001 certification ensures that as we support the automotive sector's digital journey, we are taking proactive steps to protect this valuable data from cyber threats, ensuring that our customers' and partners' information remains secure throughout the entire ecosystem.

Key Cybersecurity Enhancements:

- **Two-Factor Authentication:** To further protect sensitive customer and business data, we've integrated two-factor authentication (2FA) across our core solutions, ensuring an additional layer of security against unauthorised access.
- **Employee Security Training:** Regular cybersecurity training and awareness programme are in place to help employees recognise and prevent potential cyber threats, such as phishing and credential theft, which account for a large portion of cyber incidents.
- **Vendor Risk Managemen**t: We strengthen our third-party security measures by conducting thorough due diligence and audits of all our partners and suppliers, reducing the risk of data breaches from external sources.

Key Actions for 2025:

- Publish cybersecurity performance metrics and incident response protocols in the next ESG report.
- Expand third-party cybersecurity audits to ensure our partners comply with the same high security standards.
- Continue enhancing employee training to reduce human error and mitigate emerging threats.

LOOKING AHEAD: ESG IN 2025 AND BEYOND

As we prepare for full CSRD compliance in 2026, we are committed to enhancing transparency, setting measurable targets, and embedding ESG into our business strategy.

2025 Priorities:

- Conduct a double materiality assessment to align ESG focus areas with business strategy.
- Establish ESG-linked executive compensation to drive accountability.
- Disclose Scope 1, 2, and 3 emissions and set carbon reduction targets.
- Expand cybersecurity governance and risk management.
- Enhance DE&I reporting and initiatives.

We believe ESG is a continuous journey, and we are committed to making meaningful progress each year to create a sustainable and responsible future for our stakeholders.

STAKEHOLDER ENGAGEMENT AND S172 STATEMENT

The Board is mindful of its responsibilities to all stakeholders when considering the likely consequences of the implementation of its business strategy and long-term decisions. When taking decisions of strategic importance, the Board endeavours to balance the interests of all its stakeholders in a way that is compatible with the Group's long-term growth. The Board considers its key stakeholders to be its employees, customers, suppliers and investors, given that these groups interact significantly with the business model and are impacted most in the course of business operations. It is through regular engagement with these stakeholders that the Board is able to understand the issues that are most important to each group and make informed judgements when implementing the Group's strategy and long-term decision-making.

Throughout the course of the year, the Board has acted in the way it considered, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole. This section comprises our Section 172 statement, setting out how the Board has, in performing its duty over the course of the year, had regard to the matters set out in Section 172(1)(a) to (f) of the Companies Act 2006, which are as follows:

a) the likely consequence of any decision in the long-term;
b) the interests of the Company's employees;
c) the need to foster the Company's business relationship with suppliers, customers and others;
d) the impact of the Company's operations on the community and the environment;
e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
f) the need to act fairly as between members of the Company.

HOW THE GROUP ENGAGES WITH ITS KEY STAKEHOLDERS

Stakeholders	Why it is important to engage	Areas of impact addressed	Actions taken by management and/or the Directors in FY2024
Employees	▪ Our services are delivered almost entirely by our internal workforce, with limited outsourcing. ▪ Employees represent our biggest asset and their associated costs have the greatest impact on our profit and loss statement compared to other factors. ▪ We have a legal and ethical responsibility for their wellbeing.	▪ Training and development. ▪ Wellbeing. ▪ Internal communication and participation. ▪ Group culture and engagement.	▪ Regular employee satisfaction surveys. ▪ Regular townhalls open to all employees. ▪ Access to training both for personal development and work-related topics. ▪ Share options plan extended to all employees. ▪ Comprehensive objectives and key results system put in place to align Company and personal goals. ▪ Senior Executive Managers 'on tour' in all MotorK's offices in order to promote the Company's culture.
Customers and suppliers	▪ Their performance directly impacts our financial, operational and responsible performance. ▪ We are commercially responsible to customers and suppliers.	▪ Customer satisfaction. ▪ Support to customers with temporary difficulties. ▪ Innovative strategic partnerships. ▪ Careful selection of trustworthy suppliers.	▪ Active participation in the main automotive industry events to make our customers and our suppliers aware of the technological changes affecting the market in the next years and how they need to be prepared for future challenges. ▪ Regular reviews of supplier contracts and robust supplier evaluation process. ▪ Prioritisation of customer satisfaction levels to ensure alignment with business goals.
Investors	▪ Our strategic and operational decision-making is influenced by our investors' views. ▪ We are dependent on access to funding. ▪ We are accountable to our shareholders.	▪ Updates with potential investors. ▪ Communication with investors.	▪ Maintenance and development of the investors' section on our website. ▪ Analyst coverage. ▪ Met with several potential investors, both one-to-one and in group meetings. ▪ Quarterly KPIs (Key Performance Indicators) communication to ensure full visibility of Group performance. ▪ Shares issuance related to the exercise of stock-option assigned to the employees. ▪ Shares issuance related to the two reserved capital increase for a total aggregate amount of €14 million. ▪ Management to further bolster the Group's external growth strategy. ▪ Share issuance related to the earn-out assigned to the former shareholders of FusionIT and Fidcar.

Regarding how the Group engages with local communities and environment, please make reference to the disclosure reported in the ESG section on pages 23-31.

KEY DECISIONS TAKEN IN THE YEAR AND IMPACT TO THE RELEVANT STAKEHOLDERS

The list of the main resolutions made by the Board of Directors of the Company are listed in the paragraph 'Meetings of the Board of Directors' in the Non-Executive Directors' Report. Key decisions and relevant impact to the relevant stakeholders are reported below:

- Approval of Company's results of 2023 and H1 2024 statements ensure awareness and transparency of the Company information for key stakeholders with the effect of enhancing relationship, trust and compliance with relevant regulations and regulators requests.
- Approval of the Reserved Capital Increase of €12.3 million executed in February 2024 by 83 North III Limited Partnership and Lucerne Capital Management both existing shareholders of the Company together with Anfield Ltd, Mr. Assaf Topaz, Mr. Roy Toren and Mrs. Tamar Sharon strengthens the Group's financial position, providing additional capital for growth, and boosts confidence among existing and new investors.
- Approval of the Reserved Capital Increase of €1.7 million executed in April 2024 by four family office investors further solidifying the Group's financial foundation and fuelling growth potential.
- Approval of the second and third loans of the financing agreement with Atempo Growth (acting through the Luxembourg-law vehicle A 01 Securitisation S.à.r.l.), pursuant to which a financing for an aggregate amount equal to €10 million has been granted to the Company to provide value for the investors and boost the growth and the investment in R&D activities.
- Granting of new options to the employees in the context of the long-term share incentive plan in line with the Remuneration Policy aligns employee interests with long-term company goals, motivating staff for improved performance and benefiting shareholders by boosting company value.

FINANCIAL AND OPERATING REVIEW

"The Group's ongoing expansion was accompanied by a strong emphasis on operational efficiency, positioning the Company to fully capitalise on operating leverage in the future and enhancing profitability moving forward".

GROUP PERFORMANCE OVERVIEW

MotorK Group closed the year on 31 December 2024 with significant improvement in profitability and continued growth trajectory, despite difficult market conditions. Revenue rose by 5%, reaching €40.3 million, up from €38.5 million in FY2023. This performance was primarily driven by a 7% improvement in SaaS platform stream and by a 15% increase in digital marketing revenue.

Throughout the year, we remained committed to the other key element of our strategy, investing in innovation, with total R&D expenses accounting for 32% of our overall revenue, slightly decreased compared to FY2023 due to the reduction in personnel costs. Regarding profitability, Adjusted EBITDA ended at a negative €0.5 million, yet improved compared to the previous year, driven by the positive effects of the personnel efficiency plan and cost synergies. However, the Group is now strategically positioned to fully leverage its operations in FY2025.

To support our expanding business and necessary investments, the year-end liquidity has been bolstered through a reserved capital increase of €5.3 million, announced on March 2025,along with the sale of the remaining 20% stake in Auto XY SpA to GEDI Digital Srl for a total consideration of €3.5 million. This newly acquired liquidity offers operational flexibility, paving the way for the profitability anticipated in FY2025.

Further details of Group performance are provided in the paragraphs on the next page.

Revenue

€40.3m

Restated 2023: €38.5m

Revenue growth

5%

Restated 2023: 23%

Adjusted EBITDA

-€0.5m

Restated 2023: -€5.8m

RESULTS FOR THE YEAR

€'000	2024	Restated 2023
Revenues	**40,333**	**38,522**
Cost for customers' media services	(8,144)	(7,515)
Personnel costs	(26,228)	(30,659)
R&D capitalisation	8,278	9,342
Other costs	(14,744)	(15,547)
Total costs	**(40,838)**	**(44,379)**
Adjusted EBITDA	**(505)**	**(5,857)**
Exceptional income/(costs)	167	(3,140)
Stock option plan cost	(638)	(1,202)
EBITDA	**(976)**	**(10,199)**
Amortisation and depreciation	(9,990)	(8,741)
EBIT	**(10,966)**	**(18,940)**
Finance costs (net of finance income)	(2,091)	(1,040)
Loss before tax	**(13,057)**	**(19,980)**
Corporate income tax	4	2,315
Loss for the year	**(13,053)**	**(17,665)**

REVENUE

The 2024 Group revenue amounted to €40.3 million compared with €38.5 million in FY2023, with an increase of 5% year-on-year.

Revenue by product and service line

€'000	2024	Restated 2023	Year-on-year change
SaaS platform revenue	30,154	28,075	7%
Digital marketing revenue	8,694	7,547	15%
Other revenue	1,485	2,900	(49%)
Total	**40,333**	**38,522**	**5%**

The growth compared to the previous period was attributed to the strong performance of SaaS platform revenue and Digital marketing, which reached respectively €30.1 million and €8.7 million, correspondingly a 7% and a 15% increase from the prior period.

As a result of the SaaS platform performance, recurring revenue reached 74% of total revenue (with an increase of 1 p.p. compared to the previous period). Management views this as a key indicator of the continued focus on core revenues.

€'000	2024	Restated 2023	Year-on-year change
Recurring revenue	30,044	27,932	8%
Contract start-up revenue	110	143	(23%)
SaaS platform revenue[1]	**30,154**	**28,075**	**7%**
SaaS Recurring revenue as % of total revenue	**74%**	**73%**	**1%**
SaaS platform revenue as % of total revenue	**75%**	**73%**	**2%**

1 It includes revenue from SaaS platform. Please refer to the Note 5 page 109 for the revenue recognition criteria applied. Due to the revenue recognition policy applied, revenues are different from Annual recurring revenues (ARR), considered a Group APM. Details of how ARR is calculated is provided on page 154 of this Annual Report.

The revenue distribution by geography has remained consistent with prior year, confirming our presence throughout the entire EMEA territory.

€'000	2024	% on total	Restated 2023	% on total	Year-on-year change
Italy	26,347	65%	25,169	65%	5%
Spain	3,679	9%	3,673	10%	0.2%
France	5,639	14%	4,546	12%	24%
Germany	2,230	6%	2,624	7%	(15%)
Benelux	2,438	6%	2,510	6%	(3%)
Total	**40,333**	**100%**	**38,522**	**100%**	**5%**

Total costs

In FY2024, costs, after capitalising development expenses, totalled €40.8 million, representing an 8% decrease compared to the previous period and aligning with the Group's continued focus on profitability. The reduction compared to FY2023 was primarily driven by lower personnel and other operating costs.

The decrease of personnel costs to €26.2 million from €30.7 million in FY2023 was mainly driven by the focus on eliminating inefficiencies and the decision not to replace employees who voluntarily left the Company. The average number of employees (directly employed by the subsidiaries of the Group) for FY2024 is 401 (451 in FY2023).

€'000	2024	2023
Salaries and other personnel costs	20,198	23,554
Social security costs	6,030	7,105
Total personnel costs*	**26,228**	**30,659**

* The difference between the caption "Total personnel costs" and the caption "Personnel costs" presented in the Consolidated Statement of Profit and Loss and Other Comprehensive Income at page 93 amounts to €0.4 million (€3.5 million in FY2023) and it comprises the indemnity of €1.4 million (€0.3 million in FY2023), earn-out payments costs of negative €1.6 million (€2 million in FY2023) and stock option plan cost fo €0.6 million (€1.2 million in FY2023) classified as non recurring costs below Adjusted EBITDA in the table "Results for the year" on page 35. For further details, please refer to Note 10 page 117.

The decrease in other operating costs to €14.7 million in FY2024 (from €15.5 million in FY2023) is mainly attributed to the benefits realised from synergies following the full integration of the companies acquired in previous years.
R&D investments represent a significant item for the Group amounting to €13.1 million in FY2024 compared with €14.5 million in FY2023.

€'000	2024	Restated 2023	Year-on-year change
Total R&D expenses	13,090	14,513	(10%)
– of which capitalised	8,278	9,342	(11%)
– of which expensed in the income statement	4,812	5,171	(7%)
Total R&D expenses as a percentage of Group total revenue	**32%**	**38%**	**(6%)**

Adjusted EBITDA

Adjusted EBITDA for the year was negative €0.5 million compared with negative €5.8 million in the previous period. The improvement for the year was primarily achieved through the reduction of personnel costs and other operating costs, leveraging the synergies generated by the integration of acquired companies, and bringing the Company's structure to an optimal level to reach profitability. Adjusted EBITDA is a non-IFRS financial measure used by management to monitor the operating profit of the Group and is calculated as EBITDA net of exceptional income/(costs) and stock option expenses, which are not strictly inherent to the underlying business performance. Exceptional income/(costs) amounting to €0.2 million (compared with negative €3.1 million in FY2023) comprise €1.7 million (negative €2 million in FY2023) for the release of post-combination services remuneration no longer due as a result of targets not being met related to the acquisitions made during 2021 considered under IFRS 2 (€1.1 million in FY2024, null in FY2023) and under IAS 19 (€0.6 million, null in FY2023), €0.9 million for the remeasurement of the contingent consideration at FVTPL consequently the fact that the target for the payments of the considerations was not achieved, offset by costs incurred for one-off projects completed during the year of €0.9 million (€0.8 million during FY2023), severance payment indemnities and related costs for employees who left the Group and have not been replaced of €1.4 million (€0.3 million during the FY2023) and FY2024 accrual for the post-combination services remuneration under IFRS 2 (€0.2 million in FY2024, €2 million in FY2023).
Stock option plan costs amounted to €0.6 million (€1.2 million in FY2023).

Full reconciliation of the calculation of Adjusted EBITDA with the Consolidated Statement of Profit and Loss and Other Comprehensive Income is provided on page 156 of this Annual Report. Please refer to the paragraph 'Critical accounting estimates and judgements' on page 110-111 of this Annual Report for the explanation of the criteria used to identify such items as one-off/non-recurring costs.

Finance costs (net of finance income)

Finance costs net of finance income for the period were €2.1 million (€0.7 million in FY2023) and include mainly the interest paid during the year. The increase is mainly due to the payment of interest on Atempo additional loans compared to FY 2023.

Taxation

Corporate income tax was a positive figure of €0.005 million (positive €2.3 million in FY2023) and included mainly the tax provision of €0.6 million in France, Germany and Spain offset by a €0.6 million R&D grant obtained in Italy in 2024. Deferred tax assets on tax losses to carry forward for an amount of roughly €20 million have been cumulated as at 31 December 2024 and they have not been recognised due to the uncertainty in the timing in which such loss will be utilised.

Loss for the year

Loss for the year was €13 million compared with €17.7 million for the previous period. The increase compared to the previous period is mainly due to the positive effect of the increase in revenue and the reduction in personnel and other operating costs mentioned above.

GROUP CAPITAL STRUCTURE AND FINANCIAL POSITION

€'000	2024	Restated 2023
Tangible assets	3,379	4,557
Intangible assets	46,335	46,477
Investments in associated companies	3,538	3,538
Fixed assets	**53,252**	**54,572**
Net working capital	**(1,108)**	**(3,821)**
Deferred tax	**(1,533)**	**(1,791)**
Employees' benefit liabilities	**(2,310)**	**(2,309)**
Provisions	**(121)**	**(177)**
Total invested capital	**48,180**	**46,474**
Cash on hand and cash at banks	3,362	3,509
Financial assets	242	234
Financial liabilities	(23,764)	(23,251)
Net (borrowing)/cash position	**(20,160)**	**(19,508)**
Net equity	**28,020**	**26,966**

Fixed assets

Fixed assets were €53.2 million as at 31 December 2024, compared with €54.6 million as at 31 December 2023. The decrease of tangible assets amounting to €1.2 million was related mainly to the rise of €0.2 million of right of use assets net of depreciation for €1.4 million.

Net (borrowing)/cash position

Net borrowing position was €20.2 million as at 31 December 2024 compared with €19.5 million as at 31 December 2023. Cash on hand and cash at banks amounted to €3.4 million compared with €3.5 million as of 31 December 2023. Changes compared with the previous years are explained below in the Group cash movements for the year table. Financial liabilities amounted to €23.8 million compared with €23.2 million as of 31 December 2023. The increase is mainly due to the new financial loan of €9.3 million (net of costs incurred for the transaction) entered into 2024, offset by the deferred consideration payment for an amount of €5.1 million, FVTPL remeasurement for an amount of €0.9 million, Illimity instalments payment for an amount of €1.8 million and changes in lease liabilities related to IFRS 16 for an amount of €1 million.

Net equity

Net equity was €28 million as at 31 December 2024, compared with €27 million of the previous period. Change compared with the previous year are described in Note 23 – Shareholders' Equity in Notes Forming Part of the Consolidated Financial Statements.

GROUP CASH MOVEMENTS FOR THE YEAR

€'000	2024	Restated 2023
Cash on hand and cash at banks at the beginning of the period	**3,509**	**19,223**
Adjusted EBITDA	(505)	(5,857)
Decrease/(increase) in working capital	(840)	1,381
Operating free cash flow*	**(1,345)**	**(4,476)**
Taxes paid	(191)	(712)
Cash flow from investing activities – tangible assets	(27)	(92)
Cash flow from investing activities – R&D	(8,383)	(9,358)
Free cash flow*	**(9,946)**	**(14,638)**
Exceptional items	(2,104)	(1,127)
Cash outflow for acquisition of subsidiaries and post combination services**	(6,189)	(3,881)
Cash flow from financing activities	4,435	3,013
Cash flow from equity movements	14,156	847
Others	(499)	72
Net (decrease) in cash on hand and cash at banks	**(147)**	**(15,714)**
Cash on hand and cash at banks at the end of the period	**3,362**	**3,509**

* This is a non-GAAP measure considered relevant by management and it is considered a Group APM. Reconciliation with the accounts is provided on page 155 of this Annual Report.

** The line item Cash outflow for acquisition of subsidiaries and post combination services (€6.2 million in FY2024 and €3.9 million in FY2023) is the sum of the line item Cash outflow for payment of post combination remuneration (€1.1 million in FY2024 and null in FY2023) and the line item Cash outflow on acquisition of subsidiaries (net of cash acquired) (€5.1 million in FY2024 and €3.9 million in FY2023) presented in the Consolidated Statement of Cash Flows on page 96 of this Annual Report.

Operating free cash flow

Operating free cash flow amounted to a negative €1.3 million in FY2024, an improvement compared to a negative €4.5 million in FY2023. The reduction in negative Operating free cash flow was primarily driven by a €5.3 million increase in Adjusted EBITDA, partially offset by a €2.2 million decrease in working capital.

Free cash flow

Free cash flow for FY2024 was negative €9.9 million, an improvement compared to negative €14.6 million in FY2023. The reduction in negative free cash flow was driven by a €3.1 million decrease in negative operating free cash flow, a €1.1 million reduction in R&D investments, and a €0.5 million decrease in taxes paid.

Cash flow from investing activities – M&A

Cash flow from investing activities amounted to negative €6.2 million and comprised the deferred consideration paid for the acquisition of GestionaleAuto.com S.r.l. for €3.1 million and the contingent consideration paid during the year related to FusionIT previous acquisitions for €2 million (both classified in Current financial liabilities under IFRS 3) and the post-combinations services payment classified in Trade and other payables under IAS 19 for €1.1 million (€1 million related to FusionIT and €0.1 million related to Dapda) classified in Trade and other payable under IAS19.

Cash flow from financing activities

The cash flow from financing activities is positive for €4.4 million and is mainly correlated to fresh liquidity obtain during the year for €9.3 million (net of costs incurred) of financial loan entered into with Atempo Growth and for €0.3 million of financial loan entered into with Viceversa, net of Illimity payment instalments for €1.8 million, interest paid and lease repayment for €3.4 million.

Cash flow from equity movements and Others

Cash flow from equity movements is positive for €14.2 million due to the capital increase of €14 million subscribed in February 2024 and in April 2024, for €0.2 million related to the payment of the strike price of the stock option exercised by the employees during the year.

The Others line item is mainly related to employee benefits liabilities paid during FY2024.

DIVIDEND

MotorK Group management intends to retain any future distributable profits to expand the growth and development of the business and, therefore, does not anticipate paying dividends to its shareholders in the foreseeable future.

EVENTS AFFECTING THE COMPANY (AND ITS SUBSIDIARIES) WHICH HAVE OCCURRED SINCE THE END OF THE FINANCIAL YEAR

On 14 March 2025 and on 25 March 2025, the Group successfully executed capital reserved increases of €4.8 million and €0.5 million respectively. Major strategic investors, including 83 North, Lucerne Capital Management, and Zobito, participated in this round, reaffirming their commitment to the Group's strategy and long-term vision. This capital injection is aimed at strengthening the Group's financial position, supporting MotorK's commitment to reach a Cash EBITDA positive position by the end of FY2025.

On 26 March 2025, the Group completed the sale of its remaining 20% stake in Auto XY SpA to GEDI Digital Srl for a total consideration of €3.5 million. This transaction marks the final step in the divestment of the DriveK business unit, initiated in December 2022. With its completion, MotorK has successfully finalised its strategic repositioning, further consolidating its focus on the B2B market, and reinforcing its balance sheet. The proceeds will be allocated to support the Group's growth initiatives and drive further innovation in its SaaS solutions for the automotive retail industry. This strategic step underscores the collective confidence of both existing and new investors in MotorK's potential, solidifying their collaborative commitment to the Group's sustained growth and ongoing success.

Following the negative Adjusted EBITDA reported for the year ended as at 31 December 2024, MotorK has obtained from Illimity Bank and Atempo Growth the waivers of testing the financial and non-financial covenants in place as at 31 December 2024. The next testing date will be then 31 December 2025. As the waivers were received after 31 December 2024, the Group has classified the Illimity Bank and Atempo Growth loan amounts as Current financial liabilities.

OUTLOOK

Looking ahead, MotorK's priority is clear: convert its record pipeline into revenue to a projected CARR increase of 10 to 13% year-on-year and achieve Cash EBITDA profitability by the end of 2025. The Company will continue to focus on strengthening its platform, expanding its footprint in both Retail and Enterprise, and further leveraging AI-driven solutions to drive growth.

Commenting on the results, Marco Marlia, CEO of MotorK, said: "2024 was a year of disciplined execution. While the industry's cautious stance on digitalisation affected short-term revenue acceleration, our Retail business remained strong, and we made substantial progress toward Cash EBITDA profitability. With a record sales pipeline and growing adoption of our AI-driven solutions, we are well-positioned to accelerate our momentum in 2025. Our focus will be on converting pipeline into revenue, scaling our platform, and delivering profitable growth."

With a solid financial foundation, and a clear commitment to innovation, MotorK has entered 2025 ready to drive the next phase of its growth journey and solidify its position as a leader in automotive digitalisation. From a geopolitical perspective, the conflicts in Ukraine, Israel and the recent escalation in the Red Sea related to the Houthi movements appears still far from a resolution.

Even though the Group does not operate directly in such geographical area, the persistence of such conflict may cause long-term issues in terms of supply-chain constraints for the economy in general with possible impact on MotorK customers. It is worth mentioning that MotorK Israel Ltd is a service Company for the benefit of the Group, hiring some Executives who are providing their services, and it is not operating commercially. Besides, the global economic landscape presents new challenges, particularly with the recent introduction of tariffs in both America and Europe. These developments are likely to have a significant impact on the automotive sector in Europe, potentially influencing costs and market dynamics. The Group will keep monitoring the impact of the current political environment on its customers, its business and the industry as a whole, and provide updates as necessary.

FINANCIAL AND NON-FINANCIAL KPIS

We monitor the key financial and non-financial performance of the Group against a number of different benchmarks and these are set in agreement with the Board.

	Reasons for choice	How we calculate	Outlook
Committed annual recurring revenues (CARR)[1] **€36.6m** vs Restated €34.5m last year	ARR is the main indicator for SaaS businesses like ours as it shows our ability to attract and retain customers, generating recurring revenues. CARR includes ARR together with additional signed and committed contracts yet to be delivered and billed.	This represents the yearly subscription contract value of the Group's customer base at the end of the reporting period (ARR) adding the annual recurring revenues that will be generated by additional contracts already signed and committed yet to be delivered and billed.	The Group expects CARR increase of 10 to 13% year-on-year for FY2025.
Revenue growth **5%** vs Restated 23% last year	Our strategy is centred on delivering significant top-line growth in the next few years. Hence, this is a fundamental KPI to track our strategic performance.	Calculated as increase in revenue percentage year-on-year.	The Group expects revenue to increase in FY2025 in order to meet the target of CARR mentioned above.
SaaS recurring revenue as % of total revenue **74%** vs Restated 73% last year	This measures the ability of the Group to focus on the recurring component of Group revenue that is the most scalable and value-adding.	Calculated as recurring SaaS revenues as a percentage of total Group revenue. Recurring revenue includes revenues from SaaS contracts.	Target of 75% of FY2024 has been reached by the Group. Further growth is expected in 2025 to meet the target of CARR mentioned above.
Cash EBITDA[2] **-€8.8m** vs Restated -€15.2 m last year	This is a consistent measure of trading performance, aligned with the interests of our shareholders and a good proxy of cash generated during the year.	Calculated as Adjusted EBITDA less Change in Contract Assets and R&D capitalisation.	Cash EBITDA profitability by the end of 2025.
Adjusted EBITDA[3] **-€0.5m** vs Restated -€5.8m last year	This is a consistent measure of trading performance, aligned with the interests of our shareholders. Adjustments are related to expenses that are not strictly inherent to the underlying business performance	Calculated as operating profit before interests, taxes, amortisation and depreciation net of exceptional costs. Disclosure of the calculation is provided in Note 7 of the Notes Forming Part of the Consolidated Financial Statements on pages 110-111 of this Annual Report.	The Group targets for FY2025 a Cash EBITDA profitability by the end of 2025. Cash EBITDA is calculated as Adjusted EBITDA less change of contract assets and R&D capitalisation.
Adjusted EBITDA margin **-€1.3%** vs Restated -15.2% last year	This is a consistent measure of performance needed to ensure costs of the Group are in line with the level of business being generated.	Calculated as Adjusted EBITDA as a percentage of total Group revenue.	The Group expects EBITDA margin to increase in FY2025 in order to meet the target of CARR and Cash EBITDA mentioned above.
Number of employees as at the end of the reporting period (non-financial KPI) **385** vs 449 last year (as at the end of the reporting period)	This is a indicator helpful to measure the growth of the Group.	Number of employees at the end of the year.	The Group expects to have an adequate number of employees to ensure our growth targets reported above.

Data shown are related to FY2024 (compared with the previous year period where needed).
1 This is a non-GAAP measure considered relevant by management, and it is considered a Group APM. Reconciliation with the accounts is provided on page 154 of this Annual Report.
2 This is a non-GAAP measure considered relevant by management, and it is considered a Group APM. Reconciliation with the accounts is provided on page 157 of this Annual Report.
3 This is a non-GAAP measure considered relevant by management, and it is considered a Group APM. Reconciliation with the accounts is provided on page 156 of this Annual Report.

PRINCIPAL RISKS AND UNCERTAINTIES

Our risk governance model is based on three different levels: the Board of Directors, the Audit Committee and the Senior Executive Management.

RISK MANAGEMENT AND INTERNAL CONTROL

In order to pursue our growth strategy, we recognise the importance of balancing entrepreneurial spirit and a conscious approach to risk-taking. As a listed Company, we are working to improve our risk awareness and to emphasise the importance of risk management and internal controls. We strongly believe that controlled risks will result in long-term value for our stakeholders. We continuously assess the likelihood of risks materialising, their magnitude and how the individual risks change.

The preparation of financial statements in compliance with adopted IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in Note 7.

RISK GOVERNANCE

Our risk governance model is based on the presence of three different levels of risk management: the Board of Directors, the Audit Committee and Senior Executive Management, who actively take accountability for managing risks and controls.

Board of Directors

The Board of Directors has overall responsibility for the Group risk management and internal control system, being responsible for determining the strategy, setting the objectives, defining the risk appetite and influencing the culture of risk management. These goals are pursued through maintaining internal controls systems that ensure the accomplishment of our mission and not taking any substantial risks without them first being reduced to an acceptable level.

Audit Committee

The Audit Committee monitors and reviews the scope and the effectiveness of the Company's systems of risk and internal control. The Committee's responsibilities also include the oversight of matters relating to relations with auditors, funding, information technology and cybersecurity and tax.

Management

Group management is responsible for enacting guidelines, projects and activities under the Board of Directors' and the Audit Committee's review, monitoring risk in line with the strategic objectives of the Group, as well as managing day-to-day risks.

RISK MODEL

Our risk model has been structured to identify and manage risks that could endanger the achievement of strategic objectives in the short and long term. To facilitate the risk identification process, we have defined four risk categories:

a) operational risks;
b) strategic risks;
c) external risks; and
d) compliance risks.

Evaluation of our risks identified the four top risks that exceed the Group's risk appetite[1] and require priority mitigation actions. The top risks are set out below, together with a description of the causes and consequences of each risk and of the actions taken to mitigate such risks.

Management has also assessed climate risk and possible related impacts, concluding that this is not significant due to the business of the Group, its main suppliers and the current stage of its organisation. For further details, please refer to the disclosure reported in the ESG section.

1 The risk appetite is the maximum acceptable level of risk, as established by MotorK.

OPERATIONAL RISKS

Risk	Likelihood of the risk materialising	Magnitude of the risk	Assessment of changes	Causes of risk	Consequences of risk	Mitigation
Delivery of products and services not in line with customers' expectations	Possible	Moderate	Stable	■ Inefficiencies in delivery with impacts on product release (e.g. due to misallocation of resources and/or incorrect scheduling). ■ Absent/ineffective client relationship and communication process. ■ Occurrence of errors/technical issues during delivery closeout phase.	■ Economic damage in terms of extra costs (operational inefficiency). ■ Reputational damage.	■ The process and operating practices of delivery are implemented in our CRM, with controls operated cross-departmentally and with the customers, supervised by dedicated staff. Recently, we have implemented a significant improvement action through: ■ Implementation, effective from Q1 2024, of a new, formalised, delivery process, with the adoption of a specific workflow management tool, involving also the relationship with customers. ■ Identification of specific cross-departmental KPIs to monitor the adherence to quality standards and delivery schedules. The KPIs monitoring has been effective since Q4 2023.

STRATEGIC RISKS

Risk	Likelihood of the risk materialising	Magnitude of the risk	Assessment of changes	Causes of risk	Consequences of risk	Mitigation
Crisis event	Unlikely	Major	Stable	■ Absent/ineffective Crisis Management Plan. ■ Absent/ineffective Business Continuity Plan and disaster recovery. ■ Lack of employee training about what to do in case of a crisis or disruptive event. ■ No tests and simulations of plans. ■ Lack of a formalised process for the continuous improvement of plans. ■ Failure to identify and train the spokesperson in charge of all communications in case of crisis.	■ Reputational damage. ■ Economic damage (in terms of lower revenues). ■ Interruption of MotorK products and services. ■ Legal consequences. ■ Delay/interruption of business processes. ■ Decrease in share value.	A Disaster Recovery Plan is in place. The Plan defines: i) the criteria to activate it; ii) roles and responsibilities for deciding which aspects of the plan should be implemented; and iii) the process to quickly and efficiently notify key disaster recovery resources, staff, customers, vendors and third parties in the event of a disaster. Spokespeople have been defined: i) Chief Executive Officer and ii) Executive Chairman.
Failure to meet strategic growth targets	Possible	Moderate	Decreased	■ Failure to meet our targets of organic growth. ■ Failure to achieve synergies connected with the integration of the acquired business.	■ Economic damage (in terms of lower revenues and of lower cash generation/higher cash consumption). ■ Decrease in share value. ■ Reputational damage.	■ Ongoing monthly or more frequent monitoring of operational and financial KPIs to address timely deviations between results and budgets. ■ MotorK Group has established and enhanced a dedicated team focused on post-merger integration activities to ensure synergies are met. ■ Ongoing monitoring of post-merger integration KPIs.

EXTERNAL RISKS

Risk	Likelihood of the risk materialising	Magnitude of the risk	Assessment of changes	Causes of risk	Consequences of risk	Mitigation
Interruption of MotorK IT systems and products due to a cyberattack	Possible	Major	Stable	■ Lack of/ineffective security measures. ■ Lack of/ineffective staff training in terms of cybersecurity. ■ Unauthorised/incorrect use of devices by employees.	■ Unavailability of products and services. ■ Operational business interruption. ■ Economic damage in terms of extra costs for incident response, forensic activities, data and system recovery costs and/or cyberextortion. ■ Economic damage in terms of lower revenues due to business interruption. ■ Reputational damage.	Cyberinsurance is in place. ■ When a new Company is acquired, its product infrastructure is totally separate from MotorK's, so a vulnerability in its infrastructure cannot affect the continuity of MotorK products.
Denial of service attack	Possible	Major	Stable	■ Lack of/ineffective security measures. ■ Lack of/ineffective staff training in terms of cybersecurity (e.g. due to phishing attack). ■ Unauthorised/incorrect use of devices by employees.	■ Unavailability of products and services. ■ Economic damage in terms of extra costs for incident response, forensic activities and data and system recovery costs. ■ Economic damage in terms of lower revenues due to business interruption. ■ Reputational damage.	Cyberinsurance is in place. ■ MotorK's templates provide protective contractual conditions with customers for any interruption of products and services due to events not attributable to the wilful misconduct or gross negligence of MotorK.
Data breach	Possible	Major	Stable	■ Cyberattack. ■ Lack of/ineffective security measures. ■ Lack of/ineffective staff training in terms of cybersecurity. ■ Misbehaviour of employees. ■ Unauthorised/incorrect use of devices by employees.	■ Economic damage in terms of extra costs for litigations, incident response, forensic activities and data and system recovery costs. ■ Reputational damage.	Cyberinsurance is in place. ■ Presence of disaster recovery procedures where roles and responsibilities to manage an incident are identified and a Data Protection Officer has been appointed. ■ Definition and implementation of a training plan for Data Processors. ■ Definition and implementation of a Data Breach procedure and breach notification management. ■ Implementation of security measures to prevent violations (antivirus, firewalls, backups, penetration tests).

COMPLIANCE RISKS

Risk	Likelihood of the risk materialising	Magnitude of the risk	Assessment of changes	Causes of risk	Consequences of risk	Mitigation
Unlawful acts by internal staff resulting in criminal liability of the Company, under the Italian Legislative Decree 231/2001	Unlikely	Major	Stable	■ Ineffectiveness of Organisation and Management Model ex 231/2001. ■ Ineffective/incomplete monitoring and control. ■ Incorrect communication to the Organismo di Vigilanza[1] of any changes/updates in the role of senior resources. ■ Failure to update the 231– risk matrix in relation to changes in the Company and/or in the products/services provided. ■ Lack of/ineffective staff training.	■ Pecuniary and inhibitory penalties. ■ Reputational damage. ■ Economic damage in terms of extra costs and lower revenues.	■ The Company recently adopted a new Whistleblowing Policy in line with the recent applicable Italian Legislative Decree n. 24/2023. ■ The Company, with the support of an external law firm, has adopted the 'Organisation and Management Model ex 231/2001' and also appointed the Organismo di Vigilanza. ■ The Company constantly carries out an assessment of corrective and preventive mitigation controls already in place (e.g. Code of Ethics, Whistleblowing Policy, group organisational chart, formalised power of attorney, formalised transfer pricing policy).

1 The 'Organismo di Vigilanza' is the Supervisory Board pursuant to the Legislative Decree 231/2001.

INTERNAL CONTROL SYSTEM GOVERNANCE

The Internal Control System (ICS) is designed to manage the risk of failure to achieve our business objectives and can provide reasonable assurance against material misstatement or loss.

Our ICS Governance Model is based on the presence of three lines of defence: Management (first line), the Risk and Compliance function (second line) and the CFO (third line), who actively take accountability, monitor risk, and control management.

Management (first line of defence)

Group management is responsible for enacting guidelines and implementing adequate, effective and efficient control measures to support the organisation in the achievement of its goals and to preserve value.

Risk management and compliance (second line of defence)

Our Risk Management and Compliance function provides expertise, support and challenge on risk and internal controls-related matters.

CFO (third line of defence)

Based on the principles of the Dutch Corporate Governance Code[3], the set-up of an internal audit function is not a mandatory requirement. Therefore, MotorK has empowered the CFO to perform assurance and monitoring activities over the ICS and advise on risk and control matters. As also foreseen by the Code and in case of absence of an internal audit function, the Supervisory Board assesses annually whether adequate alternative measures have been taken to preside over the third line of defence.

INTERNAL CONTROL SYSTEM MODEL

MotorK is committed to ensuring compliance with the following **general principles of control:**

- **Segregation of Duties:** separation of responsibilities between those who perform, control and authorise a specific business activity.
- **Policies and Procedures:** existence of guidelines, principles of conduct and formalised operating procedures.
- **Power of Attorney:** formal definition within the Company of authorisation and signatory powers consistent with assigned organisational and management responsibilities.
- **Traceability:** documenting and archiving of documentation by the competent corporate functions to ensure an adequate level of traceability of the activities and controls carried out.
- **Conflict of Interest:** guarantee that there are no situations of privileged relations and conflict of interest, current or even potential, between a third party and Group companies during the execution of Company operations.
- **Information Systems:** CRM, Enterprise Resource Planning and Reporting Systems ensure proper automated controls to guarantee completeness and accuracy of transactions and data.
- **Integration:** defined integration plans for information systems and control procedures of acquired entities to guarantee integrity of consolidated financial data.

MOTORK INITIATIVES FOR RISK MANAGEMENT AND INTERNAL CONTROL

We are working on the enhancement and continuous improvement of our risk management and internal control system in order to ensure we work to the highest standards. During 2024, the following main initiatives were carried out:

- **Enterprise Risk Assessment aimed at:**
  - defining the entire spectrum of risks to which the Company is exposed;
  - defining the associated risk appetite;
  - identifying measures to mitigate risks;
  - prioritising risks; and
  - identifying possible areas for improvement and defining related action plans.
- For MotorK Italia S.r.l, **Risk Assessment** with the support of an external law firm aimed at:
  - identifying relevant offences under the Italian Legislative Decree 231/01;
  - identifying and prioritising risk areas;
  - identifying and analysing the related internal controls;
  - identifying possible areas for improvement and defining related action plans;
  - finalising the documentation and the process needed to adopt the Organisation and Management Model ex 231/2001 within the H1 of FY2024; and
  - adopting a new Whistleblowing Policy in line with the recent applicable laws.
- Formalisation of **policies and procedures** for most relevant processes.
- Formalisation of **Risk and Control Matrices** for most relevant processes, summarising risks, controls and related attributes (frequency, nature of control, control objectives).

In the year 2025, the management will be working to strengthen the internal control system through the adoption of new tools and procedures in consideration of the Organisation and Management Model ex 231/2001 adopted during FY2024.

Impacts of risks on the performance of the year

Management does not believe that the aforementioned risks have had a measurable impact on our performance during the year.

BOARD APPROVAL

The Strategic Report was approved by the Board of Directors on 15 April 2025 and signed on 16 April 2025 on its behalf by:

Marco Marlia
16 April 2025

3 The 'Dutch Corporate Governance Code' defines principles and best practices regarding the implementation of a robust and clear system of good governance for Dutch-listed companies. It regulates for the internal audit function at: 'Principle 1.3 internal audit function', paragraph '1.3.6 Absence of an Internal Audit Department'.

Corporate Governance

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE REPORT

We strongly believe that good corporate governance plays an important role in the Group's ability to achieve its medium- and long-term strategic objectives, and therefore MotorK's focus on business is accompanied by careful management of corporate governance compliance with applicable laws.

THE BOARD RECOGNISES THE IMPORTANCE OF SOUND CORPORATE GOVERNANCE

Dear Shareholders

As Chairman of the Board of Directors of MotorK Plc, I am pleased to introduce the Group's Corporate Governance Report for the period ended 31 December 2024. The Corporate Governance Statement provides an overview of how the Board of Directors has operated during the past financial year and the key issues considered.

Since my appointment in June 2021, I have been impressed with the governance processes in place relative to the Group's size and with the Company's commitment to fostering an innovative and inclusive culture. The Board of Directors is committed to sound corporate governance. The Company is voluntarily applying the Dutch Corporate Governance Code (the Dutch Governance Code). A copy of the Dutch Governance Code can be found on 2022 Corporate Governance Code.

The Company fully endorses the underlying principles of the Dutch Governance Code and applies the Dutch Governance Code as the guiding principles to its corporate governance policy. The Company complies with relevant best practice provisions of the Dutch Governance Code in a manner consistent with and proportionate to the size, risks and complexity of the Group's operations. The Board of Directors believes that good governance plays a key part in the Group's ability to achieve its medium- and long-term strategic aims, and supports the creation of value for all our stakeholders. As such, good corporate governance and social responsibility plays a key part in the Company's strategy and long-term value creation for its shareholders.

The Board of Directors will provide annual updates on our compliance with the Dutch Governance Code. Please refer to pages 51-53 for more details.

During the financial year ended 31 December 2024, the Company decided to primarily focus on growing its business in order to implement its presence and position in the relevant market, with the aim to increase the revenues and attract new investors. MotorK also carried out and strengthened the integration process of all the companies acquired in the last years, with the goal to gradually unify the new entities and their assets, people, tasks and resources in a manner that creates the most value for the future of the Company, by realising efficiencies, synergies and new business. In light of the decisions and the approach above described, during the fiscal year ended 31 December 2024, the following changes were made to the Group's key corporate governance arrangements and the following policies were applied:

- **Mr. Mauro Pretolani** resigned as member of the Board of Director, as well as member of the Audit Committee.
- **Mrs Helen Protopapas** was appointed as member of the Board of Directors, as well as Chair of the Audit Committee and member of the Selection and Nomination Committee.

The main Group-wide governance documents are our Code of Conduct and the Board Rules, which set out our responsibilities to the Company, to each other, and what our stakeholders may expect from us. Together with our policies, these documents guide us in making smart, sound decisions in our day-to-day work and professional relationships with our customers and suppliers.

The Board of Directors has ultimate responsibility for the Group's system of internal controls and for reviewing its effectiveness. My ambitions for the composition of the Board of Directors are to maintain its Directors, each of which has a deep understanding of the Company and the industry in which the Company operates and, where applicable, broaden the range of experience, expertise and diversity in line with the Board profile (a copy of which is published on the Company's Governance documents page.

In the following section, we outline the Group's approach to corporate governance and compliance with the principles of the Dutch Governance Code.

Amir Rosentuler
Chairman

GOVERNANCE OVERVIEW

MotorK Plc is a public limited Company incorporated and registered in England and Wales. It acts as a holding Company for its subsidiaries, details of which are set out on page 100. MotorK's shares are listed on the Euronext Amsterdam.

MotorK has a two-tier governance structure comprising the Board of Directors and the Executive Management Team. There is also a third governing body: the Company's shareholders. In the following sections, we provide information on these governing bodies and their responsibilities and duties.

THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT TEAM

The Board of Directors is comprised of two Executive and three Non-Executive Directors. The Board of Directors considers that Måns Hultman and Helen Protopapas are independent in character and judgement, and that there are no relationships or circumstances which are likely to affect their independent judgement.

The Board of Directors is responsible for the Company's strategic leadership, determining the fundamental management policies of the Company and overseeing the performance of the Company's business. The Board of Directors is the principal decision-making body for all matters that are significant to the Company, whether in terms of their strategic, financial or reputational implications. The Board of Directors has final authority to decide on all issues save for those that are specifically reserved to the General Meeting of shareholders by law or by the Company's Articles of Association.

During the year, all serving Directors attended (in the main by video conference) the scheduled Board meetings that were held. In addition to the scheduled Board meetings, a number of ad hoc Board meetings were held. Directors are provided with appropriate and timely information by the Group's management and the Directors are free to seek any further information they consider necessary. Details of the number of Board meetings attended by each Director can be found on page 55.

Members of the Board of Directors are appointed by the shareholders for four-year terms. The Executive Director may serve any number of consecutive terms. Non-Executive Directors may be re-appointed once for an additional four-year term and thereafter, the Non-Executive Directors may again be re-appointed but for not more than two consecutive terms of not more than two years each.

Day-to-day operating decisions are made by an Executive Management Team (the Executive Management Team). The current Executive Management Team consists of ten members, including the Chairman and the CEO, each of whom oversees a specific aspect of the business. Details of the Executive Management Team can be found on pages 59-60.

The regulations regarding the appointment and dismissal of directors and supervisory directors and amendments to the Articles of Association are included in the section containing governance documents on the Company website.

OVERVIEW OF BOARD COMMITTEES

The Board of Directors is supported by the Audit, Remuneration, and Selection and Nomination Committees, details of which are set out below. Each Committee has written terms of reference setting out its duties, authority and reporting responsibilities, copies of which are published on the Company's Governance documents page. A summary of the activities during the year ended 31 December 2024 of each of the below-mentioned committees can be found on pages 55-56.

Audit Committee

The Audit Committee's role is to assist the Board of Directors with the discharge of its responsibilities in relation to financial reporting, including reviewing the Group's annual financial statements and accounting policies, external audits and controls, reviewing and monitoring the scope of the annual audit and the extent of the non-audit work undertaken by external auditors. It also includes advising on the nomination for appointment of external auditors and completing the preparatory work for the Non-Executive Directors' decision-making regarding the supervision of the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems.

The Audit Committee consists of two Non-Executive Directors: Helen Protopapas, who replaced Mauro Pretolani as member last April 2024, as Chair of the Audit Committee and Laurel Charmaine Bowden. All members, including the Chair of the Audit Committee, meet the requirements of members of the Committee pursuant to the terms of reference. In addition, Helen Protopapas has competence in accounting and auditing.

The Company appointed an external adviser that supported the Audit Committee activities.

Remuneration Committee

The Remuneration Committee advises the Board of Directors in relation to its responsibilities regarding the determination of the remuneration of Board members. The Remuneration Committee is tasked with submitting a clear and understandable proposal to the Board of Directors concerning the Remuneration Policy to be pursued.

The Remuneration Committee is chaired by Måns Hultman and Amir Rosentuler is a member. All members, including the Chairman of the Remuneration Committee, meet the requirements of members of the Committee pursuant to the terms of reference.

Selection and Nomination Committee

The Selection and Nomination Committee assists the Board of Directors in reviewing the size and composition of the Board of Directors, and proposes appointments and re-appointments. It periodically assesses the functioning of individual Directors and is also responsible for drawing up plans for the succession of Directors.
The Selection and Nomination Committee is chaired by Amir Rosentuler and Helen Protopapas is a member. All members, including the Chairman of the Selection and Nomination Committee, meet the requirements of members of the Committee pursuant to the terms of reference.

SHAREHOLDERS

A General Meeting is held yearly, within six months of the end of every financial year. The general purpose is to receive and adopt the accounts and the reports of the Directors (including the Directors' Remuneration Report) and auditors.

Other General Meetings, other than an Annual General Meeting (AGM), may be called with no less than 14 clear days' notice, according to a special resolution passed at the 2022 AGM.

A General Meeting is called by notice sent by the Directors. Shareholders representing at least 5% of the total voting rights of all the members who have a right to vote have the ability to (i) request that the Directors call a General Meeting and (ii) require a resolution to be put before a General Meeting that they have so convened. Every shareholder may attend, speak and vote at a General Meeting.

Unless the Companies Act 2006 or the Articles of Association require a larger majority, resolutions tabled at the General Meeting are adopted by a simple majority of votes cast.

MotorK recognises the importance of engaging with its shareholders. For further details, please see the Stakeholder Engagement section on pages 32-33.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Board of Directors has overall responsibility for the Group's system of internal controls. The system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable assurance against material misstatement or loss.

The Directors believe that the Group has internal control systems in place appropriate to the size and nature of the business. The key elements are:

- Group Board Meetings, at a minimum of four times per year, with reports from and discussions with the Executive Management Team on performance and, at least two times per year, on key risk areas in the business;
- monthly financial reporting, for the Group and for each subsidiary, of actual performance compared to budget and the prior year;
- annual budget setting; and
- a defined organisational structure with appropriate attribution of responsibility.

The Board of Directors meets as required with the external auditor on matters identified in the course of the statutory audit.

CONFLICTS OF INTEREST

The Board of Directors ensures that there are effective procedures in place to avoid conflicts of interest by Board members. Each of the Directors has a statutory duty to avoid conflicts of interest with the Company and to disclose the nature and extent of any such interest to the Board of Directors.

If a situation arises in which a Director has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company, the Director in question must declare the nature and extent of his or her interest to the other Directors and provide all relevant information to the Board of Directors, so that the Board of Directors (excluding the Director concerned) can decide whether a declared (potential) conflict of interest of a Director qualifies as a conflict of interest within the meaning of the relevant laws.

The Board of Directors, in such a scenario, may (subject to the Company's Articles of Association) resolve to authorise the conflict and such authorisation may include whether the Director can take part in the decision-taking process of the Board of Directors in respect of any situation in which he or she has a conflict of interest.

Similarly, the Dutch Governance Code requires the Directors to avoid any form of conflict of interest with the Company and the Directors, and to immediately report any (potential) conflict of interest to the Chair under provision of all relevant information.

In the past financial year, there were no transactions made in which there was a conflict of interest.

Further information as to how the Board of Directors deals with (potential) conflicts of interest may be found in the Board Rules (a copy of which is available on the Company's Governance documents page).

ADVISERS

The Board of Directors is in regular contact with its advisers to ensure that the Group is, at all times, compliant with applicable rules and regulations.

The Company has engaged several experts providing (i) support to the Board of Directors in relation to the development of the internal control and risk management systems; and (ii) regular advice to the Audit Committee in relation to the activities within its competencies.

In addition, the Company has engaged primary law firms as advisers to the Company as to UK and Dutch law.

AN OVERVIEW OF COMPLIANCE WITH THE DUTCH CORPORATE GOVERNANCE CODE

The Board of Directors is responsible for the corporate governance of the Company and for compliance with the Dutch Governance Code, which was voluntarily adopted as from listing of the Company on Euronext Amsterdam. The Company acknowledges the importance of good corporate governance. The Company regards the Dutch Governance Code and its underlying principles as the guiding principles for the corporate governance of the Company.

The Company in principle complies with the relevant principles and best practice provisions of the Dutch Governance Code addressed to the Board of Directors. The deviations from the Dutch Governance Code are noted on the next page. Compliance with the Dutch Governance Code is based on the 'comply or explain' principle. In this table, we provide an overview of the best practice provisions the Company does not comply with and explain why this is the case.

Best practice provision	Deviation	Explanation
Provision 1.3: internal audit function.	The Company does not have an internal audit function in place.	The Board of Directors believes, in consultation with the Audit Committee, that the Company has not existed as a listed Company long enough to install its own dedicated internal audit function. The Company will consider each year whether an internal audit function is necessary.
Best practice provision 3.1.2, which provides that, inter alia, the following aspects should be taken into consideration when formulating the Remuneration Policy: (a) if shares are being awarded, the terms and conditions governing this. Shares shall be held for at least five years after they are awarded; and (b) if share options are being awarded, the terms and conditions governing this and the terms and conditions subject to which the share options can be exercised.	A number of the options granted under the Enterprise, Management Incentives (EMI) Plan will vest and be exercisable also within the first three years following the IPO. Also, the lock-up commitments agreed upon in connection with the shares resulting from the exercise of the options granted under the EMI Plan will expire prior to five years following the award of such shares.	The Company deviated from the best practice provision 3.1.2 in order to retain its Directors, each of which has a deep understanding of the Company and the industry in which the Company operates. Starting from the approval of the new Long-Term Incentive Stock Option Share-Based Plan, the Group has not granted new option under the EMI Plan.
Best practice provision 5.1.4, which provides that all the members of the Remuneration Committee are Non-Executive.	Not all the members of the Remuneration Committee are Non-Executive, since the Chairman has been appointed as an Executive Chairman in June 2022.	The Board weighted on one side the level of experience and contribution that the Chairman is taking to the benefit of the Remuneration Committee and, on the other side, the potential risk of having an Executive Director as a member of the Committee, and decided that the latter were negligible in the case while the former were tangible. The Board will reconsider this decision in case of future significant changes of the Board composition. During FY2024, the compensation model related to Board of Directors members remained stable and there was no need to proceed with any update and/or changes. The granting of such options deviates from the Remuneration Policy of the Company and the Dutch Corporate Governance Code, the Directors and the Remuneration Committee have considered that it will not materially impact on the independence of Mrs. Protopapas as a Non-Executive Director and will support the cash performance of the Company (in the best interests of the Company itself). In consideration of this, also in light of the fact that there is no evidence of any risk, it is considered appropriate to go in continuity with the current arrangement by carrying out only the necessary maintenance activities.
Best practice provision 4.3.2 states that the Company should give shareholders and other persons entitled to vote the possibility of issuing voting proxies or voting instructions, respectively, to an independent third party prior to the General Meeting.	The Company does not provide the option of an independent third party.	The Company's shareholders' structure is composed of stable shareholders and some stable investors, and as far as the Board of Directors is aware, no retail investors currently hold shares in the Company in a significant way; therefore the Board of Directors is satisfied that it is not necessary to appoint an independent third party at this time. The Board of Directors will continually review this decision ahead of future General Meetings of the shareholders.
Annually, the Non-Executive Directors are expected to meet in order to discuss their own functioning, the functioning of the Board of Directors and its Committees, and the functioning of the Executive Directors pursuant to best practice provisions 2.2.6 and 2.2.7 of the Dutch Corporate Governance Code.	Relevant activities are scheduled in the first half of 2025.	Due to the extreme workload, they were not able to perform such activities. Kick-off of such activities has been discussed in the Board of Directors held in March 2024 and it is therefore planned to be concluded in the first half of 2025 (only one per year is required).

IN-CONTROL STATEMENT

In accordance with best practice provision 1.4.3 of the Dutch Governance Code, the Board of Directors states that:

- the report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems;
- the aforementioned systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
- based on the current state of affairs, it is justified that the financial reporting is prepared on a going concern basis; and
- the report provides information on those material risks and uncertainties that are relevant to the expectation of the Company's ability to continue as a going concern for a period of 12 months after the preparation of this report.

With reference to article 5:25c, section 2 sub c of the Dutch Financial Supervision Act and based on the audit of the financial statements by the external auditor, Marco Marlia (CEO) and Zoltan Gelencsér (CFO) state that, to the best of their knowledge:

- the financial statements as included in this report provide a true representation of the assets, liabilities and the financial position as at 31 December 2024, as well as the profit for the financial year 2024 of the Company and the companies included in the consolidation; and
- the Annual Report provides a true representation of the situation on 31 December 2024 and the course of business at the Company and at companies included in the consolidation for the financial year 2024 and the Annual Report includes a description of the material risks the Company and companies included in the consolidation area face.

LONG-TERM VALUE CREATION

A detailed explanation of the Board of Directors' view on long-term value creation and the strategy for its realisation, also describing which contributions were made to long-term value creation in the past financial year, as well as both the short-term and long-term developments, are included in the Strategic Report on pages 10-14.

DIVERSITY POLICY

In consideration of the adoption of a diversity policy for the Board of Directors (held last year), which is posted on the Company's website, the Company believes that diversity in the composition of the Board of Directors in terms of age, gender, expertise, professional background and nationality is an important means of promoting debate, balanced decision-making and independent actions of the Board of Directors.

The Company furthermore recognises that diversity should not be limited to the Board of Directors, but should in principle extend to all areas of the Company's business, including but not limited to other key leadership positions.

The following specific diversity target has been identified to improve the diversity within the Board of Directors: maintaining the gender diversity within the Board of Directors such that at least 20% of the Board of Directors will consist of women.

VALUES AND CODE OF CONDUCT

The Company adopted a Code of Conduct, which applies to all of our employees, including the Directors. The Code of Conduct is posted on the Company's Governance documents page.

The Company closely monitors the effectiveness of, and compliance with, the Code of Conduct. Violations of the Code of Conduct are usually prevented through, among other things: periodic training activities to employees, reports received in accordance with the whistleblowing management procedures and checks forming part of the standard operating procedures of the Group. For all Code of Conduct violations, the disciplinary measures taken are commensurate with the seriousness of the case and comply with local legislation. The relevant corporate departments are notified of violations, if any, irrespective of whether criminal action is taken by the authorities.

ANTI-TAKEOVER MEASURES

The Company currently has no anti-takeover measures in place.

NON-EXECUTIVE DIRECTORS' REPORT

This report is referred to in best practice provision 2.3.11 of the Dutch Governance Code.

INTRODUCTION

This is the report of the Non-Executive Directors of the Company over the financial year 2024, as referred to in best practice provision 2.3.11 of the Dutch Governance Code.

With a view to maintaining supervision of the Company, the Non-Executive Directors regularly discuss the Company's long-term business plans, the implementation of such plans, and the risks associated with such plans with the Executive Directors.

Details of the current composition of the Board of Directors, including the Non-Executive Directors, are set out in the section 'Board of Directors' on pages 57-58.

SUPERVISION BY THE NON-EXECUTIVE DIRECTORS

Pursuant to the Dutch Governance Code, it is the responsibility of the Non-Executive Directors to supervise the policies carried out by the Executive Directors and the general affairs of the Company and its affiliated enterprise, including the implementation of the strategy of the Company regarding long-term value creation. In doing so, the Non-Executive Directors have also focused on the effectiveness of the Company's internal risk management and control systems, the integrity and quality of the financial reporting and Company's long-term business plans, the implementation of such plans and the risks associated.

The Non-Executive Directors supervised the adoption and implementation of the strategies and policies by the Company. In this respect, the Group strategy has been adopted in view and ahead of the IPO in 2021 and has not been substantially changed since. The Non-Executive Directors have therefore focused on overseeing that the yearly budget and the main transactions and strategic decision be in line with the above-stated strategy. This has been achieved through regular updates with the Executive Directors and the executive team, occurred mostly in the occasion of the Board meetings or in dedicated sessions. The Non-Executive Directors have also reviewed this Annual Report, including the Remuneration Report and the Group's financial results, received updates on legal and compliance matters and have been regularly involved in the review and approval of transactions entered into with related parties. The Non-Executive Directors have also reviewed the report of the Board of Directors and its Committees.

The Board of Directors may allocate certain specific responsibilities to one or more individual Directors or to a Committee comprised of eligible Directors of the Company. In this respect, the Board of Directors has allocated certain specific responsibilities to the Audit Committee, the Remuneration Committee and the Selection and Nomination Committee.

MEETINGS OF THE BOARD OF DIRECTORS

Directors are expected to prepare themselves for and to attend all Board of Directors meetings, the Annual General Meeting of shareholders and the meetings of the Committees on which they serve, with the understanding that, on occasion, a Director may be unable to attend a meeting.

There were three meetings of the Board of Directors during the year 2024. An overview of the attendance of the individual Directors per meeting of the Board of Directors and its Committees is set out in the table on the next page.

Moreover, certain items were submitted and resolved by the Board of Directors through specific written resolutions, as provided by the Company's by-laws.

During those meetings and/or in the written resolutions, the key topics were related to:

- approval of the 2023 Company's accounts and reports.
- approval of the Reserved Capital Increase of € 12.3 million executed on February 2024 by 83 North III Limited Partnership and Lucerne, Capital Management both existing shareholder of the Company, together with Anfield Ltd, Mr. Assaf Topaz, Mr. Roy Toren and Mrs. Tamar Sharon.
- approval of the Reserved Capital Increase of €1.7 million executed on April 2024 by four family office investors.
- approval of the second loan of the financing agreement with Atempo Growth, pursuant to which a financing for an aggregate amount equal to €5 million has been granted to the Company.

- approval of the third loan of the financing agreement with Atempo Growth, pursuant to which a financing for an aggregate amount equal to €5 million has been granted to the Company.
- appointment of Helen Protopapas as Director of the Company.
- re-appointment of Måns Hultman as director of the Company
- approval of the re-appointment of BDO LLP as the auditors of the Company.
- approval of (i) the impairment test of the Group as of 31 December 2023 and the financial projections underlying the test and (ii) the Annual Report and Accounts of the Group for the financial year ended 31 December 2024 (incorporating the Strategic Report, the Non-Executive and Directors' Report, the Directors' Remuneration Report and the auditable part of the Directors' Remuneration Report, the Directors' Report and the auditor's report on those accounts);
- acknowledgement of the results of a risk assessment;
- approval of the Long-Term Incentive Plan (LTIP) of the Company and the relevant subplans and budget.

INDEPENDENCE OF THE NON-EXECUTIVE DIRECTORS

The independence requirements relating to Non-Executive Directors are set out in best practice provisions 2.1.7, 2.1.8 and 2.1.9 of the Dutch Governance Code. The most important requirement is that a majority of the Non-Executive Directors be independent in the sense of best practice provision 2.1.8. In the opinion of the Non-Executive Directors,

Director	Board of Directors	Audit Committee	Remuneration Committee	Selection and Nomination Committee
Amir Rosentuler	3/3	–	4/4	1/1
Marco Marlia	3/3	–	–	–
Måns Hultman	3/3	–	4/4	–
Laurel Charmaine Bowden	3/3	3/3	–	–
Mauro Pretolani	2/3	2/3	–	1/1
Helen Protopapas	1/3	1/3	–	–

two out of three Non-Executive Directors are considered to be independent in this sense currently. Laurel Charmaine Bowden is not independent within the meaning of best practice provision 2.1.8, since she is a partner at 83 North III Limited Partnership (83 North) and 83 North holds approximately 20% of the shares in the Company. As the number of shares held by Zobito AB's vehicles is not considered to be significant, Måns Hultman is considered to be independent.

In accordance with best practice provision 2.1.10, the Board of Directors is of the opinion that the independence requirements for Non-Executive Directors as referred to the Dutch Governance Code are met by the Company.

EVALUATION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

Annually, the Non-Executive Directors are expected to meet in order to discuss their own functioning, the functioning of the Board of Directors and its Committees and the functioning of the Executive Directors, pursuant to best practice provisions 2.2.6 and 2.2.7 of the Dutch Corporate Governance Code. Due to the extreme workload, the Non-Executive Directors were not able to perform the aforementioned evaluation during 2024. Kick-off of such activities has been discussed in the Board of Directors held in March 2024 and it is therefore planned to be concluded in the first half of 2025 (only one per year is required).

COMMITTEES

Audit Committee

A description of the Audit Committee's role, responsibilities and composition is set out on pages 49-50. During the year ended 31 December 2024, the Audit Committee has selected and recommend to the Board of Directors advisers who have supported the Company development path of the internal control and risk management system in 2024; furthermore, the Audit Committee has been supported by an external adviser on a permanent basis during the execution of its duties. In particular, the Audit Committee supported and recommended to the Board of Directors the approval of the Company's Annual Report and Financial Statements for the financial year ended 31 December 2023 and H1 2024 Report.

During the year ended 31 December 2024, the Audit Committee also focused on the results of the activities performed for the formalisation of the Risk and Control Matrices (RCMs) for most relevant processes, summarising risks, controls and related attributes (frequency, nature of control, control objectives). The Audit Committee took note of the results and monitored the follow-up activities during the year 2025.

Furthermore, during the year ended 31 December 2024, the Audit Committee, together with the support of the external advisers, has analysed and approved the Company's results on a quarterly basis and also acknowledged and approved the identified improvements to the Company's risk management and internal control system, also in relation to the post-merger controls over the integration process.

Remuneration Committee

A description of the Remuneration Committee's role, responsibilities and composition is set out on page 50. The Remuneration Committee worked on an LTIP and Short-Term Incentive Plan (STIP) together with external advisers, and recommended the Board of Directors to adopt the same, together with French and Israeli subplans. During the year ended 31 December 2024, the Remuneration Committee inter alia, proceeded with:

- Definition of the CEO and Executive Management STIP;
- Amendments to the LTIP Rules.
- LTIP 2024 grant;
- Validation of the LTIP 2023 performance conditions; and
- Definition of Mrs. Helen Protopoasa's compensation as a member of the Board of Directors.

Selection and Nomination Committee

A description of the Selection and Nomination Committee's role, responsibilities and composition is set out on page 50. During 2024, the Selection and Nomination Committee discussed, amongst others, the re-appointment of Måns Hultman as a Non-Executive Director of the Company for a term of four years, as well as the appointment Mrs. Helen Protopapas as member of the Board of Directors, Audit Committee, and Selection and Nomination Committee. During the course of the financial year that will end on 31 December 2025, the Selection and Nomination Committee will focus on the drafting of a succession plan and a retirement plan for the Executive and Non-Executive Directors of the Company. The plans will be aimed at retaining the balance in the requisite expertise, experience and diversity.

Furthermore, the Selection and Nomination Committee has highlighted the importance of finalising the Board Evaluation Questionnaire required under the relevant applicable and regulatory law (Board Evaluation Questionnaire).

INTERNAL AUDIT FUNCTION

The Non-Executive Directors believe that the Company has not existed as a listed Company long enough for it to be necessary to install its own dedicated internal audit function. Senior staff members in the finance department of the Company are partially dedicated to risk and control management. The CFO oversees risk management tasks. An update on risk management activities, findings, conclusions and actions is provided to the Audit Committee, where priorities are set and guidance is provided to follow up on identified areas of concern and to further enhance risk and control management. The Audit Committee is further supported by relevant subject matter experts throughout the Company.

BOARD OF DIRECTORS

WHO WE ARE

The members of the MotorK Board of Directors focus on long-term value creation for the Company and the Group's businesses, taking into account how Group-wide strategies and policies contribute to the interests of each subsidiary and the Group as a whole in the long term.

Members

5

Attendance

100%

Amir Rosentuler

Executive Chairman (appointed 11 June 2021)

Mr. Rosentuler, 57, Israeli, joined the Group in 2020. He has 25 years of executive management and entrepreneurial experience in leading technology companies, including more than 15 years of experience in NASDAQ- and NYSE-listed companies. Mr. Rosentuler is currently the Chairman and Board Member of several companies. Previously, he was the co-Chief Executive Officer of Deutsche Telekom HBS Inc, a subsidiary of Deutsche Telekom AG, based in Silicon Valley, California. Mr. Rosentuler completed the Executive Leadership, Business Administration, Management and Operations Programme at Babson College.

Marco Marlia

CEO and Co-founder (appointed 10 October 2014)

Mr. Marlia, 45, Italian, co-founded the Group in 2010. He is a serial entrepreneur experienced in running digital companies, having co-founded several other companies (Nextre Engineering, Biquadra and Nomesia), a web design agency and a search engine optimisation agency. Mr. Marlia holds a Bachelor's and Master's degree in Economics from Bocconi University in Italy and he is author of books including 'Il Metodo DealerK and Wikis: Tools for Information Work and Collaboration'. Mr. Marlia also earned a Bachelor's degree in Institutions and Financial Markets from Bocconi University.

BOARD OF DIRECTORS

CONTINUED

Måns Hultman

Non-Executive Director/Independent Director
(appointed 22 August 2016)

Mr. Hultman, 57, Swedish, has over 30 years of experience in the technology industry. He was CEO of Qlik and a member of the Board of Directors of Hybris (since acquired by SAP). Since 2012, he has been a partner at Zobito, which is a shareholder of the Company. In addition to serving as a Director of the Company, Mr. Hultman currently serves as a Director for Ikano Group, Musikborsen AB, Zobito 1 and 2, Zobito 3 AB and Crossbow AB and an owner of Tassaka AB. Previously, Mr. Hultman served in various leadership positions for other companies.

Laurel Charmaine Bowden

Non-Executive Director
(appointed 11 May 2023)

Ms. Bowden, 59, British, is a partner at 83 North. She has over 15 years of investment experience and has led investments in and been on the Boards of many leading European technology companies, including iZettle (acquired by PayPal), Just Eat (LSE: JE), Ebury (50% acquired by Santander), Hybris (acquired by SAP) and Qliktech (NASDAQ: QLIK). Some of Ms. Bowden's current Company boards and investments include BlueVine, Critizr, Celonis, Exotec, Form3, Holidu, HungryPanda, Lendbuzz, Mirakl, Paddle, SellerX, Wolt and Workable. Ms. Bowden was previously on the Boards of Investec Plc and Ltd, and at JVP and GE Capital in London. Further, Ms. Bowden earned a BSc in Electrical and Electronic Engineering from the University of Cape Town and an MBA from INSEAD.

Helen Protopapas

Non-Executive Director/Independent Director
(appointed 22 April 2024)

Mrs. Helen Protopapas, 56, English, is the Vice President of Finance at Vast Data, based in Zurich, Switzerland. With a distinguished career as a Commercial CFO, she brings extensive experience in private equity and venture capital, particularly within the internet technology sector. Mrs. Protopapas is recognised for her expertise in M&A and fundraising, as well as her proficiency in cash flow management and operational improvements. She has a proven ability to implement accounting and financial reporting processes, including transfer pricing strategies. Her international career spans multiple countries, including the UK, Germany, Switzerland, the US, the Nordics, Romania, Vietnam, and Africa. This global experience has given her a unique perspective on diverse markets and the ability to drive financial success across various regions and industries.

EXECUTIVE MANAGEMENT TEAM

In addition to the CEO, the following individuals comprise the Executive Management Team:

Zoltan Gelencsér

Global Chief Financial Officer (from January 1 2025)

Mr. Gelencsér joined MotorK as Chief Financial Officer in early 2025, overseeing financial operations, aligning strategic planning with long-term business objectives, and driving scalable revenue growth while ensuring cost efficiency. With extensive leadership experience in strategic business management, digital transformation, change management, and operations, he brings a data-driven approach, a strong commitment to quality, and a culture of accountability. His global finance executive roles at Vodafone, eBay, and General Electric have shaped his expertise. Before joining MotorK, he served as Senior Vice President of Group Financial Planning & Analysis at Sportradar. Mr.Gelencsér holds a BA/BS from Oxford Brookes University and an MBA from London Business School.

Boaz Zilberman

Chief Operating Officer

In April 2024, Mr. Zilberman was appointed to lead MotorK's Operations, Corporate Development, Investor Relations, Post Merger Integration, and cross-functional management practices. He prioritises cultivating a culture of excellence, innovation, transparency, accountability, and disciplined execution. With over 20 years of experience in software growth companies, Mr. Zilberman has held various roles in Operations, Product Development, Innovation, Corporate Development, and Legal. Notably, he was previously Head of Business Development at AccessFintech, where he oversaw ecosystem partnerships and channel sales. Before that, he served as Head of New Ventures at IHS-Markit, leading post-trade processing innovation. Previously, Mr. Zilberman held the positions of Head of Strategic Initiatives and Head of Legal and Corporate Development at Markit. During his tenure, he played a key role in the Company's achievement of its first $1 billion in revenues, facilitated 25 acquisitions, and orchestrated over 100 partnerships. Mr. Zilberman holds an MBA from Bayes Business School (previously Cass), City University of London, and a Bachelor of Law (LL.B.) from Tel Aviv University.

Joe Sanchez

Chief Revenue Officer

Mr. Sanchez joined the Group in April 2022. Mr. Sanchez has 30 years of experience in sales functions across both enterprise and mid-market companies. Joe has participated in high-growth organisations, where he built and led sales, customer success, inside sales, e-commerce and marketing organisations. He has led teams acquiring and managing billions of dollars in revenue through various channels. Most recently, he spent three years at a private equity-backed SaaS Company providing software platforms to mid-market businesses where he served as the Chief Sales Officer. Mr. Sanchez was educated in the USA, where he earned a BSFS Degree in International Economics from Georgetown University School of Foreign Service in Washington, DC.

EXECUTIVE MANAGEMENT TEAM
CONTINUED

Yair Pinyan
Senior Vice President, Head of R&D at MotorK

Mr. Pinyan is Senior Vice President, Head of R&D at MotorK. As leader of the Engineering, IT Operations and Quality Assurance teams, he's a business enabler in charge of the Company's technology development, making sure MotorK's R&D efforts are geared towards steady innovation. He boasts extensive knowledge of advanced technologies to solve complex problems and has worked in R&D organisations for over 20 years. He most recently held the role of Vice President of Research and Development at Britannica Knowledge Systems, where he successfully transferred an on-prem product into a SaaS solution, while managing a remote team of 70 engineers. Previous experience includes leadership roles at Orbotech Ltd, Correlor Technologies Ltd, Microsoft and Gteko Technologies Ltd. Mr. Pinyan holds a Bachelor's degree in Economics and Computer Science from Bar Ilan University in Israel, as well as an Executive MBA from Quantic School of Business and Technology in Washington, DC.

Johnny Quach
Chief Product and Marketing Officer (from November 2024)

Mr. Quach was appointed Chief Product and Marketing Officer in late 2024 to drive MotorK's growth and innovation by integrating product development with marketing. Leading product strategy, he focuses on customer-centric innovation to solidify the Company's position as an AI-first SaaS provider for automotive retail. As the owner of the marketing strategy, he enhances brand visibility and customer engagement through growth-focused campaigns. With a proven track record of driving top-line growth, profitability, and organisational transformation, he has held leadership roles in digital companies such as TrueCar (USA).

Thomas Andrew Becker
Chief Human Resources Officer (from April 2025)

Mr. Becker serves as Chief Human Resources Officer with over 30 years of technology sector experience. He brings exceptional expertise in human capital strategy, organisational development, and business transformation across global markets including the UK, US, and continental Europe. As a trusted executive advisor, Mr. Becker consistently aligns HR functions with corporate objectives while optimising workforce performance and driving cultural transformation. His leadership in M&A integration and talent management has delivered measurable business impact throughout his career. Mr. Becker holds a Bachelor's degree in Management from Hiram College and FCIPD certification. He concurrently serves as Managing Director of the International Talent Academy, advancing professional HR development initiatives.

DIRECTORS' REPORT

The Directors present the Annual Report together with the audited Consolidated Financial Statements and the audited financial statements.

RESULTS AND DIVIDEND

The Consolidated Statement of Profit and Loss and Other Comprehensive Income for the year ended 31 December 2024 is set out from page 93 and shows the loss for the year.

No interim dividend was declared during the year and the Directors have not recommended a final dividend for the year ended 31 December 2024.

DIRECTORS AND CHANGES TO THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT TEAM

The Directors of the Company during the year ended 31 December 2024 were Amir Rosentuler (appointed June 2021), Marco Marlia, Måns Hultman, Laurel Charmaine Bowden and Helen Protopapas. Details of the members of the Board of Directors at 31 December 2024 are set out on pages 57-58.

In addition to the CEO, the members of the Executive Management Team of the Company during the year ended 31 December 2024 were Andrea Servo, Etienne Jacquet, Boaz Zilberman, Jean Pierre Diernaz, Joe Sanchez, Yair Pinyan, Daria Grazzi, Philippe Schulz, Kevin Owens, Johnny Quach, and Asaf Polturak. In March 2024, Etienne Jacquet terminated his office as a VP of Corporate Development & IR, and Asaf Polturak terminated his office as a Chief of Staff.

Furthermore, last April 2024 Jean Pierre Diernaz terminated his office as Chief Strategy Officer and France Country Manager; on May 2024 Philippe Schulz terminated his office as Chief Customer Officer, and on August 2024 Kevin Owens terminated his office as Chief Product Officer. Starting from the beginning of April 2024, Boaz Zilberman joined the Company with the role of Chief Operating Officer; starting January 1 2025, Zoltan Gelencsér joined the Company with the role of Global Chief Financial Officer; and from November 2024 Johnny Quach joined the Company as Chief Product and Marketing Officerdividend for the year ended 31 December 2024.

DIRECTORS' INDEMNITIES

The Company maintains Directors' and officers' liability insurance, which gives appropriate cover for legal action brought against its Directors, subject to the conditions set out in the Companies Act 2006. The policy was in force throughout the period and at the date of the approval of these financial statements.

DIRECTORS AND THEIR BENEFICIAL INTERESTS

The Directors of the Company and their beneficial interest in the ordinary shares of the Company as at 31 December 2024 were as follows:

Director	Position	Appointed	Ordinary shares
Amir Rosentuler	Executive Chairman	11 June 2021	120,000 (0.3%)
Marco Marlia	Chief Executive Officer	10 October 2014	5,481,580 (12.0%)
Laurel Charmaine Bowden	Non-Executive Director	11 May 2023	–
Måns Hultman	Non-Executive Director/ Independent Director[1]	22 August 2016	–
Helen Protopapas	Non-Executive Director/ Independent Director	22 April 2024	–

1 As the number of shares held by Zobito AB's vehicles is not considered to be significant, Måns Hultman is considered to be independent.

SIGNIFICANT SHAREHOLDINGS

So far as the Company is aware (further to normal notification) and based on public data available, the following shareholders held legal or beneficial interests in ordinary shares of the Company exceeding 3% as at 31 December 2024:

Name	Shares	%
83 North III Limited Partnership	9,531,322	20.8%
Lucerne Capital Management GP	9,316,666	20.3%
Marco Marlia	5,481,580	12.0%
Fabio Gurgone	5,135,080	11.2%
Marco De Michele	5,094,032	11.1%
Zobito AB[1]	2,965,440	6.5%

1 Aggregated Zobito ownership through various vehicles.

As detailed in the Note 25 Post Balance Sheet Events of such Annual Report, during March 2025 a reserved capital increase has been subscribed for a total amount of shares of 1,777,835.

POLITICAL DONATIONS

The Group did not make any political donations in the financial period.

CHARITABLE DONATIONS

The Group did not make any charitable donations in the financial period.

FUTURE DEVELOPMENTS

Particulars of any important events affecting the Company that have occurred since the end of the financial year and an indication of likely future developments in the business of the Company are described on page 39 of the Financial and Operating Review section, and are incorporated into this report by reference.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

SUBSIDIARIES OUTSIDE OF THE UK

The Group does not have any branches outside of the UK. Details of the Company's subsidiaries are set out on page 100.

CAPITAL STRUCTURE

MotorK confirms that no shares in the Company were either:

- purchased or acquired by the Company under section 659 CA 2006;
- acquired by the Company's nominee, or by another with Company financial assistance, the Company having a beneficial interest under section 662(1) CA 2006; or
- made subject to a lien or other charge taken (whether expressly or otherwise) by the Company and permitted by section 670(2) or CA 2006 (exceptions from general rule against a Company having a lien or charge on its own shares).

The Company also confirms that there are no ordinary shares without voting rights or that confer no or a limited right to share in the profits or reserves of the Company.

Details of the issued share capital, together with details of the movements during the year, are shown in Note 23 to the Consolidated Financial Statements. The Company has one class of ordinary share and each ordinary share carries the right to one vote at General Meetings of the Company.

An eventual significant change of the capital structure might trigger the change of control clause included in our financial arrangement with Illimity Bank to the effect that in case of change of control of MotorK Plc as defined in the financial arrangement, the total outstanding financial liability becomes immediately due and payable.

FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Group implements a careful approach to financial risk management. The Group does not use financial instruments and risk management focuses on internal strategies such as diversifying operations, maintaining liquidity reserves, and implementing strict credit controls. Effective risk management can still be achieved through careful operational and financial planning. Details of what the Board of Directors considers to be the main financial risks facing the Company are set out within the Principal Risks and Uncertainties section on page 41. For details regarding the financial risks, please refer to Note 8 of the Consolidated Financial Statements – Financial Instruments – Risk Management.

Risk appetite

MotorK recognises that the management of risk requires a level of commerciality to enable the business to meet its joint strategic objectives of protecting stakeholder interests whilst creating stakeholder value. The Board therefore takes responsibility for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives.

Risk relating to the seasonality of the Group's operating results

The Group's results of operations may be slightly affected by seasonal and cyclical factors in the automotive market. Such fluctuations in dealership sales may lead to lower sales volumes for the Group in specific months during summer and winter, and a sales peak in the last quarter of the year. From a cash perspective, the seasonality risk is naturally mitigated by our business model, based on a SaaS products offering, which improves the stability of our cash inflow. From a revenue and EBITDA perspective, commercial peaks in the automotive market may have a slight impact on the seasonality of the Group's operating results.

Risk relating to interest rate changes

The Group is exposed to risks associated with changes in variable interest rates, as certain of its credit facilities may bear interest at a floating rate. An increase or decrease in interest rates would affect the Group's current interest expenses and the Group's refinancing costs; however, this is not considered to be material. Interest rate risk may be mitigated against, in part, by the Group entering into hedging transactions in the form of derivative financial instruments, although such transactions are not risk-free. During FY2024, no hedging derivatives have been entered by the Group.

Risks of possible non-compliance with laws and regulations

The Company is exposed to risk of non-compliance with laws and regulations in a number of areas including taxes, financial supervision rules and competition rules.

As relates to taxes, the Group is generally making net operating income tax losses, which mitigates the risk of incurring fines and penalties due to non-compliance. More in general, the Group is assisted by tax professional firms to ensure tax compliance in all the countries where the Group operates.

As a listed Company, we are subject to financial supervision by the Dutch authority (AFM). Our legal department oversees the compliance with the regulatory framework, assisted by law firms and using appropriate tools to manage specific processes like the whistleblowing and internal dealing.

The market where we operate is highly fragmented and management believes that the infringement of competition rules is inherently low. In case of extraordinary situations like M&A, management runs appropriate assessment during the due diligence phase.

GREENHOUSE GAS EMISSIONS

Due to the nature of MotorK's business, direct ecological impact in terms of GHG emissions, energy consumption and energy efficiency from our operations are mainly related to the consumption of electricity in the Group premises. Indirect ecological impacts are related mainly to the cloud services provided by our external suppliers and by the business travel of MotorK employees. During 2024, MotorK continued to offer employees the option of working remotely. Due to this, GHG emissions, energy consumption and energy efficiency data relating to the Group's operations, our offices and staff travel are not significant for the year ended 31 December 2024 and not reported in the Annual Report. The Company has also updated the internal Travel and Car Policy with the aim to reduce the GHG emissions. The Board of Directors recognise that the Group has a corporate and social responsibility to minimise the ecological impact from our operations and looks forward to establishing a more formalised approach to sustainability in the future.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS

For a detailed analysis of the Group's engagement with its various stakeholder groups, please refer to the Stakeholder Engagement and S172 Statement section on pages 32-33.

EMPLOYEES NON-DISCRIMINATION AND HARASSMENT

The Company is committed to fostering a diverse and inclusive work environment where all ideas, perspectives, and backgrounds are valued. Employees are recruited based on objective criteria, such as knowledge, expertise, proven abilities, performance, and behavior. We ensure that no employee faces discrimination based on race, color, sex, sexual orientation, marital status, religion, political affiliation, nationality, ethnic background, social origin, age, disability, works council membership, or any other characteristic.

We are dedicated to providing fair and equal consideration to employment applications from individuals with disabilities. Our inclusive recruitment practices ensure that necessary adjustments are made during the selection process. For employees who become disabled during their employment, we offer reasonable accommodations to their roles and work environment. Additionally, we provide tailored training to support their continued success and effectiveness in the workplace.

We are also committed to offering equal career development opportunities for disabled employees. Through access to training programs and merit-based promotions, we ensure that they have the opportunity to advance and grow professionally. This approach underscores our commitment to diversity and inclusion, ensuring that disabled individuals have equal opportunities for employment, growth, and career progression.

DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Company financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and also in accordance with UK-adopted IAS.

Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group, and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with IFRS, subject to any material departures disclosed and explained in the Group and Company financial statements respectively; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group, and to enable them to ensure that the financial statements and the Directors' Remuneration Report complies with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and the Group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

They are further responsible for ensuring that the Strategic Report and the Directors' Report, and other information included in the Annual Report and Financial Statements, are prepared in accordance with applicable law in the United Kingdom and the Netherlands.

As at the date of this report, the Directors, whose names and functions are listed in the Board of Directors Report on pages 57-58, confirm that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all the steps that he or she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

GOING CONCERN

In preparing the financial statements, management has applied the going concern principle based on its assessment of the Group's ability to continue as a going concern. In making such an assessment, management has considered the cash injection achieved in the first month of FY2025 due to the capital rise of €5.3 million and the sale of the remaining 20% stake in Auto XY SpA to GEDI Digital Srl for €3.5 million, the expectation of the Group's future performance and the growth during 2024.

Management has prepared a three-year Business Plan covering the period between 2025 and 2027 (that includes inflation assumptions on salaries) showing that the Group has the resources to cover its financial need for the foreseeable future.
As per the Business Plan, during FY2025 it is forecast to burn a certain amount of cash so that cash and cash equivalents at year end 31 December 2025 will land in a positive territory starting to generate positive operating cash flow from the second half of FY2025. Management is also currently under discussion to obtain further flexibility on cash needs with the use of some instruments to finance working capital. Such instruments will ensure that even a worst case scenario of a 10% reduction in recurring billings during the year 2025, as shown in the sensitivity analysis, will have limited impact on the Group's cash position to 12 months from the approval date of the accounts, with no substantial effect on going concern assessment.

In conducting the going concern assessment, management has taken into consideration the potential impacts of various factors, including the ongoing conflict between Russia and Ukraine, the situation in Israel, inflation rates, rising commodity prices, the recent introduction of tariffs in both America and Europe, and the increased cost of living in the markets where the Group operates. These factors have been carefully evaluated and incorporated into the Business Plan. Given the nature of MotorK as a key digital supplier for its customers, management has concluded that these elements do not have a material effect on the going concern assessment.

AUDITORS

BDO LLP has signified its willingness to continue as independent auditors to the Company.

WEBSITE PUBLICATION

The Directors are responsible for ensuring the Annual Report and Financial Statements are made available on a website. Financial statements are published on the Group's websites, in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Group's websites is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

POST BALANCE SHEET EVENTS

On 14 March 2025 and on 25 March 2025, the Group successfully executed capital reserved increases of €4.8 million and €0.5 million respectively. Major strategic investors, including 83 North, Lucerne Capital Management, and Zobito, participated in this round, reaffirming their commitment to the Group's strategy and long-term vision. This capital injection is aimed at strengthening the Group's financial position, supporting MotorK's commitment to reach a Cash EBITDA positive position by the end of FY2025.

On 26 March 2025, the Group completed the sale of its remaining 20% stake in Auto XY SpA to GEDI Digital Srl for a total consideration of €3.5 million. This transaction marks the final step in the divestment of the DriveK business unit, initiated in December 2022. With its completion, MotorK has successfully finalised its strategic repositioning, further consolidating its focus on the B2B market, and reinforcing its balance sheet. The proceeds will be allocated to support the Group's growth initiatives and drive further innovation in its SaaS solutions for the automotive retail industry. This strategic step underscores the collective confidence of both existing and new investors in MotorK's potential, solidifying their collaborative commitment to the Group's sustained growth and ongoing success.

Following the negative Adjusted EBITDA reported for the year ended as at 31 December 2024, MotorK has obtained from Illimity Bank and Atempo Growth the waivers of testing the financial and non-financial covenants in place as at 31 December 2024. The next testing date will be then 31 December 2025. As the waivers were received after 31 December 2024, the Group has classified the Illimity Bank and Atempo Growth loan amounts as Current financial liabilities.

RESEARCH AND DEVELOPMENT

During the year ended 31 December 2024, the Group has incurred R&D expenses for an amount of €13.1 million (€14.5 million in 2023), of which 8.3million capitalised (€9.3 million in 2023).

APPROVAL BY THE BOARD OF DIRECTORS

The report of the Directors was approved by the Board of Directors on 15 April 2025 and signed on 16 April 2025 on its behalf by:

Marco Marlia
Chief Executive Officer
16 April 2025

and

Zoltan Gelencsér
Chief Financial Officer
16 April 2025

REMUNERATION COMMITTEE REPORT

In 2024, we refined the Board's remuneration model to stay competitive, incentivise performance, align with Company goals, and ensure fairness.

SECTION ONE: ANNUAL STATEMENT OF THE REMUNERATION COMMITTEE REPORT

In line with the requirements of the UK reporting regulations and the applicable provisions of the Dutch Governance Code, this report is divided into three sections:

1. This Annual Statement: summarising the work of the Remuneration Committee (the Committee) and our approach to Directors' remuneration.
2. The Directors' Remuneration Policy (the Policy): summarising the framework under which Directors' pay is set and how it links to strategy. The Policy has been approved further to a shareholder vote (by way of ordinary resolution) at the 2022 AGM.
3. The Annual Report on Remuneration (the Report), which sets out the remuneration outcomes for 2024 and how, subject to shareholder approval, the Committee applied the Policy in 2024. This section will be subject to an advisory shareholder vote at the AGM.

The Committee is chaired by Måns Hultman (an Independent Non-Executive Director) and its other member is Amir Rosentuler.

I am pleased to present the Directors' Remuneration Report on behalf of the Board

During 2024, the Committee worked to apply the Policy in line with the relevant corporate governance requirements with the aim of ensuring competitiveness, alignment, incentivisation and proportionality.

The Policy has been designed to provide a remuneration framework that will:

- deliver fair, responsible and transparent remuneration, contributing to creating long-term value by the Company for its stakeholders;
- attract, motivate and retain highly qualified individuals and reward them with a market competitive remuneration package that focuses on achieving sustainable financial results, aligned with the long-term business strategy of the Company;
- align the interests of the Directors with the Company's shareholders and other stakeholders; and
- adhere to principles of good corporate governance and appropriate risk management, whilst ensuring compliance with competitive market trends and statutory requirements, in respect of the societal context around remuneration and the interests of the Company's shareholders and other stakeholders.

After implementing in the prior year the Policy for its Executive Directors and Non-Executive Directors consistently with overarching regulatory requirements and statements set out in the Company's 2021 IPO Prospectus, in 2024 the Committee worked at fine tuning the application of the policy and adapt to the evolution of the business demands and of the strategy, details of which are further set out in the Policy.

MotorK has delivered another successful year of growth. As a Committee, we have sought to make decisions that effectively drive and support growth, whilst continuing to align with best practice remuneration and governance expectations pursuant to the requirements of the UK reporting regulations and the Dutch Governance Code.

I hope that this report is clear and informative.

Måns Hultman
Chair of the Remuneration Committee

SECTION TWO: DIRECTORS' REMUNERATION POLICY

(a) Introduction

The Committee determines the Company's policy on the structure of the remuneration of Executive Directors and the Executive Management Team, and is responsible for governing the Remuneration Policy for the broader employee population.

Procedure

The following summarises the Policy, which codifies our existing principles as previously communicated to potential investors pre-listing. This Policy was approved by the Company's shareholders at the AGM on 28 April 2022. The Policy applies to payments made after that date and is available on the Company's website.

It is intended that the Policy was applied for three years starting from its approval at the 2022 AGM and it will be reapproved during the 2025 AGM. In light of the Committee's efforts to review the Policy to ensure it allows the Committee to offer an appropriate and balanced remuneration package that reflects the size and complexity of the Group, the Executives' experience, skills and responsibility in the Group as well as market practice, the Committee may seek approval for a new policy at an earlier point if considered appropriate.

When reviewing the Policy, the Committee uses scenario analyses to recognise the different outcomes of the Policy, by taking into account elements such as internal pay differentials and maximum pay-out of annual bonuses and long-term incentives.

Compliance

The Policy is compliant with the relevant requirements of UK Company law, as well as in principle with the rules of the Dutch Governance Code, which the Company applies voluntarily.

Principles

The objectives of the Policy are to:

- reward Executive Directors and senior management, and support a performance-driven culture;
- provide a level of remuneration to attract, motivate and retain high-calibre employees and reward them with a market competitive remuneration package;
- encourage long-term value creation and support the execution of the Company's strategic and operational objectives;
- motivate individuals and align interests of the Executive Directors with the Company's shareholders and other stakeholders; and
- adhere to principles of good corporate governance and appropriate risk management.

The Board of Directors and the Committee believe the aforementioned objectives are best achieved by a remuneration structure whereby:

1. basic pay is set at a level such as to support the recruitment and retention of Executive Directors of the calibre required to implement the Group's business strategy and is reflective of the individual's skills, experience, performance and role within the Group;
2. STIP are set at a level such as to incentivise year-on-year delivery of short-term financial, strategic and operational objectives in furtherance of the Group's business strategy and creation of shareholder value;
3. LTIP are put in place to align the interests of the Directors and shareholders of the Company concerning long-term value creation, providing an avenue through which the Company's Executives can earn significant rewards subject to shareholders likewise having obtained a good return; and
4. benefits are provided to Executives on a cost-effective basis to aid attraction and retention of Executive Directors.

Illustration of the application of the Remuneration Policy

Based on the Policy terms described in the next sections, the following charts illustrate the application of the Policy in different scenarios ranging from no to target achievement of the STIP and LTIP targets and conditions, in combination with LTIP shares appreciation over the relevant period ranging from zero to fair value at grant date to 50% increase. The charts are based on the remuneration and on the share value at the time the Policy was adopted.

Salary levels (and consequently the other elements of the remuneration package which are calculated as a percentage of salary) are based on those intended to apply in 2024.

The LTIP grant level is shown as 68% of the base salary for the CEO and 33% for the Executive Chairman, in line with the actual grant for the year 2024.

Illustration of the application of the policy – CEO

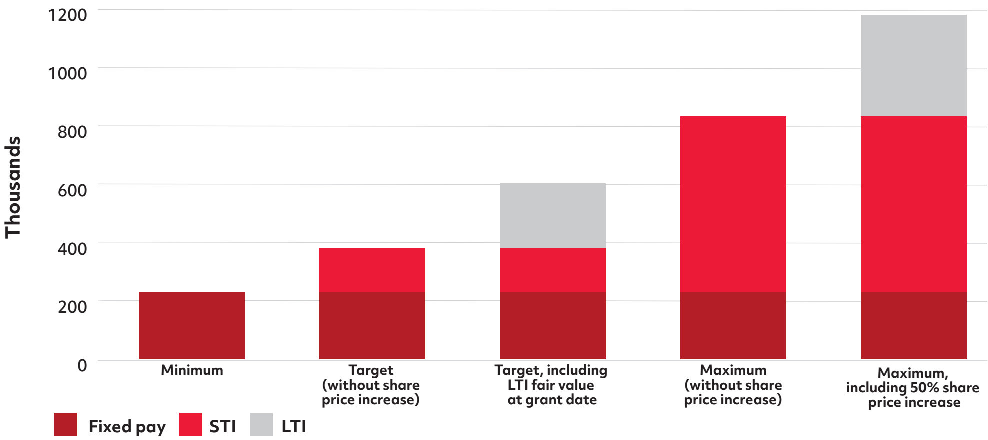
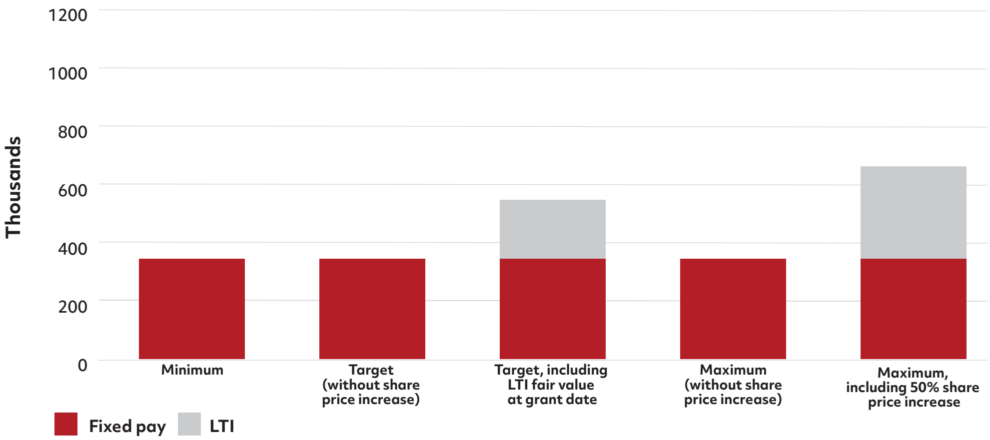


Illustration of the application of the policy – Executive Chairman



(b) Remuneration components for Executive Directors and Executive Management Team (Executives)

In line with the above principles and objectives, various remuneration components are combined to ensure an appropriate and balanced remuneration package comprising the following elements:

- Fixed remuneration (base salary, benefits and pension).
- Short-term incentive (performance-based cash bonus).
- Long-term incentive (conditional equity-based award that vests based on performance).

Base salary	**Purpose and link to strategy**	To support the recruitment and retention of talented Executives to deliver the Group's strategy by offering a package that is reflective of the individual's skills, experience and responsibility in the Group, whilst remaining competitive in relevant talent markets.
	Operation	Base salaries are set by the Committee and reviewed on an annual basis. Base salaries are paid in cash on a monthly basis. Base salary levels are targeted at market rates and benchmarked periodically against an appropriate peer group of other companies of a similar financial size and complexity to MotorK.
	Opportunity	Any changes for Executives take into account the individual's skills, experience and performance, significant changes in responsibilities, together with market practice and MotorK's performance and pay practices. The maximum level of basic salary will not be greater than the current salary as increased, typically in line with the market. If an individual is appointed at a lower salary, for example, to reflect inexperience as a listed Company director, larger increases may be awarded over future years as they prove their capability.
	Performance measures	N/A
Pension and benefits	**Purpose and link to strategy**	Provides an appropriate structure of benefits on a cost-effective basis to aid attraction and retention of Executives.
	Operation	Benefits include provision of death, disability and medical insurance cover, Directors' liability insurance, pension contributions, Company car and IT equipment.
	Opportunity	Dependent on individual circumstances and the cost to the Company of providing the benefit. The Company provides access to pension schemes based on local legal requirements or where provision is customary in a particular local market. Employer pension contributions to Executives under the defined contribution arrangement and cash allowances in lieu of pension are made at the minimum level required by law or best practice in the relevant jurisdiction.
	Performance measures	N/A
STIP	**Purpose and link to strategy**	To provide Executives with a reward for delivery of short-term financial, strategic and operational objectives.
	Operation	Executives may be eligible to participate in a discretionary short-term incentive scheme (every six months or annually). The Committee oversees the setting of suitable short-term targets and performance measures.
	Opportunity	The maximum STIP opportunity under this Policy is 300% of base salary. Performance below the threshold for each financial target results in zero payment in respect of that element. Payment rises from 0% to 100% of the maximum opportunity for levels of performance between threshold and maximum with 75% of base salary normally payable for on-target performance.
	Performance measures	Subject to the achievement of certain targets relating to financial (including, but not limited to, revenues or Adjusted EBITDA achievements) or operational (including, but not limited to, customer satisfaction, geographical expansion, M&A execution) KPIs, depending on the role.

LTIP	**Purpose and link to strategy**	To align the interests of Executives and shareholders in growing the value of the Group over the long term.
	Operation	LTIP grants are intended to be made annually and consist of Performance Stock Options (although Conditional Share Awards may also be used). These Performance Stock Options will vest over three years in three equal tranches, to the extent the performance conditions are satisfied. The exercise price of the Options will be equal to the market value of a share in the Company as at the date the Options are granted (potentially averaged over a short period pre-grant). Once exercisable, Options may be exercised until the 10th anniversary of the date of grant. Shares acquired pursuant to the exercise of Options will be subject to a holding period which expires on the fifth anniversary of the date the Option was granted, during which they may not be disposed of (save to cover any tax or social security liabilities which arise on the acquisition of the shares). The Committee retains flexibility, consistent with the rules of the LTIP, to grant Performance Share Awards. Any Performance Share Awards will vest over three years in three equal tranches, but shares will only become eligible to be acquired by participants to the extent the performance conditions are satisfied. The same holding period would apply as applies to Performance Stock Options. Malus and clawback provisions apply (see details below).
	Opportunity	The number of Performance Stock Options to be granted and the recipients and quantum will be determined by the Board or Remuneration Committee. The maximum value of Performance Stock Options which may be granted to an Executive Director in any particular financial year is equivalent to 720% of their base salary as at the date of grant. Should the Committee decide to grant Performance Share Awards, the maximum value of Performance Share Awards which may be granted to an Executive Director in any particular financial year is equivalent to 300% of their base salary as at the date of grant. If a combination of Performance Share Awards and Performance Stock Options is granted, the maximum value would be between 300% and 720% of base salary as at the date of grant, adjusted in proportion to the type of award granted. The Committee has the discretion to adjust the formulaic outcome to ensure it reflects the underlying performance of MotorK. A payment equivalent to the dividends accrued on vested shares may be paid at the point of vesting (or in the case of options, exercise) in shares or cash.
	Performance measures	Vesting of LTIP awards is subject to the achievement of performance conditions as outlined below. Each of the performance conditions separately determines part of the vesting of the LTIP award. The relative weighting of the performance conditions may be varied by the Committee to ensure the LTIP best supports MotorK's strategy. The Committee will have discretion to set measures and weightings for awards to best support the strategy of the business at that time, provided that the vesting of at least 80% of the LTIP award will be subject to financial-based performance conditions.

Selection of performance targets

The performance-related elements of remuneration will take into account the Group's risk policies and systems and will be designed to align the Senior Executives' interests with those of shareholders. The Committee reviews the metrics used and targets set for all of the Group's Senior Executives (not just the Executive Directors) every year, in order to ensure that they are aligned with the Group's strategy and to ensure an appropriate level of consistency of arrangements amongst the Senior Executive Team.

All financial targets will (where appropriate) be set on a sliding scale. Non-financial targets are set based on individual and management team responsibilities. The annual bonus plan performance metrics include a mix of financial targets and non-financial objectives, reflecting the key annual priorities of the Group. The financial metrics include Total Shareholder Return (TSR), which was chosen as it provides an external assessment of the Company's performance against a peer group. TSR also aligns the rewards received by Executives with the returns received by shareholders.

The non-financial objectives will be measurable and based on individual and/or team performance and will be consistent with the achievement of the Group's strategy.

The Committee retains discretion to set targets for future awards, providing that, in the opinion of the Committee, the new targets are no less challenging in light of the prevailing circumstances than those set previously.

Loans

The Company does not provide any loans or guarantees to Executive Directors or the Executive Management Team.

(c) Service agreements and policy on payments for loss of office

Executive Directors are appointed at the AGM for the duration of four years. The terms of service may be terminated by the Executive Director with a notice period of six months and by the Company with a notice period of six months or with the applicable statutory notice period. In case the Company terminates the service agreement of an Executive Director (other than in cases of summary dismissal), the Executive Director may be entitled in exceptional circumstances to a severance payment of up to one year's base salary.

Leaver arrangements

The Company takes into account the terms of service including the variable remuneration plan rules, market practice and the conduct of the individual when determining leaver arrangements. In addition to the severance payment mentioned above, a leaving Executive Director may be eligible to retain or receive value under their variable remuneration awards, in accordance with the plan rules.

Under the LTIP and the STIP, an Executive Director will be treated as a 'good leaver' if he or she leaves due to death, injury, disability, retirement with the agreement of the Board, redundancy, a transfer of the business unit in which he or she is employed to a third party, circumstances in which the Group Company by which he or she is employed ceases to be controlled by the Company, or such other reason as the Committee may in its discretion decide.

STIP	If the Executive qualifies as a 'good leaver', the individual may remain eligible for a STIP pay-out with respect to the year of termination on a pro-rated basis and is payable after the end of the financial year.
LTIP	Unvested LTIP awards normally lapse on termination of the service agreement, however if the Executive qualifies as a 'good leaver': ▪ Vesting of the LTIP is subject to the application of the performance measures at the end of the normal vesting period and will be on a pro-rated basis. ▪ Vested awards will remain subject to a two-year holding period.

Change of control

In the event of a change of control of the Company:

- Payments under the annual bonus plan are calculated on a pro-rated basis and are subject to the application of the performance measures.
- Vesting of the LTIP is subject to the application of the performance measures at the date of the event and will normally be on a pro-rated basis.

Upon a change of control of the Company, the plans will automatically terminate and no further awards will be made.

Outplacement services and legal fees and reimbursement of legal costs may be provided where appropriate. Any statutory entitlements or sums to settle or compromise claims in connection with a termination would be paid as necessary.

The term of appointment for Non-Executive Directors is four years and their appointments are subject to termination on four months' notice other than in cases of summary dismissal. If their position is terminated, they are entitled to reimbursement of any outstanding fees and expenses.

(d) Malus and Clawback Policy

LTIP awards may be recovered or reduced in cases of fraud, dishonesty or deceit, gross misconduct, conduct which resulted in significant losses to a Group Company, a material failure of risk management or other corporate failure, a serious health and safety event or a material financial misstatement in the audited financial results of the Group. The Committee may apply malus (revise incentive awards prior to vesting) and clawback (reclaim incentive awards post vesting) to reduce an award or determine that it will not vest or only vest in part.

Clawback may operate during the period of two years from the date an LTIP award pays out.

(e) Use of discretion

The Committee may apply its discretion in the execution of the Remuneration Policy or related incentive plans when agreeing remuneration outcomes to help ensure that the implementation of our Remuneration Policy is consistent with underlying Company performance and is equitable to all stakeholders.

If an event occurs which results in the annual bonus plan or LTIP performance conditions and/or targets being deemed no longer appropriate by the Committee (e.g. a material acquisition or divestment), the Committee will have the ability to adjust appropriately the measures and/or targets and alter weightings, provided that the revised conditions or targets are not materially less difficult to satisfy (taking account of the relevant circumstances).

Ultimately, the payment of any bonus is entirely at the discretion of the Committee. Equally, the operation of share incentive schemes is at the discretion of the Committee.

(f) Approach to recruitment remuneration

Executive Directors' base salary is set at a level appropriate to recruit a suitable candidate, taking into account external market competitiveness and internal equity. The level of base salary may initially be positioned below the mid-market of the relevant benchmark, with the intention of increasing it to around the mid-market of the relevant benchmark after an initial period of satisfactory service.

Individuals will be able to receive a contribution to a pension plan in line with the policy.

The Committee will offer benefits in line with the policy for existing Executive Directors (but may consider other benefits from time to time, including relocation expenses).

The Company's policy is to give notice periods according to the applicable statutory notice period and in any case no longer than six months.

(g) Non-Executive Directors' Remuneration Policy

The purpose and strategy of the Company's Non-Executive Directors' Remuneration Policy is to provide a competitive fee, which will attract and retain high-calibre individuals and reflects their relevant skills and experience.

Fee levels for each role are determined after considering the responsibility of the role, the skills and knowledge required and the expected time commitments are reviewed periodically considering the salary increase for the general workforce and the level of fees paid by companies of a similar size and complexity.

Additional fees may be paid in relation to extra responsibilities undertaken and in exceptional circumstances, if there is a temporary yet material increase in the time commitments for Non-Executive Directors.

The Company pays any reasonable expenses that a Non-Executive Director incurs in carrying out their duties as a Director, including travel, Directors' and Officers' Liability Insurance, hospitality-related and other modest benefits, any tax liabilities thereon and the provision of advice relating to any such tax liabilities, if appropriate.

(h) Consultation and existing commitments

The Company and the Group may honour all obligations and commitments that were entered into prior to this Directors' Remuneration Policy taking effect. The terms of those pre-existing obligations and commitments may differ from the terms of this Remuneration Policy and may include (without limitation) obligations and commitments under service contracts, long-term incentive schemes (including previous plans), pension and benefit plans.

Although employees are not consulted directly on Executive Directors' Remuneration Policy, the Committee takes into account the pay and employment conditions of other employees in the Group when setting the remuneration of the Executive Directors.

The remuneration approach is applied consistently at levels below the Executive Directors. At senior levels, remuneration is increasingly long term and 'at risk' with an increased emphasis on performance-related pay and share-based remuneration.

Chairman's and Non-Executive Directors' Letters of Appointment

The following table provides details of the terms of appointment for the Chairman and the current Non-Executive Directors:

Director	Date of appointment	Expected expiry date of current term
Amir Rosentuler (Chairman)	11 June 2021	End of the AGM to be held in 2025
Måns Hultman (Non-Executive)	22 August 2016	End of the AGM to be held in 2028
Laurel Charmaine Bowden (Non-Executive)	11 May 2023	End of the AGM to be held in 2027
Helen Protopapas (Non-Executive)	22 April 2024	End of the AGM to be held in 2028

SECTION THREE: DIRECTORS' REMUNERATION REPORT

Directors' emoluments and compensation

Set out below are the Directors' emoluments for the year ended 31 December 2024 and the year ended 31 December 2023: including the fees related to their roles and responsibilities within the Audit Committee, Remuneration Committee, and Selection and Nomination Committee. Directors' emoluments reported below may not be totally paid as of 31 December 2024.

Name of Director	Salary and fees (€)	Taxable benefits (€)	Pension-related benefits (€)	Total fixed remuneration (€)	Annual bonus (€)	Stock Options Granted (€)	Total variable remuneration (€)	Total 2024 (€)
Amir Rosentuler	284,542[1]	–	60,191[2]	344,733	-	–	–	344,733
Marco Marlia	200,000	3,376	27,942	231,318	-	–	–	231,318
Laurel Charmaine Bowden[3]	–	–	–	–	-	–	–	–
Måns Hultman	37,500	–	–	37,500	-	–	–	37,500
Mauro Pretolani	13,340[4]	–	–	13,340	-	–	–	13,340
Helen Protopapas[5]	–	–	–	–	-	–	–	–

1 It includes the remuneration of ILS 1,094,695 translated with the average exchange rate 2024 4.024 ILS/Euro accrued by MotorK Israel (net amount paid of ILS 552,431 equivalent to €130,290) and the fees related to its roles and responsibilities within Remuneration Committee, and Selection and Nomination Committee for €12,500.
2 ILS 242,208 translated with the average exchange rate 2024 4.024 ILS/Euro.
3 In April 2024, Director Laurel Charmaine Bowden voluntarily waived the emoluments earned for the fiscal year 2024, as well as any future emoluments to be earned in her capacity as a member of the Audit Committee.
4 Pro-rata remuneration from 1 January 2024 to 23 April 2024 based on the annual emoluments amounting to €42,500 for his roles and responsibilities within Boad of Directors, Audit Committee, and Selection and Nomination Committee.
5 Director Helen Protopapas voluntarily waived her emolument for FY2024 in her roles as Chair of the Audit Committee and as a member of the Selection and Nomination Committee.

Name of Director	Salary and fees (€)	Taxable benefits (€)	Pension-related benefits (€)	Total fixed remuneration (€)	Annual bonus (€)	Stock Options Granted (€)	Total variable remuneration (€)	Total 2023 (€)
Amir Rosentuler	334,108[1]	–	60,430[2]	394,538	–	192,183[3]	192,183	586,721
Marco Marlia	200,000	4,280	26,596	230,876	75,000	103,819[4]	178,819	409,695
Laurel Charmaine Bowden[5]	–	–	–	–	–	–	–	–
Måns Hultman	37,500	–	–	37,500	–	–	–	37,500
Mauro Pretolani	42,500	–	–	42,500	–	–	–	42,500

1 It includes the remuneration of ILS 1,283,216 translated with the average exchange rate 2023 3.99 ILS/Euro accrued by MotorK Israel (net amount paid of ILS 581,083 equivalent to €145,635) and the fees related to its roles and responsibilities within Remuneration Committee and Selection and Nomination Committee for €12,500.
2 ILS 241,116 translated with the average exchange rate 2023 3.99 ILS/Euro.
3 140,955 option evaluated with FV determined on the basis of Black-Scholes method of €0.77 and 74,025 option was evaluated with FV determined on the basis of Black-Scholes method of €1.13. 74,025 is the total option granted net of 24,675 lapsed option as one out of the two performance conditions set for such grant was not met.
4 91,875 shares evaluated with FV determined on the basis of Black-Scholes method of €1.13. 91,875 is the total option granted net of 30,625 lapsed option as one out of the two performance conditions set for such grant was not met.
5 In April 2024, Director Laurel Charmaine Bowden voluntarily waived the emoluments earned for the fiscal year 2023, as well as any future emoluments to be earned in her capacity as a member of the Audit Committee.

Annual bonus

The objective of the annual bonus remuneration component is to ensure that the Executive Directors focus on realising their short-term operational objectives, leading to longer-term value creation.

Following the admission of the Company's shares to Euronext Amsterdam, between the Directors of the Company, only the Chief Executive Officer participated in the annual bonus scheme and was eligible to earn an award of up to 75% of salary, subject to the attainment of specific performance targets to be defined by the Board of Directors upon a proposal of the Committee. The table below summarises the bonus earned for the year:

Name of Executive Director	Bonus for 2024	Bonus for 2023
Marco Marlia	–	75,000

Scenario analyses of the possible outcomes of the variable remuneration element of the annual bonus described above and its effect on the remuneration of the CEO were conducted at the point of award. No other scenario analyses have been undertaken by the Committee during the year ended 31 December 2024.

Pension

During the year ended 31 December 2024, Marco Marlia received pension contributions of €27,942 and Amir Rosentuler received pension contributions of €60,191.

Payments to past Directors

No payments were made to past Directors during the year ended 31 December 2024.

Payments for loss of office

No payments for loss of office were made during the year ended 31 December 2024.

Long-term incentives

EMI Share Option Plan the "Original Share Option Plan"

In October 2021, with a number of years having elapsed since the original scheme was put in place, the "Original Share Option Plan", an amended version of the Group share option scheme (the EMI Share Option Plan), was designed and implemented by the Company in anticipation of the listing of the Company's shares. The EMI Share Option Plan allows for options to be issued over ordinary shares, up to a maximum market value of €3 million at the time of grant.

The option exercise price will usually be at fair market value of the shares at the time of grant. Total options were awarded under the EMI Share Option Plan on admission of the Company's shares to Euronext Amsterdam equal to approximately 0.5% of the number of ordinary shares in issue at the time, with an exercise price of €0.337 per share. The initial option awards have no performance conditions and vest over a four-year period starting from the day of listing.

Following these grants, the Company has a total of 64,668 unvested options in issue pursuant to the Original Share Option Plan and the EMI Share Option Plan, equating to approximately 0.1% of the issued share capital as at 31 December 2024.

Omnibus Long Term Incentive Plan the "Omnibus LTIP" or "LTIP"

In October 2022, a new share-based Long Term Incentive Plan, the "Omnibus LTIP", was adopted by the Board of Directors further to the approval by the shareholders of the Remuneration Policy. The Omnibus LTIP envisages various types of share-based incentives that can be granted to employees (including Executive Directors) of the Company and its subsidiaries. The terms of the Omnibus LTIP are in line with the remuneration policy.

Further to adoption of the Omnibus LTIP, between December 2022 and January 2023, the Board of Directors awarded Performance Stock Options to Executive Directors, Executive Management and to all other eligible employees. The exercise price was set at the share market value at grant, ranging between €1.21 and €1.895. The options will vest over a three-year period and the shares awarded further to exercise of the options will be subject to a five-year holding period starting from the grant date.

Between February 2023 and December 2023, the Board of Directors awarded another tranche of Performance Stock Options to Executive Directors, Executive Management and to all other eligible employees. The exercise price was set at the share market value at grant, ranging between €2.37 and €2.79.

In May 2024, the Board of Directors awarded another tranche of Performance Stock Options to Executive Directors, executive management and to all other eligible employees. The exercise price was set at the share market value at grant, with an exercise price of €5.94 per share.

Within the framework of the grants to Executive Directors and Executive Management, the Board of Directors has exercised discretion within the boundaries set by the Remuneration Policy. The most significant adjustments involved the exercise schedule and performance conditions. Specifically, the exercise schedule was structured in three equal installments over the three-year vesting period, rather than in full at the end of the period.

For stock options granted between December 2022 and January 2023, 100% of the options are contingent on achieving an ARR growth of at least 25% in 2023. For stock options granted between February 2023 and December 2023, 75% are linked to achieving a 30% ARR growth over the estimated 2022 year-end ARR by June 30, 2024, and 25% are linked to the achievement of a Reported Cash EBITDA for FY2023 equal to or greater than negative €10 million. As this second performance condition was not met, 25% of the options related to this grant have lapsed. Finally, for the stock options granted in May 2024, 75% are linked to achieving at least 25% ARR growth over the estimated 2023 year-end ARR, and 25% are contingent on a positive full-year Reported Cash EBITDA for FY2024. As these performance conditions were not met, 100% of the options related to this grant have lapsed. The value of the grants to the Executive Directors, based on the market value at the grant date, was below the long-term incentive salary limits set by the Remuneration Policy.

Following these grants, the Company has a total of 570,667 unvested options in issue pursuant to the Omnibus LTIP, equating to approximately 1.2% of the issued share capital as at 31 December 2024.

Directors' interest in shares

The interests of each person who was a Director of the Company (together with interest held by his or her connected parties) were

Name of Director	Number of shares at 31 December 2024	Number of shares at 31 December 2023	Unvested share options at 31 December 2024	Vested, unexercised share options at 31 December 2024	Options exercised in the period 2024
Amir Rosentuler	120,000	120,000	96,335	1,382,624	–
Marco Marlia	5,481,580	5,481,580	119,256	146,637	–
Laurel Charmaine Bowden	–	–	–	–	–
Måns Hultman	–	–	–	–	–
Mauro Pretolani	138,400	138,400	–	135,000	–
Helen Protopapas	–	–	–	–	–

The option awards held by each Director during the financial year ended 31 December 2024 and 2023 are as follows:

Name of Director	Number at 1 January 2024	Granted in the period 2024	Exercised in the period 2024	Number at 31 December 2024	Exercise price (€)	Vesting period/date
Marco Marlia	174,018	–	–	174,018	1.64	Three years starting from November 2022
Marco Marlia	91,875[1]	–	–	91,875	2.37	Three years starting from June 2023
Marco Marlia	–	–[2]	–	–	5.94	Three years starting from May 2024
Amir Rosentuler	1,263,979[3]	–	–	1,263,979	0.01	November 2021[2]
Amir Rosentuler	140,955	–	–	140,955	1.21	Three years starting from January 2023
Amir Rosentuler	74,025[4]	–	–	74,025	2.37	Three years starting from June 2023
Amir Rosentuler	–	–[5]	–	–	5.94	Three years starting from May 2024
Mauro Pretolani	135,000	–	–	135,000	0.34	Three years starting from August 2017

1 91,875 is the total option granted net of 30,625 lapsed option as one out of the two performance conditions set for such grant was not met.
2 Grant in May 2024 was fully lapsed due to the performance conditions not met.
3 Mr. Rosentuler was awarded 1,383,979 options pursuant to the EMI Share Option Plan all of which vested immediately prior to the Company's initial public offering. On 5 November 2021, Mr. Rosentuler exercised 120,000 of his vested options and subscribed for 120,000 ordinary shares of €0.01 each in the Company. From 31 December 2021, Mr. Rosentuler held 1,263,979 vested but unexercised stock options.
4 74,025 is the total option granted net of 24,675 lapsed option as one out of the two performance conditions set for such grant was not met.
5 Grant in May 2024 was fully lapsed due to the performance conditions not met.

Name of Director	Number at 1 January 2023	Granted in the period 2023	Exercised in the period 2023	Number at 31 December 2023	Exercise price (€)	Vesting period/date
Marco Marlia	174,018	–	–	174,018	1.64	Three years starting from November 2022
Marco Marlia	–	91,875[1]	–	91,875	2.37	Three years starting from June 2023
Amir Rosentuler	1,263,979	–	–	1,263,979	0.01	November 2021[2]
Amir Rosentuler	–	140,955	–	140,955	1.21	Three years starting from January 2023
Amir Rosentuler	–	74,025[3]	–	74,025	2.37	Three years starting from January 2023
Mauro Pretolani	135,000	–	–	135,000	0.34	Three years starting from August 2017

1 91,875 is the total option granted net of 30,625 lapsed option as one out of the two performance conditions set for such grant was not met.
2 Mr. Rosentuler was awarded 1,383,979 options pursuant to the EMI Share Option Plan all of which vested immediately prior to the Company's initial public offering. On 5 November 2021, Mr. Rosentuler exercised 120,000 of his vested options and subscribed for 120,000 ordinary shares of €0.01 each in the Company. From 31 December 2021, Mr. Rosentuler held 1,263,979 vested but unexercised stock options.
3 74,025 is the total option granted net of 24,675 lapsed option as one out of the two performance conditions set for such grant was not met.

Total Shareholder Return performance

The Committee has considered the requirement for a performance graph comparing the Company's TSR with that of a comparable indicator. The Committee does not currently consider that including the graph will be meaningful because the Company only listed in November 2021 and has not declared a dividend for the years ended 31 December 2023 and 2024. In addition, the remuneration of the Executives is not currently linked to TSR.

Annual percentage change in remuneration of Directors and employees and internal pay ratio

The table below shows the percentage change in salary, taxable benefits and annual bonus set out in the figures of remuneration tables paid to each Director in respect of the 2024 and 2023 financial years compared to that of the average pay of all employees of the Group:

Director	Salary/fees % change	Benefits % change	Annual bonus % change
Amir Rosentuler	(15%)	–	–
Marco Marlia	–	(21%)	(100%)
Laurel Charmaine Bowden	–	–	–
Måns Hultman	–	–	–
Mauro Pretolani	(69%)	–	–
Average all employees	5%	1%	10%

The internal pay ratio is calculated based on the average 2024 remuneration of all Group employees vis-à-vis the 2024 remuneration of the CEO. The internal pay ratio for the year 2024 was 5.42 (5.70 in 2023) for the Chief Executive Officer, Marco Marlia.

Relative importance of spend on pay

The chart below shows the difference in actual expenditure between 2023 and 2024 on personnel costs adjusted for all employees, in comparison to investments for future growth in R&D and M&A chosen as a significant benchmark for this analysis due to its relevance for the strategic plans of the Group.

To date, no dividend has been paid by MotorK and there is no intention to pay a dividend at this stage as all monies are being retained in the business for future investment.

Investments for future growth[1]	Personnel costs
-€1 million	-€7.5 million
(-10%)	(-22%)
2024: €8.4 million	2024: €26.7 million
(2023: €9.4 million)	(2023: €34.2 million)

1 It is calculated as the amount of cash flow from investing activities – R&D reported in the Group cash movements for the year included in the Financial and Operating Review section.

As the Directors have not recommended a dividend for 2024 or 2023, the Directors do not consider it helpful to the interpretation of the relative importance of spend on pay data to include dividend data in the above chart.

Statement of implementation of Remuneration Policy in the following financial year

Salary

The Committee will keep the level of salaries paid to its employees and Executive Directors under close review, and will set it at such a level in order to help achieve the overall objectives of the Policy and generate long-term value for the Company and its shareholders through increased performance. Increases to salaries, if deemed appropriate by either the Committee or employees discharging managerial duties within the Group, will be determined and communicated to employees on an individual basis.

Annual bonus

The CEO will be eligible to earn an annual bonus of up to 75% of base salary in line with the previous year in case the targets assigned are 100% achieved.

LTIP

The Committee will make awards to the Executives within the MotorK Plc Omnibus LTIP adopted by the Board on 18 October 2022. Currently, with reference to grants awarded between December 2022 and January 2023, the Committee decided to utilise one performance conditions—ARR growth of at least 25% in 2023. With reference to grants awarded between February 2023 and May 2024 two performance conditions have been set up: the first for 75% of the grant will be based on a Committed ARR achievement and the second for the remaining 25% of the grant will be based on Cash EBITDA. The Committee reserves the right to change such performance conditions as long as the revised conditions meet the requirements of the Omnibus LTIP.

Non-Executive Directors' remuneration

The Board has reviewed the Non-Executive Directors' fee structure and has agreed a specific rate card based on the roles and responsibilities of the Directors (see table below—annualised amounts, to be paid out proportionately to the actual length of tenure in the year) to take effect from the listing of the Company on 5 November 2021. Please refer to the table below for Directors' emoluments in FY2024 (and comparative data as at 31 December 2023:

Role – FY2024	Laurel Charmaine Bowden (€)[1]	Måns Hultman (€)	Mauro Pretolani (€)	Helen Protopapas (€)[3]
Chairman	–	–	–	–
Non-Executive Director basic fee	–	30,000	9,417	–
Additional fees	–	7,500	3,923	–
Chair of the Audit Committee	–	–	2,354	–
Chair of the Remuneration Committee	–	7,500	–	–
Chair of the Selection and Nomination Committee	–	–	–	–
Member of the Audit Committee	–	–	–	–
Member of the Remuneration Committee	–	–	–	–
Member of the Selection and Nomination Committee	–	–	1,569	–
Total	**–**	**37,500**	**13,340[2]**	–

1 In April 2024, Director Laurel Charmaine Bowden voluntarily waived the emoluments earned for the fiscal year 2024, as well as any future emoluments to be earned in her capacity as a member of the Audit Committee.
2 Pro-rata remuneration from 1 Jan 2024 to 23 April 2024 based on the annual emoluments amounting to €42,500 for his roles and responsibilities within the Board of Directors, Audit Committee, and Selection and Nomination Committee.
3 Director Helen Protopapas voluntarily waived her emolument for FY2024 in her roles as Chair of the Audit Committee and as a member of the Selection and Nomination Committee.

Role – FY2023	Laurel Charmaine Bowden (€)[1]	Måns Hultman (€)	Mauro Pretolani (€)
Chairman	–	–	–
Non-Executive Director basic fee	–	30,000	30,000
Additional fees	–	7,500	12,500
Chair of the Audit Committee	–	–	7,500
Chair of the Remuneration Committee	–	7,500	–
Chair of the Selection and Nomination Committee	–	–	–
Member of the Audit Committee	–	–	–
Member of the Remuneration Committee	–	–	–
Member of the Selection and Nomination Committee	–	–	5,000
Total	–	**37,500**	**42,500**

1 In April 2024, Director Laurel Charmaine Bowden voluntarily waived the emoluments earned for the fiscal year 2023, as well as any future emoluments to be earned in her capacity as a member of the Audit Committee.

The Remuneration Report was approved by the Board on 15 April 2025 and signed on 16 April 2025 on its behalf by:

Måns Hultman
Chair of the Remuneration Committee and Director

Financial Statements

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOTORK PLC
OPINION ON THE FINANCIAL STATEMENTS

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of MotorK Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Profit and Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Financial Position, the COmpany Statement of Changes in Equity, and notes to the financial statements, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and, as regards the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

SEPARATE OPINION IN RELATION TO IFRSS AS ADOPTED BY THE EUROPEAN UNION

As explained in note 2 to the Group financial statements, the Group in addition to complying with its legal obligation to apply UK adopted international accounting standards, has also applied IFRSs as issued by the European Union.

In our opinion the Group financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRSs as adopted by the European Union.

BASIS FOR OPINION

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

Independence

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOTORK PLC CONTINUED
OPINION ON THE FINANCIAL STATEMENTS CONTINUED

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Test the computational accuracy of management's assessment and any scenarios applied to stress test the model.
- Challenge the reasonableness of the forecast based on our understanding of the business and benchmarking against historic actuals to determine forecasting accuracy, and performing an assessment of the reasonableness of key estimates and judgements made over revenue growth, personnel costs and SG&A costs.
- Obtain and assess the availability of financing facilities, including the nature of facilities, their covenants and repayment terms and how these will impact the financial statements.
- Obtain and recalculate the post year-end financial covenant compliance calculations.
- Consideration of the Director's sensitivity analysis along with performing further sensitivities on the revenue, personnel costs trajectory, capitalisation of costs and their effect on the forecast covenant measurements.
- A review of whether the disclosures are appropriate for the circumstances of the Group and Parent Company and the Directors' consideration of their ability to continue as a going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

Key audit matters	Revenue recognition:	2024	2023
	Change in recognition policy	√	
	December cut-off (used in ARR)	√	√
	KAM 3 (going concern) is no longer considered to be a key audit matter because of significant cash inflow obtained from equity injections from existing and new shareholders completed after the year end and which has reduced the focus around key procedures to confirm ongoing liquidity.		
Materiality	Group financial statements as a whole €810,000 (2023: €860,000) based on 2% (2023: 2%) of Revenue.		

INDEPENDENT AUDITOR'S REPORT CONTINUED
OPINION ON THE FINANCIAL STATEMENTS CONTINUED

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

Components represent varying geographies across the EMEA region and is arranged in a single entity ownership hierarchy headquartered in Milan, Italy. An ultimate parent company is registered in the United Kingdom and listed on the Euronext exchange in Amsterdam, Netherlands. Significant consolidations occur at the Italian holding company level and the ultimate group level. Components share the same management team centrally located in Italy. The group consists of 11 components.

These components have been scoped according to our allocation of risks to the components in the group, followed by an analysis of where these risks are most prevalent to the overall accounts of any particular component. Risk assessment procedures are performed on remaining components to confirm our initial allocation of risks.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- procedures on the entire financial information of the component, which included performing substantive procedures; and
- procedures on one or more classes of transactions, account balances or disclosures.

Procedures performed at the component level

We performed procedures to respond to group risks of material misstatement at the component level that included the following:

Component	Component name	Entity	Group Audit Scope
1	MotorK Italy	MotorK Italia S.r.l.	Procedures on the entire financial information of the component
2	Parent	MotorK plc	Statutory audit and procedures on one or more classes of transactions, account balances or disclosures
3	MotorK France SAS	MotorK France Sarl	Procedures on one or more classes of transactions, account balances or disclosures
4	MotorK Spain	MotorK Spain Gestiones Comerciales SL	Procedures on one or more classes of transactions, account balances or disclosures
5	MotorK Deutschland	MotorK Deutschland GmbH	Risk assessment procedures only
6	For Business	For Business S.r.l.	Risk assessment procedures only

INDEPENDENT AUDITOR'S REPORT CONTINUED
OPINION ON THE FINANCIAL STATEMENTS CONTINUED

Component	Component name	Entity	Group Audit Scope
7	MotorK Israel	MotorK Israel LTD	Risk assessment procedures only
8	Dealerk	Dealerk Technology Solutions, Unipessoal LDA	Risk assessment procedures only
9	FusionIT	FusionIT NV	Risk assessment procedures only
10	Ico	Ico-International GmbH	Risk assessment procedures only
11	GestionaleAuto	GestionaleAuto.com S.r.l.	Risk assessment procedures only

Locations
MotorK Plc's operations are spread over a number of different geographical locations. We visited the main group location in Milan, Italy.

In addition, our teams worked remotely, holding calls and video conferences with MotorK Plc and our BDO member firm auditing MotorK Italia S.r.l., and with digital information obtained from the respective components.

Changes from the prior year
There have been no significant changes on the Group audit scope from the prior year.

Working with other auditors
As Group auditor, we determined the components at which audit work was performed, together with the resources needed to perform this work. These resources included component auditors, who formed part of the group engagement team as reported above. As Group auditor we are solely responsible for expressing an opinion on the financial statements.

In working with these component auditors, we held discussions with component audit teams on the significant areas of the group audit relevant to the components based on our assessment of the group risks of material misstatement. We issued our group audit instructions to component auditors on the nature and extent of their participation and role in the group audit, and on the group risks of material misstatement.

INDEPENDENT AUDITOR'S REPORT CONTINUED
OPINION ON THE FINANCIAL STATEMENTS CONTINUED

We directed, supervised and reviewed the component auditors' work. This included holding meetings and calls during various phases of the audit, and obtaining direct access to the electronic workspace for purpose of reviewing component auditor documentation to evaluate the appropriateness of the audit procedures performed and the results thereof. In addition, we have performed visits to the component auditor's office as stated above.

Climate change

Our work on the assessment of potential impacts of climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector; and
- Review of the minutes of Board and Audit Committee meeting and other papers related to climate change and performed a risk assessment as to how the impact of the Group's commitment as set out in the annual report may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in the Directors' going concern assessment and in management's judgements and estimates.

We also assessed the consistency of management's disclosures included as 'Other Information' on page 89 with the financial statements and with our knowledge obtained from the audit.

Based on our risk assessment procedures, we did not identify there to be any Key Audit Matters materially impacted by climate-related risks and related commitments.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT CONTINUED
OPINION ON THE FINANCIAL STATEMENTS CONTINUED

Key audit matter		How the scope of our audit addressed the key audit matter
Revenue recognition: Change in recognition policy Refer to the accounting policy for 'revenue from contracts with customers', 'revenue from cloud-based SaaS platforms' and 'Prior year restatement' in note 5 and 'Revenue' in note 9 to the annual report.	The amounts reported in relation to revenue represent information of significant interest to many users of the financial statements. This puts revenue at a greater risk of manipulation, bias and misstatement. There is a presumed fraud risk of overstating revenue. Having regard to the potential for fraud in relation to revenue recognition, we identified the recognition policy of revenue as an area of significant risk of material misstatement. In the current year, management has elected to change it's recognition policy from 'at a point in time' to 'over time' to better reflect the pattern of exchange with customers. This change has formed a significant matter to our audit as it includes a restatement of the prior year comparative amounts and additional disclosure required in the financial statements. We therefore considered this to be a key audit matter.	We have performed the following procedures: ■ Obtained and challenged management's key judgements and considerations in applying the relevant provisions of IFRS 15 for 'at a point in time' versus 'over time' through performing a technical assessment of the conclusions reached in management's assessment papers against the provisions of IFRS 15. ■ Reviewed the contractual terms of historic contracts and terms of business papers over the past 3 years. ■ Critically considered the judgement over the timing of the policy change and whether this represents a change in accounting policy or a prior year adjustment under IAS 8. This was performed by reviewing the dates on which the Company completed the development of products which piloted changes in key terms of business. ■ Tested a sample of contract asset balances as at 31 December 2023 to assess the accuracy of management's restatement in light of relevant prior year revenues from contracts with customers. ■ Reviewed the relevant restatement disclosures in the financial statements in line with the requirements of IAS 8. **Key observations** Based on the procedures performed, we have not identified any indicators to suggest that the change in the revenue recognition policy was inappropriate.

INDEPENDENT AUDITOR'S REPORT CONTINUED
OPINION ON THE FINANCIAL STATEMENTS CONTINUED

Revenue recognition: December cut-off Refer to the accounting policy in note 5 for 'revenue from contracts with customers' and 'revenue from cloud-based SaaS platforms', and note 9 to the annual report.	The amounts reported in relation to revenue represent information of significant interest to many users of the financial statements. This places revenue at a greater risk of manipulation, bias and misstatement. As a software company the Annual Recurring Revenue (ARR) is a Key Performance Indicator (KPI) of interest to investors; and there could be an incentive to manipulate this figure. This ARR KPI is derived from December 2024 monthly annualised live contracts. There is a risk that either this calculation is manipulated or contracts commencing in 2025 are recognised earlier than they should be and in the incorrect financial year. We therefore considered this to be a key audit matter.	We have performed the following procedures: ■ Agreed a sample of new contracts recognised in December 2024 and confirmed that they have been recorded in the correct period and that the performance obligation has been met before the revenue is recognised. This was confirmed through evidence of the 'go-live' date (the date the customer obtained use of the platform). ■ Selected and obtained supporting documents for non-standard journals to revenue. ■ Tested the ARR disclosure to check it was sufficiently explained, defined and reconciled. We tested the computational accuracy of the ARR. **Key observations:** Based on the procedures performed, we have not identified any indicators to suggest that the revenue recognition was inappropriate.

OUR APPLICATION OF MATERIALITY

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT CONTINUED
OPINION ON THE FINANCIAL STATEMENTS CONTINUED

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent Company financial statements	
	2024	2023	2024	2023
Materiality	€810,000	€860,000	€1,780,000*	€1,260,000
Basis for determining materiality	2% of Group revenue	2% of Group revenue	1.6% of total assets	Based on 1.5% of total assets.
Rationale for the benchmark applied	We considered revenue to a key performance measure for users to evaluate the financial performance of this business in its growth phase.		Calculated based on total assets as the parent Plc is an investment holding entity, capped to group-allocated component performance materiality.	
Performance materiality	€570,000	€600,000	€1,246,000*	€880,000
Basis for determining performance materiality / **Rationale for the percentage applied for performance materiality**	Performance materiality was set at 70% (2023: 70%) of materiality, taking into account various factors including the expected total value of known and likely misstatements, brought forward misstatements, the number of material estimates, the spread of results within the group and the expected use of sample testing.		Performance materiality for the Parent Company was set at 70% (2023: 70%) of materiality taking into account various factors including the expected total value of known and likely misstatements, brought forward misstatements, and the number of material estimates.	

* The above table states the Parent Company statutory materiality for the current period, the component materiality allocated to the parent company is €540,000 which is 95% of the group performance materiality.

For the purposes of the Group Audit, we have performed audit procedures using Component performance materiality, being the lower of the Statutory performance materiality and Component performance materiality.

Component materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, apart from the Parent Company whose materiality and performance materiality are set out above, based on a percentage of between 40% and 75% (2023: 63%) of Group performance materiality dependent on a number of factors including public interest in components within the group, potential significant risks of material misstatement, control environment, expectations about the nature, frequency, and magnitude of misstatements, relative size, component age, significant changes to the component and our assessment of the risk of material misstatement of those components. Component performance materiality ranged from €202,000 to €540,000 (2023: €420,000).

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of €32,000 (2023: €34,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

INDEPENDENT AUDITOR'S REPORT CONTINUED
OPINION ON THE FINANCIAL STATEMENTS CONTINUED

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document entitled annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OTHER COMPANIES ACT 2006 REPORTING

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: ■ the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and ■ the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: ■ adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or ■ the Parent Company financial statements are not in agreement with the accounting records and returns; or ■ certain disclosures of Directors' remuneration specified by law are not made; or ■ we have not received all the information and explanations we require for our audit.

OTHER REPORTING - EUROPEAN SINGLE ELECTRONIC FORMAT (ESEF)

The Company has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual financial report prepared in XHTML-format, including the (partly) marked-up consolidated financial statements as included in the reporting package of the Company, complies in all material with the RTS on ESEF.

Management is responsible for preparing the annual report including the financial statements, in accordance with the RTS on ESEF.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report complies with the RTS on ESEF.
Our procedures included:

- Obtaining an understanding of the Company's financial reporting process, including the preparation of the annual financial report in XHTML-format;
- identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including examining whether the annual report in XHTML-format is in accordance with the RTS on ESEF.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent 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 the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance, including the Audit Committee; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the relevant accounting standards, Euronext Amsterdam listing requirements, Companies Act 2006, the Dutch listing Rules, Companies Act in the countries where the group operates and certain requirements from tax legislation (including VAT and employment taxes).

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be GDPR.
Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance, including the Audit Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - detecting and responding to the risks of fraud; and
  - internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition, revenue recognition policy and management override.
Our procedures in respect of the above included:

- Assessing significant estimates made by management for bias (see key audit matters and Conclusions relating to going concern for significant estimates pertaining to significant risks);
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation. This included testing of unusual combinations to revenue;
- Performing specified testing in relation to changes in recognition policies as outlined in the key audit matters section of our report; and
- Evaluating the results of our testing to identify whether there was evidence of bias by the Directors in estimates or judgements that represented a risk of material misstatement due to fraud.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including component auditors who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component auditors, we also reviewed the result of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Owen Pettifor
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Owen Pettifor (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK

16 April 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

€'000	Note	For the year ended 31 December 2024	Restated For the year ended 31 December 2023*
Revenue	9	**40,333**	**38,522**
Cost for customers' media services	10	8,144	7,515
Personnel costs	10	26,690	34,201
R&D capitalisation	10	(8,278)	(9,342)
Other operating costs	10	14,284	16,111
Other gains	10	(890)	-
Provision for bad debts	10	1,359	236
Amortisation and depreciation	10	9,990	8,741
Total costs	10	**51,299**	**57,462**
Operating loss		**(10,966)**	**(18,940)**
Finance expense	11	(2,313)	(1,097)
Finance income	11	222	57
Loss before tax		**(13,057)**	**(19,980)**
Corporate income tax	12	4	2,315
Loss for the period		**(13,053)**	**(17,665)**
Attributable to:			
Owners of the parent		(13,053)	(17,665)
Other comprehensive loss			
Actuarial (losses)/gain arising from remeasurement of liabilities for employee benefits that will not be subsequently remeasured to the income statement	20	92	(49)
Gains on exchange differences from translation of financial statements of foreign entities that will be reclassified subsequently to the income statement	26	19	77
Total comprehensive loss		**(12,942)**	**(17,637)**
Attributable to:			
Owners of the parent		(12,942)	(17,637)
Basic and diluted EPS			
Loss for the period	24	(0.29)	(0.44)

*Consolidated Statement of Profit and Loss and Other Comprehensive Income for the year ended 31 December 2023 has been restated. Please refer to the Note 5 – Material Accounting Policies – Prior year restatements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€'000	Note	As at 31 December 2024	Restated as at 31 December 2023*	Restated as at 1 January 2023*
Intangible assets	13	46,335	46,477	36,757
Property, plant and equipment	14	3,379	4,557	5,000
Investments in associates	15	3,538	3,538	3,538
Non-current assets – security deposits	15	242	234	194
Non-current assets		**53,494**	**54,806**	**45,489**
Trade and other receivables	16	13,978	13,405	13,058
Cash on hand and cash at banks	17	3,362	3,509	19,223
Current assets		**17,340**	**16,914**	**32,281**
Total assets		**70,834**	**71,720**	**77,770**
Trade and other payables	18	11,292	14,653	12,250
Tax payable	18	3,794	2,573	3,842
Current financial liabilities	19	20,170	8,897	356
Current lease liabilities	19	1,141	1,170	972
Provisions	22	121	120	153
Current liabilities		**36,518**	**27,413**	**17,573**
Employees' benefit liability	20	2,310	2,309	1,895
Deferred tax	21	1,533	1,791	1,471
Non-current financial liabilities	19	257	9,994	11,463
Non-current lease liabilities	19	2,196	3,190	3,665
Provisions	22	–	57	142
Non-current liabilities		**6,296**	**17,341**	**18,636**
Total liabilities		**42,814**	**44,754**	**36,209**
Share capital	23	459	407	403
Share premium	23	82,956	68,093	68,754
Merger reserve	23	3,627	3,627	3,627

CONSOLIDATED STATEMENT OF FINANCIAL POSITION CONTINUED

€'000	Note	As at 31 December 2024	Restated As at 31 December 2023*	Restated as at 1 January 2023*
Accumulated losses	23	(59,022)	(45,161)	(31,223)
Total equity		**28,020**	**26,966**	**41,561**
Total liabilities and equity		**70,834**	**71,720**	**77,770**

*Consolidated Statement of Financial Position as of 31 December 2022 and 2023 have been restated. Please refer to the Note 5 – Material Accounting Policies – Prior year restatements.

The notes on pages 99 to 137 form part of the Consolidated Financial Statements. The Consolidated Financial Statements on pages 93-98 were approved and authorised for issue by the Board of Directors on 15 April 2025 and were signed on 16 April 2025 on its behalf by:

Marco Marlia
Chief Executive Officer
16 April 2025

CONSOLIDATED STATEMENT OF CASH FLOWS

€'000	For the year ended 31 December 2024	Restated For the year ended 31 December 2023*
Loss for the period	(13,053)	(17,665)
Adjustments for:		
Depreciation of property, plant and equipment	1,465	1,423
Amortisation of intangible assets	8,525	7,318
Finance income	(222)	(57)
Finance expense	2,313	1,035
Other (gains)/losses	(890)	62
Income tax expense	(4)	(2,315)
Share-based payment expense	638	1,202
Earn-out accrual	(1,550)	2,048
Other non-monetary movements	(103)	(111)
Cash outflow (used in) operating activities before changes in net working capital	**(2,881)**	**(7,060)**
(Increase) in trade and other receivables	90	160
(Decrease)/Increase in trade and other payables	(1,161)	1,514
(Decrease)/increase in provisions and employee benefits	8	(137)
Cash outflow for payment of post combination remuneration	(1,107)	-
Cash outflow (used in) operations	**(5,051)**	**(5,523)**
Income tax paid	(191)	(712)
Net cash flows (used in) operating activities	**(5,242)**	**(6,235)**

€'000	For the year ended 31 December 2024	Restated For the year ended 31 December 2023*
Investing activities		
Cash outflow on acquisition of subsidiaries (net of cash acquired)**	(5,083)	(3,881)
Purchase of intangible assets***	(8,383)	(9,358)
Purchases of property, plant and equipment	(27)	(92)
Non-current assets – security deposits	(8)	(40)
Net cash (used in) investing activities	**(13,501)**	**(13,371)**
Financing activities		
Proceeds for issue of shares	14,156	3,153
Buy-back Programme	-	(2,306)
Bank loans repaid	(1,862)	(47)
New bank and loan with other financial institutions	9,687	4,831
Capital element of lease liabilities repaid	(1,294)	(1,126)
Interest paid on bank and other loans	(1,902)	(401)
Interest paid on lease liabilities	(192)	(211)
Net cash from financing activities	**18,593**	**3,893**
Translation exchange differences	3	(1)
Net decrease in Cash on hand and cash at banks	**(147)**	**(15,714)**
Cash on hand and cash at banks at beginning of period	**3,509**	**19,223**
Cash on hand and cash at banks at end of period	**3,362**	**3,509**

* Consolidated Statement of Cash Flows as of 31 December 2023 has been restated. Please refer to the Note 5 – Material Accounting Policies – Prior year restatements.
** FY 2024 cash outflow refers to €3.1 million of deferred consideration and to €2 million of contingent consideration classified in Current financial liabilities under IFRS 3.
FY 2023 cash outflow refers to €3.1 million of the consideration paid for the acquisition of GestionaleAuto.com S.r.l. and to €0.8 million of contingent consideration classified in Current financial liabilities under IFRS 3.
*** In FY2024, it comprises €8.3 million of internally generated assets additions (€9.3 million in FY2023) and €0.1 million of direct purchase additions (€15 thousand in FY2023).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€'000	Share capital	Restated Share premium[3]	Merger reserve	Restated Accumulated losses[4]	Total attributable to equity holders of parent
1 January 2023	**403**	**68,754**	**3,627**	**(10,978)**	**61,806**
Restatement of revenue recognition under IFRS 15 (net of tax)	–	–	–	(20,245)	(20,245)
Restated total equity at the beginning of the financial year	**403**	**68,754**	**3,627**	**(31,223)**	**41,561**
Loss for the period[1]	–	–	–	(17,665)	(17,665)
Other comprehensive loss					
Translation reserve	–	–	–	77	77
Defined benefit pension scheme	–	–	–	(49)	(49)
Total comprehensive loss for the year	**–**	**–**	**–**	**(17,637)**	**(17,637)**
Contributions by and distributions to owners					
Issue of shares	18	3,339	–	–	3,357
Share-based payment	–	–	–	2,195	2,195
Share-based payment exercised	–	–	–	(204)	(204)
Buy-back programme[2]	(14)	–	–	(2,292)	(2,306)
Capital reduction	–	(4,000)	–	4,000	–
Total contributions by and distributions to owners	**4**	**(661)**	**-**	**3,699**	**3,042**
31 December 2023	**407**	**68,093**	**3,627**	**(45,161)**	**26,966**

1 The line item "Loss of the period" for FY2023 is restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - a) Revenue recognition – Change in revenue recognition under IFRS 15.
2 MotorK bought its own shares and cancelled them.
3 Share premium column as at 31 December 2023 has been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - d) Share based payments - Incorrect presentation of share-based payments reserve.
4 The Earn-out reserve column has been incorporated in the column Accumulated losses. Accumulated losses column as at 31 December 2023 has been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - a) Revenue recognition – Change in revenue recognition under IFRS 15, c) Equity-settled post combination remuneration – change in an accounting policy under IFRS 2, and d) Share based payments - Incorrect presentation of share-based payments reserve.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY CONTINUED

€'000	Share capital	Share premium	Merger reserve	Accumulated losses	Total attributable to equity holders of parent
Loss for the period	–	–	–	(13,053)	(13,053)
Other comprehensive loss					
Translation reserve	–	–	–	19	19
Defined benefit pension scheme	–	–	–	92	92
Total comprehensive loss for the year	–	–	–	**(12,942)**	**(12,942)**
Contributions by and distributions to owners		–	–	–	–
Issue of shares[5]	52	14,863	–	–	14,915
Share-based payment	–	–	–	821	821
Share-based payment exercised	–	–	–	(600)	(600)
Reversal of share-based payments charges[6]	–	–	–	(1,140)	(1,140)
Total contributions by and distributions to owners	**52**	**14,863**	**-**	**(919)**	**13,996**
31 December 2024	**459**	**82,956**	**3,627**	**(59,022)**	**28,020**

5 Please refer to Note 23 for further details.
6 Please refer to Note 23 for further details.

Share capital represents the nominal value of the share capital subscribed for.
Share Premium represents amounts subscribed for share capital in excess of the nominal value, less related costs of share issues. During FY2023, the Group completed a capital reduction, which resulted in a reduction of the share premium account. As part of this process, a portion of the share premium amounting to €4 million was transferred to the Accumulated losses in accordance with applicable legal requirements and accounting standards.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

MotorK Plc (the Company or the Parent Company) is a Company incorporated in the UK, with the Company Registration number 09259000. The registered office is on the 5th Floor, One New Change, London, England, EC4M 9AF, listed from November 2021 on Euronext Amsterdam.

The Company and its subsidiaries (the Group or MotorK Group) is a leading SaaS provider for the automotive retail industry in the EMEA region.

The Group offers a cloud-based holistic SaaS platform (named SparK) to support the full vehicle lifecycle and the entire customer journey. SparK can be used to manage the digital presence of a small single showroom dealer as well as support the sales and marketing functions of a regional network of franchise dealerships for an automotive OEM across EMEA.

As of 31 December 2024, the main shareholders of the Parent Company are 83 North, who directly holds approximately 21% of the share capital, Lucerne, who holds approximately 20% of the share capital and the original founders Marco Marlia (CEO of the Group), Marco De Michele, and Fabio Gurgone own roughly 12% each of the share capital.

These Consolidated Financial Statements as of and for the year ended 31 December 2024, together with the notes thereto, have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006.

The preparation of financial statements in compliance with UK-adopted IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in Note 7.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with UK-adopted international accounting standards and with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs) as adopted by the European Union (Adopted IFRSs) and with those parts of the Companies Act 2006 applicable to companies preparing their financial statements under IFRSs.

2.1 Form and content of the Consolidated Financial Statements

The format of the consolidated financial statements and related classification criteria adopted by the Group (among the options available under IAS 1 – Presentation of financial statement) are as follows:

- the Consolidated Statement of Financial Position shows current and non-current assets separately, and current and non-current liabilities in the same way;
- the consolidated statement of profit and loss and other comprehensive income shows a classification of costs by nature; and
- the Consolidated Statement of Cash Flow was prepared using the indirect method.

The Group has chosen to prepare a comprehensive income statement that includes, in addition to the result for the period, other amounts that, in accordance with the international accounting standards, are recognised directly in other comprehensive income separately from those relating to operations with the Group's shareholders.

The templates used, as specified above, are those that best represent the Group's economic, equity and financial situation. The Consolidated Financial Statements are prepared in Euro (which is also the presentation currency), rounded to the nearest thousand. They are prepared on the historical cost basis with the exception of certain items, which are measured at fair value as disclosed in the accounting policies below. The preparation of the financial statements requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2. BASIS OF PREPARATION CONTINUED

2.1 Form and content of the Consolidated Financial Statements continued

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects current and future periods.

2.2 Subsidiaries of MotorK Plc included in the Consolidated Financial Statements

The Consolidated Financial Statements include the financial statements of the Parent Company, MotorK Plc, and its subsidiaries. Where necessary, specific adjustments were made at the consolidated level to standardise the Group's financial statements to the UK-adopted International Accounting Standards.

Below, we report the list of companies included in Consolidated Financial Statements prepared by the Parent Company, MotorK Plc, as at 31 December 2024, indicating the share capital held by the Group. MotorK Italia S.r.l. is directly controlled by MotorK Plc. All the other subsidiaries are indirectly controlled.

Name	Country of incorporation and principal place of business	Proportion of ownership interest at 2024	2023	2022
MotorK Italia S.r.l.	Italy	100%	100%	100%
MotorK Spain Gestiones Comerciales SL	Spain	100%	100%	100%
MotorK Deutschland GmbH	Germany	100%	100%	100%
MotorK France Sarl	France	100%	100%	100%
For Business S.r.l.	Italy	100%	100%	100%
MotorK Israel Ltd	Israel	100%	100%	100%
DealerK Technology Solutions, Unipessoal Lda	Portugal	100%	100%	100%
DriveK Italia S.r.l.[1]	Italy	–	100%	100%
FusionIT NV	Belgium	100%	100%	100%
FranceProNet SaS[2]	France	–	–	100%
SFD SaS[2]	France	–	–	100%
ICO International GmbH	Germany	100%	100%	100%
GestionaleAuto.com S.r.l.	Italy	100%	100%	–

1 The Company was wound up on 8 January 2024.
2 Merged into MotorK France Sarl starting from 1 January 2023.

During the financial year 2023, the consolidation area changed as a result of the following operations:

- On 8 January 2024, the shelf Company DriveK Italia S.r.l., created as a potential vehicle for the selling of the business DriveK and then not used due to the different structuring followed in the operation, has wound up. The value of the assets of such Company amount to roughly €3 thousand and therefore the wind-up has not affected the assets of the Consolidated Financial Statements as at 31 December 2023.

All the companies mentioned above are included in the Consolidated Financial Statements from the date on which control is transferred to the Group or from the date in which they have been incorporated.

The registered offices of the companies disclosed above is as follows:

MotorK Italia S.r.l.	Via Ludovico D'Aragona, 9 – 20132 Milan, Italy
MotorK Spain Gestiones Comerciales SL	Calle Muntaner 305 Planta PR Puerta 2 – 08021 – Barcelona, Spain
MotorK Deutschland GmbH	Destouchesstr. 68 – 80796 – München, Germany
MotorK France Sarl	168, Avenue Charles De Gaulle 9220 Neuilly-sur-Seine – Paris, France
For Business S.r.l.	Via Ludovico D'Aragona, 9 – 20132 Milan, Italy
MotorK Israel Ltd	3 Arik Einstein St Herzliya, Israel
DealerK Technology Solutions, Unipessoal Lda	Avenida de República n50, 10 – 1069 – 211 Lisbon, Portugal
DriveK Italia S.r.l.	Via Ludovico D'Aragona, 9 – 20132 Milan, Italy
FusionIT NV	Mechelsesteenweg 203 box 2, 2018 Antwerp, Belgium
ICO International GmbH	Berner Straße 107 – 60437 Frankfurt am Main, Germany
GestionaleAuto.com Srl	Viale Asiago n. 113 – Bassano del Grappa, Italy

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2. BASIS OF PREPARATION CONTINUED

2.3 Basis for consolidation

The criteria used by the Group to define the consolidation area and the relative consolidation principles are shown below. The financial statements of foreign companies are translated into Euro using the functional currency concept, under which asset and liability items are translated at the closing rate. With the exception of income and expenses recognised directly in equity, equity is translated at historical rates. The resulting foreign exchange differences are recognised in other comprehensive income until disposal of the subsidiary concerned, and are presented as a separate item in equity.

Subsidiaries

The subsidiary companies are those companies that the Group controls. The Group controls a Company when it is exposed to the variability of the Company's results and has the power to influence these results through its power over the Company. Generally, it is assumed that control exists when the Company directly or indirectly holds more than half of the voting rights, taking into account the potential exercised or converted voting rights.

Subsidiaries owned 100% (directly or indirectly) are consolidated using the integral method from the date on which control is transferred to the Group. On the other hand, they are excluded from consolidation starting from the date on which this control is terminated.

Investment in associates

Associates are companies over which the Group has significant influence, which is presumed to exist when the investment represents 20% to 50% of the voting rights.

Under the equity method, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the profit/(loss) and other comprehensive income/(loss) of the investee. The Group's share of the investee's profit/(loss) is recognised in the consolidated income statement. Distributions received from an investee reduce the carrying amount of the investment. Post-acquisition movements in other comprehensive income/(loss) are recognised in other comprehensive income/(loss) with a corresponding adjustment to the carrying amount of the investment.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

When the Group's share of the losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. The Group discontinues the use of the equity method from the date the investment ceases to be an associate or when it is classified as available-for-sale.

Business combinations

Business combinations are recorded according to the acquisition method.

According to this method:

- the amount transferred in a business combination is measured at fair value, calculated as the sum of the fair value of the assets transferred and of the liabilities assumed by the Group on the acquisition date and of the equity instruments issued in exchange for control of the acquired Company. The charges ancillary to the transaction are recorded on the income statement at the time in which they are incurred;
- the identifiable assets and the liabilities acquired are recognised at fair value at the acquisition date; an exception is deferred tax assets and liabilities, assets and liabilities for employee benefits, liabilities or equity instruments relating to share-based payments of the acquired Company or payments based on shares relating to the Group issued to replace contracts for the Company acquired, and assets (or groups of assets and liabilities) held for sale, which are instead valued according to their relevant principle;
- goodwill is calculated as the excess between the sum of the considerations transferred in the business combination, the value of the net equity pertaining to non-controlling interests and the fair value of any equity investment previously held in the Company acquired compared to the fair value of the net assets acquired and liabilities assumed at the acquisition date. If the value of the net assets and liabilities acquired at the acquisition date exceeds the sum determined above, the excess is immediately recognised in the income statement as income deriving from the transaction; and
- any considerations subject to conditions provided for by the business combination contract are valued at fair value on the acquisition date and included in the value of the amounts transferred in the business combination for the purpose of calculating the goodwill.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3. GOING CONCERN

In preparing the financial statements, management has applied the going concern principle based on its assessment of the Group's ability to continue as a going concern. In making such an assessment, management has considered the cash injection achieved in the first month of FY2025 due to the capital rise of €5.3 million and the sale of the remaining 20% stake in Auto XY SpA to GEDI Digital Srl for €3.5 million, the expectation of the Group's future performance and the growth during 2024.

Management has prepared a three-year Business Plan covering the period between 2025 and 2027 (that includes inflation assumptions on salaries) showing that the Group has the resources to cover its financial need for the foreseeable future. As per the Business Plan, during FY2025 it is forecasted to burn a certain amount of cash so that cash and cash equivalents at year end 31 December 2025 will land in a positive territory starting to generate positive operating cash flow from the second half of FY2025. Management is also currently under discussion to obtain further flexibility on cash needs with the use of some instruments to finance working capital. Such instruments will ensure that even a worst case scenario of a 10% reduction in recurring billings during the year 2025, as shown in the sensitivity analysis, will have limited impact on the Group's cash position to 12 months from the approval date of the accounts, with no substantial effect on going concern assessment.

In conducting the going concern assessment, management has taken into consideration the potential impacts of various factors, including the ongoing conflict between Russia and Ukraine, the situation in Israel, inflation rates, rising commodity prices, the recent introduction of tariffs in both America and Europe and the increased cost of living in the markets where the Group operates. These factors have been carefully evaluated and incorporated into the Business Plan. Given the nature of MotorK as a key digital supplier for its customers, management has concluded that these elements do not have a material effect on the going concern assessment.

4. ACCOUNTING STANDARDS IN FORCE FROM 1 JANUARY 2023 AND INTERPRETATIONS APPLICABLE AT A FUTURE DATE

4.1 New standards and amendments effective from 1 January 2024

The following new standards and amendments effective from 1 January 2024 were adopted by the Group for the preparation of these Consolidated Financial Statements.

- In January 2020, the IASB issued amendments to IAS 1 – Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current to clarify how to classify debt and other liabilities as current or non-current, and in particular how to classify liabilities with an uncertain settlement date and liabilities that may be settled by converting to equity. These amendments are effective on or after 1 January 2024. There was no significant effect from the adoption of these amendments.
- In September 2022, the IASB issued amendments to IFRS 16 – Leases: Liability in a Sale and Leaseback to improve the requirements for sale and leaseback transactions, which specify the measurement of the liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. These amendments are effective on or after 1 January 2024. There was no significant effect from the adoption of these amendments.
- In October 2022, the IASB issued amendments to IAS 1 – Presentation of Financial Statements: Non-current Liabilities with Covenants, which clarify how conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability. These amendments are effective on or after 1 January 2024. There was no significant effect from the adoption of these amendments.
- In May 2023, the IASB issued amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments: Disclosures: Supplier Finance Arrangements, which introduce new disclosure requirements to enhance the transparency and usefulness of the information provided by entities about supplier finance arrangements, and are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments are effective on or after 1 January 2024. There was no significant effect from the adoption of these amendments.
- In June 2023, the International Sustainability Standards Board (ISSB) issued its first two IFRS Sustainability Disclosure Standards, IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. The objective of IFRS S1 is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to users of general purpose financial reports in making decisions relating to providing resources to the entity. The objective of IFRS S2 is to require an entity to disclose information about its climate-related risks and opportunities that is useful to users of general purpose financial reports in making decisions relating to providing resources to the entity. The amendments are effective on or after 1 January 2024, but these standards have not been adopted by UK Endorsement Board nor EFRAG.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

4. ACCOUNTING STANDARDS IN FORCE FROM 1 JANUARY 2023 AND INTERPRETATIONS APPLICABLE AT A FUTURE DATE CONTINUED

4.2 New standards, amendments and interpretations not yet effective

The standards, amendments and interpretations issued by the IASB that will have mandatory application in 2025 or subsequent years are listed below:

- In August 2023, the IASB issued amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability to clarify how an entity has to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determine the exchange rate to use and the disclosures to provide. These amendments are effective on or after 1 January 2025. The Group does not expect any material impact from the adoption of these amendments.
- In April 2024, IASB issued IFRS 18 — Presentation and Disclosure in Financial Statements, which introduces new concepts relating to: (i) the structure of the statement of profit or loss, (ii) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements, and (iii) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The standard is effective on or after 1 January 2027. The Group is evaluating the potential impact from the adoption of this standard.
- In May 2024, IASB issued amendments to the Classification and Measurement of Financial Instruments which amended IFRS 9 — Financial Instruments and IFRS 7 — Financial Instruments: Disclosures, with the aim of addressing diversity in practice by making the requirements more understandable and consistent. The amendments: (a) clarify the date of recognition and derecognition of certain financial assets and liabilities, with a new exception for certain financial liabilities settled through an electronic cash transfer system to be derecognised before the settlement date if certain criteria are met; (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as certain instruments with features linked to the achievement of environment, social and governance (ESG) targets); and (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The amendments are effective on or after 1 January 2026 and earlier application is permitted. The Group is evaluating the potential impact from the adoption of these amendments.
- In May 2024, IASB published the new standard IFRS 19 which permits a subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it in its consolidated, separate or individual financial statements. IFRS 19 is a disclosure-only standard therefore eligible entities that apply this standard are required to apply the requirements in other IFRS Accounting Standards for recognition, measurement, and presentation requirements. Eligible entities applying IFRS 19 are not required to provide a specific disclosure required by this standard if the information provided would not be material. However, they are required to consider whether additional disclosures should be provided when compliance with the specific requirements in IFRS 19 is insufficient to enable users of financial statements to understand the effect of transactions and other events on the entities' financial position and performance. The standard will be effective for reporting periods beginning on or after 1 January 2027 and earlier application is permitted.. The Group is evaluating the potential impact from the adoption of these amendments.
- In July 2024, IASB issued Annual Improvements to IFRS Accounting Standards — Volume 11 which contains amendments to five standards as result of IASB's annual improvements project. IASB uses the annual improvements process to make necessary, but non-urgent, amendments to IFRS Accounting Standards that will not be included as part of another major project. The amended standards are: IFRS 1 — First-time Adoption of International Financial Reporting Standards, IFRS 7 —Financial Instruments: Disclosures and its accompanying guidance on implementing IFRS 7; IFRS 9 — Financial Instruments; IFRS 10 — Consolidated Financial Statements; and IAS 7 — Statement of Cash Flows. The amendments are effective on or after 1 January 2026 and earlier application is permitted. The Group is evaluating the potential impact from the adoption of these amendments.
- In December 2024, IASB issued amendments for nature-dependent electricity contracts which amended IFRS 9 — Financial Instruments and IFRS 7 — Financial Instruments: Disclosures to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs), in the light of the increased use of these contracts. The amendments are effective on or after 1 January 2026 and earlier application is permitted. The Group is evaluating the potential impact from the adoption of these amendments.

5. MATERIAL ACCOUNTING POLICIES

Internally generated intangible assets (development costs)

Expenditure on internally developed products is capitalised if it can be demonstrated that:

1. it is technically feasible to develop the product for it to be sold;
2. adequate resources are available to complete the development;
3. there is an intention to complete and sell the product;
4. the Group is able to sell the product;
5. sale of the product will generate future economic benefits; and

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. MATERIAL ACCOUNTING POLICIES CONTINUED

Internally generated intangible assets (development costs) continued

6. expenditure on the project can be measured reliably.

Capitalised development costs are amortised over the periods the Group expects to benefit from selling the products developed (three years). Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in the Consolidated Statement of Comprehensive Income as incurred. Development costs incurred on existing assets are capitalised only in case such costs increment the functionality of the asset.

Goodwill

Goodwill represents the excess of the cost of a business combination over the total acquisition date fair value of the identifiable assets, liabilities and contingent liabilities acquired.

Cost comprises the fair value of assets given, liabilities assumed and equity instruments issued, plus the amount of any non-controlling interests in the acquiree plus, if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree. Contingent consideration is included in cost at its acquisition date fair value and, in the case of contingent consideration classified as a financial liability, remeasured subsequently through profit or loss. Direct costs of acquisition are recognised immediately as an expense.

Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the Consolidated Statement of Comprehensive Income. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the Consolidated Statement of Comprehensive Income on the acquisition date.

Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for leases of low value-assets; and leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Impairment of non-financial assets with indefinite useful economic lives

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly. Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows; its CGUs (Cash-generating Units). Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill. Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

Foreign currency

The Group's Consolidated Financial Statements are presented in Euros, which is also the Parent Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognised in Other Comprehensive Income (OCI) until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. MATERIAL ACCOUNTING POLICIES CONTINUED

Foreign currency continued

currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Euros at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss. Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Financial assets

The Group's financial assets are classified on the basis of the business model adopted to manage them and the characteristics of the related cash flows.

a) Financial assets valued at amortised cost

Financial assets that have been verified to meet the following requirements are classified in this category:

(i) the asset is held within a business model whose objective is possession of the asset to collect contractual financial flows; and

(ii) the contractual terms of the asset include cash flows represented solely by payments of principal and interest on the principal amount to be repaid.

These are receivables from customers, loans, other receivables and cash on hand and cash at banks.
The investments in associated companies are accounted for using the equity method.
Trade receivables that do not contain a significant financial component are recognised at the price defined for the related transaction (determined in accordance with the provisions of IFRS 15 – Revenues from Customer Contracts).

Other receivables and loans are initially recognised in the financial statements at their fair value increased by any directly attributable accessory costs to the transactions that generated them. At the time of subsequent measurement, financial assets are shown at amortised cost, using the effective interest rate. The effects of this measurement are recognised as a financial income component. The Group values receivables by adopting an expected loss impairment model. For trade receivables the Group adopts a simplified approach, which does not require periodic changes to the credit risk to be reported, but rather an expected credit loss (ECL) calculated on the entire ECL lifetime to be recorded.

In particular, the policy implemented by the Group involves the stratification of receivables, which are broken down by homogeneous risk categories. Different write-down percentages are applied to these categories, which reflect the likelihood of them being recovered. These are based on historical percentages and on any forward-looking data, which may impact the reasonable likelihood of them being recovered. Trade receivables are written down in full if they are not reasonably likely to be recovered (e.g. overdue past a certain point, bankruptcy and/or start of legal action).

Assessments are made regularly as to whether there is any objective evidence that a financial asset or group of financial assets may be impaired. If any such evidence exists, an impairment loss is recognised within selling, general and administrative costs for trade receivables and within cost of sales for receivables from financing activities. Write-downs carried out in accordance with IFRS 9 are recognised in the consolidated income statement net of any positive effects related to releases or restorations of value and are represented under operating costs.

Financial liabilities

Financial liabilities include financial payables, payables for leases, trade payables, bank loans, other loans and other payables. Amounts due to banks and other lenders are initially recognised at fair value net of directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method. If there is a change in the expected cash flows, the value of the liabilities is recalculated to reflect this change based on the current value of the new expected cash flows and the initially determined internal rate of return.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. MATERIAL ACCOUNTING POLICIES CONTINUED

Financial liabilities continued

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate. Trade payables are obligations to pay for goods or services acquired from suppliers in the ordinary course of business. Trade payables are classified as current liabilities if they are paid within one year of the balance sheet date. Otherwise, these payables are classified as non-current liabilities. Trade and other payables are initially recognised at fair value and subsequently measured using the amortised cost method. In the context of a business combination under IFRS 3, any continuing services provided after the acquisition, such as those by employees or vendors, settled in cash are not part of the initial consideration transferred but are treated as post-combination remuneration costs linked to continued employment and post-combination performance targets. This consideration is classified as a liability under IAS 19 Employee Benefits and presented within Trade and other payable. Contingent consideration classified as financial liabilities are measured at FVTPL. Ancillary costs incurred on recognition of the liability are immediately recognised in the consolidated income statement. On subsequent measurement, FVTPL financial liabilities are measured at fair value.

Financial liabilities are eliminated from the financial statements when the obligation underlying the liability is extinguished, cancelled or fulfilled. With reference to the derecognition of a financial liability, new records must be created for its extinction and the recognition of a new liability if the contractual terms are substantially different. The terms are considerably different if the actualised value of the financial flow under the new terms, including any fee paid net of the fee received and actualised using the original interest rate, are at least 10% different from the actualised value of the remaining financial flows of the original financial liability. If the exchange of debt instruments or the change in the terms are recognised as an extinction, any costs or fees paid are recorded as income or losses associated with the extinction. If the exchange or modification are not recognised as extinction, any costs or fees sustained will adjust the accounting value of the liability and will be amortised over the remaining term of the liability in question.

Share-based payments Revenue from contract with customers

The group provides share-based payment arrangements to certain employees, including earn-out arrangements settled in shares to employees of acquired businesses. Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the Consolidated Statement of Comprehensive Income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the Consolidated Statement of Comprehensive Income over the remaining vesting period.

Share-based payments Revenue from contract with customers

The Group is a SaaS provider for the automotive retail industry empowering car dealers and OEMs to improve their customer experience through a broad suite of fully integrated digital products and services. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. For further details, please refer to the following paragraph.

Prior year restatement

a) Revenue recognition – Change in revenue recognition under IFRS 15

The Group has conducted a comprehensive reassessment of its revenue recognition policy for its SaaS products in accordance with IFRS 15. Historically, the Group recognised revenue at a point in time upon granting customers access to its software and identified two separate perfomance (the selling of the 'right-to-use IP' to the client for which the performance obligation is satisfied point in time and the post-contract customer support related to costs incurred to maintain the platform live for which the revenues are recorded overtime on the duration of the contracts). However, following a detailed review of our contractual obligations, our evolving SaaS business model and the constructive obligation this has created, and industry best practices, we have determined that revenues should instead refer to a single performance obligation that is the selling of the 'right-to-access IP' to the client and should be recognised over time when access to

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. MATERIAL ACCOUNTING POLICIES CONTINUED

Prior year restatement continued

the product is granted to the customers to more accurately reflect the nature of our services when access to the product is granted to the customers.

The reassessment was driven by the recognition that the Group provides customers with a right to access intellectual property that is continuously maintained, updated, and enhanced throughout the contract duration. Key factors supporting this conclusion include ongoing update and improvements, ongoing benefits to customers and the hosting and maintenance of the services that result in changes in the timing of revenue recognition. These changes are consistent with industry practice in providing similar types of services and improving the accuracy of financial reporting.

This change underscores the Group's commitment to transparent and high-quality financial reporting, ensuring that investors and stakeholders have a more precise view of the Group's long-term revenue generation model and business performance. Changes to provide frequent functional upgrades have occurred over the period and, in management's judgement, while not contractually obliged to deliver upgrades, an implicit promise gives rise to a performance obligation under IFRS 15 with the Group's customers from the last day of FY2022 that this business practice will continue. As such, the opening balance as at 1 January 2023 and FY2023 revenue and contract liabilities related to post-contract support activities have also been restated to be recognised over time.

The above adjustments have been corrected by restating each of the affected financial statement line items for the prior periods as shown in the table below.

b) Post combination remuneration - settled in cash

In the context of a business combination, IFRS 3 refers to any continuing services provided after a business combination, such as employee services or services provided by vendors and are not considered part of the total consideration for the business combination but are treated as remuneration costs. This consideration links to ongoing employment of the individuals and achieving of certain performance targets post the business combination and settled in cash. The amount related to this consideration should have been recognised as a liability under IAS 19 Employee Benefits and presented within Trade and other payable line item instead of Financial liabilities line item as currently presented in the Consolidated Statement of Financial Position.

The above adjustments have been corrected by restating each of the affected financial statement line items for the prior periods as shown in the table below without any impact in the Consolidated Statement of Profit and Loss.

c) Equity-settled post combination remuneration – change in an accounting policy under IFRS 2

In accordance with IFRS 2, post remuneration expenses settled in shares incurred in relation to a business combination must be recognised in the financial statements and allocated over the vesting period—i.e., the period during which recipients must meet certain conditions, such as continued employment with the Group. If this compensation is equity-settled (i.e., the employees will be paid through issuance of shares), the cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. This cost is recognised as an employee benefits expense over the vesting period in which the service and, where applicable, performance conditions are met. Previously, the group has distinguished between Employee Stock Ownership Plans (ESOP) of the group, recognised with a corresponding increase in Accumulated losses, and post-combination remuneration settled in shares which was presented separately under the Earn-out reserve in the Consolidated Statement of Financial Position. The Group decided to consolidate all compensation expenses related to equity-settled share-based payments including post-combination remuneration settled in shares in the Accumulated losses line item. This change will result in all costs being presented under one heading and provide better information to users of the financial statements about where the related costs are recognised in equity.

As a result, the related amounts from prior periods have been reclassified from the Earn-out reserve to Accumulated losses. This change in presentation has no impact on the Consolidated Statement of Profit and Loss.

d) Share based payments – Incorrect presentation of share-based payments reserve

Upon vesting and exercise of options by issuing shares for equity-settled share-based remuneration scheme for employees, the Group had previously transferred the accumulated share-based payment charges recognised in accumulated losses to share premium. The accumulated share-based payment charges should not have been reclassified into share premium and no adjustment was required as it had been presented altogether in accumulated losses. The exercise price of shares issued should be recognised in share capital and share premium, to the extent that the exercise price exceeds the nominal value of the shares.

This error has been corrected by restating each of the affected financial statement line items of Share premium and Accumulated losses for the prior period as shown in the table below without any impact in the Consolidated Statement of Profit and Loss. No third balance sheet is presented for this error given the impact is immaterial.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. MATERIAL ACCOUNTING POLICIES CONTINUED

Prior year restatement continued

The table below summarises the impact of prior year restatements mentioned above:

Consolidated Statement of Financial Position (extract)

€'000	As at 31 December 2023	Revenue recognition restatement	Post combination remuneration-settled in cash restatement	Equity-settled post combination remuneration restatement	Vested and exercise options for equity settled share-based payments restated	Restated as at 31 December 2023	As at 31 December 2022	Revenue recognition restatement	Post combination remuneration-settled in cash restatement	Equity-settled post combination remuneration restatement	Restated as at 31 December 2022
Non-current contract assets	5,654	(5,654)	-	-	-	-	7,294	(7,294)	-	-	-
Non-current assets	**60,460**	**(5,654)**	**-**	**-**	**-**	**54,806**	**52,783**	**(7,294)**	**-**	**-**	**45,489**
Current contract assets	19,194	(19,194)	-	-	-	-	13,440	(13,440)	-	-	-
Current assets	**36,108**	**(19,194)**	**-**	**-**	**-**	**16,914**	**45,721**	**(13,440)**	**-**	**-**	**32,281**
Total assets	**96,568**	**(24,848)**	**-**	**-**	**-**	**71,720**	**98,504**	**(20,734)**	**-**	**-**	**77,770**
Trade and other payables	13,080	(185)	1,758	-	-	14,653	12,021	(489)	718	-	12,250
Current financial liabilities	10,655	-	(1,758)	-	-	8,897	1,074	-	(718)	-	356
Current liabilities	**27,598**	**(185)**	**-**	**-**	**-**	**27,413**	**18,062**	**(489)**	**-**	**-**	**17,573**
Total liabilities	**44,939**	**(185)**	**-**	**-**	**-**	**44,754**	**36,698**	**(489)**	**-**	**-**	**36,209**
Share premium	69,446	-	-	-	(1,353)	68,093	68,754	-	-	-	68,754
Earn-out reserve	1,587	-	-	(1,587)	-	-	798	-	-	(798)	-
Accumulated losses	(23,438)	(24,663)	-	1,587	1,353	(45,161)	(11,776)	(20,245)	-	798	(31,223)
Total equity	**51,629**	**(24,663)**	**-**	**-**	**-**	**26,966**	**61,806**	**(20,245)**	**-**	**-**	**41,561**
Total liabilities and equity	**96,568**	**(24,848)**	**-**	**-**		**71,720**	**98,504**	**(20,734)**	**-**	**-**	**77,770**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

5. MATERIAL ACCOUNTING POLICIES CONTINUED

Prior year restatement continued

Consolidated statement of profit and loss and other comprehensive income (extract)

€'000	As at 31 December 2023	Revenue recognition restatement	Restated as at 31 December 2023
Revenue	42,940	(4,418)	38,522
Operating loss	**(14,522)**	**(4,418)**	**(18,940)**
Loss before tax	(15,562)	(4,418)	(19,980)
Loss for the period	**(13,247)**	**(4,418)**	**(17,665)**
Other comprehensive loss			
Attributable to:			
Owners of the parent	(13,219)	(4,418)	(17,637)

Basic and diluted earnings per share for the prior year have also been restated. The amount of the correction for basic and diluted earnings per share decreased by €0.11 cents per share from €0.33 cents loss per shares to €0.44 loss per shares.

Consolidated statement of cash flows (extract)

€'000	As at 31 December 2023	Revenue recognition restatement	Restated as at 31 December 2023
Loss for the period	(13,247)	(4,418)	(17,665)
Cash outflow (used in) operating activities before changes in net working capital	**(2,642)**	**(4,418)**	**(7,060)**
(Increase)/decrease in trade and other receivables and contract assets	(3,954)	4,114	160
Increase in trade and other payables	1,210	304	1,514

Revenues from cloud-based SaaS platforms

Cloud-based SaaS platforms contracts are long-term contracts providing a fixed recurring fee invoiced periodically depending on the payment cadence agreed in the contract (monthly, quarterly, annually) to be paid since signing of the agreement/delivery of the products. The total contract value is therefore calculated as the recurring fee multiplied the number of months of duration of the contract. Following the assessment made by top management, a single performance obligation was identified in the contracts that is the selling of the 'right-to-access IP' to the client satisfied over time. The Group offers to the customer a cloud-based software to support the full vehicle life cycle and the entire customer journey. The access to the software is provided at signing date/delivery of the products. The product will be subsequently slightly customised with the support of the customer during the life of the contract. As the software is entirely cloud-based, the hosting costs are incurred by MotorK to keep the software live and cannot be sold separately from the software itself.

Hosting space is bought by MotorK on the basis of slots of cloud availability and MotorK sales projections. Some cloud space bought may stay potentially unused therefore, according to IFRS 15 B35 the entity is a principal as acquire the controls of such hosting space before that such service is transferred to a customer. The activities related to maintenance and bug fixing are strictly related to ensure that products are keep operating during the life of the agreement. Such activities are performed only on MotorK products and cannot be sold separately therefore it is not possible to identify as a separate performance obligation. On the basis of the above, a single performance obligation is identified that is the right to access to the Intellectual Properties. As further explained on page 154 of this Annual Report this revenue recognition policy may differ from revenue recognition policy applied by other SaaS companies that is the reason why management present the Annual Recurring Revenue (ARR) as a Group APM.

In determining the transaction price, the Group considers the effects of variable consideration, discounts, existence of a significant financing component, non-cash consideration and consideration payable to the customer (if any). None of these elements have a significant impact on the transaction price. Pricing is defined at contract level consisting of recurring fee from subscription multiplied by the number of months.

Digital marketing revenue is recognised point in time in the month where the marketing campaign has been provided to the customer and therefore the service is rendered. The identification of such performance obligation is not a key judgement. Other revenue mainly refers to training activities, which is recognised when the training has been delivered and recognised point in time. Other revenue related to other services not previously identified are recognised when the services are rendered to the customers.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e. transfers control of the related goods or services to the customer).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

6. OPERATING SEGMENTS

Following the selling of the DriveK business completed in December 2022 (and classified as a discontinued operation in the previous years), the Group has determined that it has one operating and reportable segment based on the information reviewed by its Board of Directors in making decisions regarding allocation of resources and to assess performance. Non-current assets, which consist of property, plant and equipment and intangible assets, excluding goodwill, are substantially located in Italy.

7. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acCompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated Financial Statements.

Calculation of Adjusted EBITDA

Due to its nature not strictly inherent to the business performance of the Group, management has identified as exceptional costs for the definition of Adjusted EBITDA the following elements:

- external costs related to M&A as one-off transactions and, as a consequence, costs not strictly inherent to the performance of the business;
- external costs incurred for one-off projects that will not be repeated in the future;
- severance indemnity costs paid to employees who left the Company and that the Group will not incur in the future (non recurring costs); and
- post combination remuneration made that are automatically forfeited if key employees terminate as one-off transaction related to M&A acquisition.

Adjusted EBITDA is considered a Group APM. Evaluating business performance with such APM may imply some limitations such as the fact that the measure may not be comparable across companies and the fact that such measure is focusing on recurring component and excluding some other components that are not strictly inherent to business performance of the Group but that still have an impact on the economic and financial results of the year.

Development costs

The Group capitalises costs for product development projects. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. Further disclosure is provided in Note 13. In making judgement and assumptions, we have considered climate-related matters and concluded that such matters have no material impact on our business and the assumptions impact on the financial statements. Management has evaluated the impact of office buildings and employees, travel by air and car, and has concluded that such aspects do not have a significant impact on climate-related matters and on Group financial performance.

Impairment test

The Group tests for impairment of its assets on an annual basis, or more frequently if there are indicators of potential impairment. In determining whether an impairment loss is required, management applies significant judgment, particularly in the assessment of the recoverable amount of assets within each CGU. The recoverable amount is based on the higher of fair value less cost to sell and value in use.

For the single CGU assessed for impairment, management has made several key assumptions, including:

- discount Rates: the discount rate used in the impairment calculations reflects current market assessments of the time value of money and the risks specific to the CGU;
- cash Flow Projections: cash flow projections are based on the Company's internal forecasts, which include assumptions about future revenue growth, operating costs, and capital expenditures. These assumptions are influenced by historical performance and expected market conditions;

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

7. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS CONTINUED

Judgements continued

- terminal growth rate: a terminal growth rate is used to calculate the value in use beyond the forecast period. This rate is based on long-term expectations for the industry and macroeconomic factors.

Management believes that these assumptions are reasonable based on current available information; however, changes in market conditions, unforeseen events, or shifts in strategy could significantly affect the outcome of impairment testing.
The sensitivity of the impairment test to changes in these assumptions is disclosed in the this Annual Report.

Revenue recognition of SaaS platform contracts
Revenues related to the SaaS platform contracts value refer to a single performance obligation identified in the contracts that is the selling of the 'right-to-access IP' to the client satisfied over time (when access to the product is granted to the customers). The full amount of consideration is allocated to the performance obligation mentioned above (€30.1 million of SaaS platform revenue in FY2024 and €28.1 million of SaaS platform revenue in FY2023. For more details please refer to Note 9 – Revenue – of this Annual Report).

Management assessed two different judgments regarding revenue recognition:

- change in revenue recognition from point in time to over time: with the shift in market standards toward a model where customers expect continuous updates and new features, management has reconsidered the accounting policies. Evidence of this shift includes the adoption of recurring newsletters informing customers about new releases. While the transactions themselves are similar to previous years, recognising the right to access IP provides more relevant information. Given the shift in the business model, revenue recognition over time better reflects the transaction's substance, aligning MotorK's policies with industry practices;
- the date of the change from point in time to over time revenue recognition: The change from point in time to over time revenue recognition occurred from the last day of FY2022, as management determined that, despite no contractual obligation, an implicit promise to deliver frequent upgrades created a performance obligation under IFRS 15. Some examples of this commitment to ongoing upgrades are described below: i) at the end of 2022, we launched LeadSpark Revolution and began migrating customers, offering continuous enhancements under their existing licenses; ii) after acquiring Fidcar, we developed FSK (FidSpark), which provided similar product improvements; iii) in 2023, the Webspark Revolution team delivered 40+ enhancements in data tracking, security, integrations, widgets, and visuals, all included in customers' existing licenses.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group based its assumptions and estimates on parameters available when the Consolidated Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

8. FINANCIAL INSTRUMENTS – RISK MANAGEMENT

MotorK Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements. There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods.

Capital risk management

The Group defines capital as the total equity of the Group. The Group's capital is made up of share capital, share premium and Retained Earnings totalling €28.3 million (€27 million as at 31 December 2023).

The Group funds its expenditures on commitments from existing cash on hand and cash at banks balances, primarily received from operating cash flow and issuance of shareholders' equity and borrowings. Financial and non-financial covenants on the loan with Illimity Bank and Atempo Growth are in place. Following the negative Adjusted EBITDA reported for the year ended as at 31 December 2024, MotorK has obtained from Illimity Bank and Atempo Growth the waivers of testing the financial and non-financial covenants in place as at 31 December 2024. The next testing date will be then 31 December 2025. As the waivers were received after 31 December 2024, the Group has classified the Illimity Bank and Atempo Growth loan amounts as Current financial liabilities.
The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

8. FINANCIAL INSTRUMENTS – RISK MANAGEMENT CONTINUED

Capital risk management continued

Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group ensures that the distributions to shareholders do not exceed working capital requirements.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including foreign exchange transactions and other financial instruments. The Group is mainly exposed to credit risk from credit sales. It is Group policy, implemented locally, to assess the credit risk of new customers before entering contracts. Such credit ratings are taken into account by local business practices. With regard to trade receivables, cash on hand and cash at banks and other receivables the insolvency risk is monitored centrally by the Group's finance department, which constantly monitors the Group's credit exposure, the collections of trade receivables and the adequacy of bad debt provisions on a monthly basis. Bad debt provision is calculated in accordance with IFRS 9 on the basis of the ECL that moves from the historical credit loss for each cluster of customers. The historical credit loss calculated by management is then applied to each cluster to define the bad debt provision accrual.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The Group did not provide detailed information on how the forecast economic conditions have been incorporated in the determination of ECL because the impact is not significant. In determining the ECL, MotorK has identified the clusters based on shared credit risk characteristics and days passed due and then an expected loss rates, considered reasonable by management, has been applied to determine the bad debt provision.
Credit risk from balances with banks and financial institutions is managed by the Group's treasury department. Counterparty banks are assessed prior to opening bank accounts and on an ongoing basis to ensure exposure to credit risk is at an acceptable level. The Group considers its credit risk with respect to its cash on hand and cash at banks to be low considering that they are held with primary financial institutions and the maximum exposure with any one counterparty is limited. Cash flow forecasting is performed by the Group on a recurring basis. The Group monitors a rolling forecast of its liquidity requirements to ensure an adequate cash balance to meet operational needs and maintain adequate headroom.

Investments of surplus funds are made only with counterparties with a high level of standing with the aim of minimising the concentration of risks and therefore mitigate potential financial loss. Cash on hand and cash at banks are deposited into ordinary banks accounts with top-rated banks. The carrying amount of financial assets recorded in the financial statements, net of bad debt provision, represents the Group's maximum exposure to credit risk and is similar to the carrying value.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

8. FINANCIAL INSTRUMENTS – RISK MANAGEMENT CONTINUED

Credit risk continued

The ageing analysis of trade receivables is shown in the following table:

€'000	Not overdue	Overdue by less than 1 month	Overdue by 1–2 months	Overdue by more than 2 months	Total
Gross trade receivables as at 31 December 2023	6,452	2,169	280	3,615	12,516
Allowance for doubtful receivables	–	–	–	(1,131)	(1,131)
Trade receivables as at 31 December 2023	**6,452**	**2,169**	**280**	**2,484**	**11,385**
Gross trade receivables as at 31 December 2024	5,091	2,211	1,065	5,293	13,660
Allowance for doubtful receivables	–	–	–	(2,490)	(2,490)
Trade receivables as at 31 December 2024	**5,091**	**2,211**	**1,065**	**2,803**	**11,170**

The increase of trade receivables overdue but not impaired by more than two months amounting to €0.3 million is mainly related to the increase of the business with OEM customers with higher Days Sales Outstanding (DSO) compared to the retail market. The above trend had an impact on the assessment of ECL, that resulted in an increase of bad debt provision of €1.4 million compared to FY2023 balance.

Foreign exchange risk

The Group is not significantly exposed to foreign exchange risk as its operations are primarily conducted in its functional currency. The majority of revenues and expenses are denominated in the same currency, and the Group does not engage in significant transactions in foreign currencies. As a result, fluctuations in exchange rates are not expected to have a material impact on the Group's financial performance or cash flows. Although the parent company is based in UK, the most significant transactions of the Group are made in Euro, the currency used for the preparation of the Consolidated Financial Statements. The only subsidiary based outside Europe is MotorK Israel Ltd, whose transactions are not material for Group purposes (mainly interCompany recharges).

Liquidity risk

Liquidity risk typically arises when an entity is having trouble finding sufficient funds to meet its obligations and includes the risk that the counterparties that have granted loans and/or lines of credit may request repayment. Prudent management of liquidity risk implies the maintenance of an adequate level of liquidity, short-term securities and the availability of funds obtainable through an adequate amount of credit lines.

Toward this end, MotorK Group implemented a series of measures and actions, which made it possible for the Group to better manage its financial position, further strengthening its structure and solidity. The finance department periodically monitors Group financial position, cash flow and cash forecast to optimise resources and manage any temporary liquidity surpluses. The Board of Directors receive cash flow projections and cash flow analyses on a regular basis. For details of how events since the 31 December 2024 have impacted our liquidity risk, please refer to Note 25. 'Post-Balance Sheets Events'.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

8. FINANCIAL INSTRUMENTS – RISK MANAGEMENT CONTINUED

Liquidity risk continued

It is worth mentioning that part of the capital received by the Group following the listing on Euronext Amsterdam was used to reimburse the financial liabilities in place at the date of the IPO. During 2021, the Group reimbursed loans for a total amount of €18.2 million. During January 2022, the Group completed the reorganisation of its financial structure, repaying the loan in place with Creval for €0.5 million and refinancing the loan with Illimity Bank by obtaining fresh liquidity for €1.8 million with a longer maturity date, reducing borrowing costs, and obtaining a new loan from SACE SIMEST for €0.3 million. During 2023, the Group entered into a loan with Atempo Growth, a venture capital Company specialised in financing tech Groups obtaining net €4.6 million of fresh liquidity to fuel the growth of the last quarter of the year and for FY2024. In FY2024, the above-mentioned financing injection has been strengthened with two new loans for a total amount of €10 million from Atempo Growth, building on the initial €5 million loan facility agreement secured in October 2023. Terms of such loans are disclosed in Note 19 – Current and Non-Current Financial Liabilities.

Following such operations and the cash burn recorded during the year, as of 31 December 2024, the borrowing position is €20.2 million compared to €21.3 million as of 31 December 2023. Following the negative Adjusted EBITDA reported for the year ended as at 31 December 2024, MotorK has obtained from Illimity Bank and Atempo Growth the waivers of testing the financial and non-financial covenants in place as at 31 December 2024. The next testing date will be then 31 December 2025. As the waivers were received after 31 December 2024, the Group has classified the Illimity Bank and Atempo Growth loan amounts as Current financial liabilities.

The following table provides an analysis of financial liabilities by due date, based on contractual repayment obligations, as at 31 December 2024 and 2023:

€'000	As at 31 December 2024 within 1 year	2–5 years	Over 5 years	Contract value	Carrying amount
Financial liabilities	24,230	257	–	24,487	20,427
Lease liabilities	1,277	2,236	191	3,704	3,337
Trade and other payables	8,803	–	–	8,803	8,803

	Restated				
€'000	As at 31 December 2023 within 1 year	2–5 years	Over 5 years	Contract value	Carrying amount
Financial liabilities*	10,040	11,504	–	21,544	18,891
Lease liabilities	1,426	2,753	735	4,914	4,360
Trade and other payables*	11,800	–	–	11,800	11,800

* Financial lialibities and Trade and other payables line items have been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - b) Post combination remuneration - settled in cash.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

8. FINANCIAL INSTRUMENTS – RISK MANAGEMENT CONTINUED

Interest rate risk

As at 31 December 2024, the exposure to interest rate risk is mainly related to the costs of the interest to be paid in relation to the loans in place with Illimity Bank for €7.5 million and with Atempo Growth for €15 million. An increase of Euribor of 1% has a negative impact on the profit and loss of the Group of roughly €0.2 million, not significant for Group purposes. As at 31 December 2023, an increase of Euribor of 1% has an impact on the profit and loss of the Group of roughly €0.1 million, not significant for Group purposes.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade and other receivables;
- Trade and other payables;
- Current and non-current financial liabilities; and
- Current and non-current lease liabilities.

Financial assets

The following tables shows financial assets by category, as defined by IFRS 9, as at 31 December 2024 and 2023:

€'000	2024	2023
Financial assets at amortised cost		
Non-current assets – security deposit	242	234
Trade receivables	11,170	11,385
Other receivables	308	160
Cash on hand and cash at banks	3,362	3,509
Total	**15,082**	**15,288**

The carrying value of financial assets approximates fair value as there are no significant volatility of such assets and they are expected to be cashed in in a short-time period. There are no financial assets measured at FVTPL.

There are no material differences between the carrying value and the fair value of non-current assets – security deposit.

Trade receivables are stated net of provision for impairment. See Note 16 for disclosure in respect of overdue trade receivables.

Financial liabilities

The following table show financial liabilities by category, as defined by IFRS 9, as at 31 December 2024 and 2023:

€'000	2024	Restated 2023*
Financial liabilities		
Trade and other payables	8,803	11,800
Current financial liabilities	20,170	8,897
Current lease liabilities	1,141	1,170
Non-current financial liabilities	257	9,994
Non-current lease liabilities	2,196	3,190
Total	**32,567**	**35,051**

* Financial lialibities and Trade and other payables line items have been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - b) Post combination remuneration - settled in cash.

Current financial liabilities include contingent consideration for an amount of €0.3 million in FY2024 (€6.5 million in FY2023) that are measured at FVTPL (please refer to the paragraph below).

The remaining part of Current and Non-current financial liabilities, current and Non-current lease liabilities are measured at amortised cost using the effective interest rate method. The carrying value of trade payables, other payables and accruals approximates fair value.

Fair value measurement hierarchy

The financial instruments measured at fair value are presented on the basis of the fair value hierarchy, described on the next page.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

8. FINANCIAL INSTRUMENTS – RISK MANAGEMENT CONTINUED

Fair value measurement hierarchy continued

Level 1 – quoted (unadjusted) prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 – inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – valuation techniques for which the inputs are unobservable for the asset or liability.

Contingent considerations, classified within current financial liabilities, amount to €0.3 million in FY2024 (€6.5 million in FY2023). Contingent considerations are recorded at fair value based on actuals or estimates of discounted future cash flows associated. To the extent that the valuation of these liabilities is based on inputs that are less observable or not observable in the market (data for measuring fair value of such instruments are not readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market), the determination of fair value requires more judgement. Accordingly, the fair value of contingent consideration is classified within Level 3 of the fair value hierarchy. There were no transfers between fair value hierarchy levels for the periods presented. The change in fair value is re-measured at each reporting period with the change in fair value being recognised in profit and loss. The fair value remeasurement for contingent consideration for FY2024 was €0.9 million recognised within Other gains line item (refer to Note 10 for further details) in Consolidated Statement of Profit and Loss and Other Comprehensive Income and within Other gains line item in the Operating activities of the Consolidated Statement of Cash Flows (null in FY2023).

9. REVENUE

Group revenue for the year ended 31 December 2024 amounted to €40.3 million, up 5% year-on-year (restated €38.5 million as at 31 December 2023).

Disaggregation of revenue

The Group has disaggregated revenue into various categories in the following tables. Please refer to the Financial and Operating Review section for further revenue disaggregation helpful to understand the performance of the Group.

	For the year ended 31 December 2024			
€'000	**SaaS platform**	**Digital marketing**	**Other revenues**	**Total**
Revenues by country*				
Italy	18,056	7,443	848	26,347
Spain	3,036	339	304	3,679
France	5,315	-	324	5,639
Germany	2,228	-	2	2,230
Benelux	1,519	912	7	2,438
Total	**30,154**	**8,694**	**1,485**	**40,333**

	Restated For the year ended 31 December 2023**			
€'000	**SaaS platform**	**Digital marketing**	**Other revenues**	**Total**
Revenues by country*				
Italy	15,855	6,975	2,339	25,169
Spain	2,844	572	257	3,673
France	4,242	-	304	4,546
Germany	2,624	-	-	2,624
Benelux	2,510	-	-	2,510
Total	**28,075**	**7,547**	**2,900**	**38,522**

Revenues related to SaaS platform contracts amounts to €30.1 million as at 31 December 2024, compared with restated €28.1 million as at 31 December 2023. Such revenues are mainly related of the following three products:

- WebSparK, the web module with high technical and design standards and more than 140 functionalities specifically developed for the automotive sector.
- StockSparK, a stock management module created to manage and import stock (i.e. a set of information data, images) from multiple sources and export it online to maximise visibility for prospective purchasers through the integration of external channels and the CRM module.

* It represents revenues broken down by the countries in which the legal entities are established, independently of the geographical location of the customers.
** FY2023 Revenues by country have been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - a) Revenue recognition – Change in revenue recognition under IFRS 15

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

9. REVENUE CONTINUED

Disaggregation of revenue continued

- LeadSparK, a customisable lead management, CRM and marketing automation system module, specifically developed to help dealerships and car manufacturers.

SaaS platform revenues are recognised on the basis of a single performance obligation satisfied over time.

Digital marketing revenues amounting to €8.7 million as at 31 December 2024, compared with €7.5 million as at 31 December 2023, are related to services for the dealer in order to acquire enhanced online traffic.

Other revenues amounting to €1.5 million as at 31 December 2024, compared with €2.9 million as at 31 December 2023, mainly include €0.6 million related to some services provided to OEM customers not identifiable with the previous categories.

10. GROUP OPERATING LOSS

Group operating loss is stated after charging/(crediting) the following:

€'000	2024	2023
Cost for customers' media services	8,144	7,515
Personnel costs	26,690	34,201
R&D capitalisation	(8,278)	(9,342)
Other operating costs	14,284	16,111
Other gains	(890)	-
Provision for bad debts	1,359	236
Amortisation and depreciation	9,990	8,741
Total costs	**51,299**	**57,462**

Personnel costs, including Directors' remuneration, are shown in the following table:

€'000	2024	2023
Wages and salaries	19,729	22,951
Social security costs	6,030	7,105
Employee benefit pension cost	469	603
Severance indemnity	1,374	292
Earn-out costs	(1,550)	2,048
Stock option plan cost	638	1,202
Total	**26,690**	**34,201**

Wages and salaries decreased as a result of a reduction in the average number of employees during the year, leading to lower overall personnel costs, primarily due to management decision not to replace leavers in order to leverage synergies and improve operational efficiency. The average number of employees (directly employed by the subsidiaries of the Group) for the FY2024 is 401 (451 in FY2023). The average number of employees categorised by department are shown in the following table:

€'000	2024	2023
CEO Office	2	3
Finance	20	23
HR	13	16
Office Management	5	4
Operations	134	162
Sales	86	95
Product & Marketing	44	50
Technology	97	98
Total	**401**	**451**

Wages and salaries include the Directors' emoluments paid in 2024 (full details are given in the Directors' Remuneration Report on pages 66-79). The emolument of the highest paid Director was €0.3 million (€0.6 million in FY2023), split by €0.2 million (€0.3 million in FY2023) of salary and fees, €0.1 million (€0.1 million in FY2023) of pension-related benefits, and null of stock options granted (€0.2 million in FY2023). Directors' compensations are shown in the following table:

€'000	2024	2023
Salary and fees	535	614
Taxable benefits	3	4
Pension-related benefits	88	87
Annual bonus	-	75
Stock Options Granted	-	296
Total	**626**	**1,076**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

10. GROUP OPERATING LOSS CONTINUED

Stock option plan cost includes the accrual of the stock option costs as required by IFRS 2. Further details are provided in Note 23. Severance indemnity, earn-out payments and stock option plan cost are considered non recurring costs for the purpose of definition of Adjusted EBITDA as not strictly inherent to business performance of the Group (please refer to the disclosure provided in the paragraph Adjusted EBITDA of the Financial and Operating Review section on page 36).

Earn-out costs are related to post combination remuneration settled in cash which are accrued on a straight line basis as required by the mechanism in place with the previous shareholders of the Companies acquired in 2021 and 2022. These are automatically terminated, and the costs reversed, if key employees leave the Group. This is not considered as part of consideration paid but as remuneration for post combination services. Please refer to Note 5 for further information.

Other operating expenses financial statement line includes mainly:

- consultant fees for legal, fiscal and administrative HR consultants and R&D activities of approximately €3.7 million (€5.5 million for the year ended 31 December 2023);
- software costs for €3.3 million (€3.7 million for the year ended 31 December 2023);
- server costs for €2 million (€1.8 million for the year ended 31 December 2023);
- travel costs for €0.8 million (€1 million for the year ended 31 December 2023);
- events for €0.3 million (€0.3 million for the year ended 31 December 2023);
- insurance costs for €0.3 million (€0.3 million for the year ended 31 December 2023);
- one-off costs incurred for one-off projects completed during the year and as a consequence not strictly inherent to business performance of the Group for €0.9 million (€0.8 million for the year ended 31 December 2023); and
- other costs not included in the above categories for €4.3 million (€2.7 million for the year ended 31 December 2023).

Other gains includes the remeasurement of the contingent consideration at FVTPL for €0.9 million consequently the fact that the target for the payments of the considerations was not achieved.

Adjusted EBITDA is calculated as follows: operating loss plus amortisation, depreciation, non recurring costs, severance indemnity, stock option plan cost, earn-out costs and other gains on remeasurement of contingent consideration (as disclosed above).

The fees of the Group's auditor for services provided are analysed below:

€'000	2024	2023
Audit of the Group's financial statements	241	230

Amortisation and depreciation expenses includes:

- amortisation of intangible assets of approximately €8.5 million for the year ended 31 December 2024 (€7.3 million for the year ended 31 December 2023) mainly related to development costs capitalised; and
- depreciation of tangible assets for approximately €1.5 million for the year ended 31 December 2024 (€1.4 million for the year ended 31 December 2023)

11. FINANCE INCOME AND EXPENSE

Finance income and expense are shown in the following tables:

€'000	2024	2023
Other financial income	110	-
Interest received on bank deposits	85	30
Gain on foreign exchange	27	27
Total finance income	**222**	**57**

€'000	2024	2023
Bank loans	551	454
Loss on foreign exchange	90	48
Other loans	1,322	151
Net interest expense on defined benefit pension scheme	69	71
Other finance expense	281	43
Total finance expense	**2,313**	**767**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

11. FINANCE INCOME AND EXPENSE CONTINUED

Bank loans include the interest paid during the year for the loans in place. The decrease compared with the previous period is due to the reduction in the Illimity principal, on which interest is calculated after the scheduled repayments, and to the fall in the Euribor used as a basis for the financial loan in place with Illimity Bank.

Other loans mainly include the interest paid on the loan with Atempo Growth for €1.2 million (€0.1 million in FY2023). The increase relates to the additional tranches in FY2024 added to the original loan.
Other finance expense includes mainly the interests related to the application of IFRS 16.

12. CORPORATE INCOME TAX

Corporate income taxes are shown in the following table:

€'000	2024	Restated 2023*
Current tax on profits for the period	–	–
R&D tax grants	658	547
Foreign subsidiaries' income taxes	(913)	(487)
Movements in tax provisions	–	2,023
Total current tax	**(255)**	**2,083**
Origination and reversal of temporary differences	259	232
Total deferred tax	**259**	**232**
Corporate income tax	**4**	**2,315**

* FY2023 Corporate income tax has been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - a) Revenue recognition – Change in revenue recognition under IFRS 15.

The caption R&D tax grants is related to tax grants recognised by Italian tax authorities in relation to R&D expenses incurred during the year.
Foreign subsidiaries, income taxes include the accrual for corporate income taxes to be paid mainly in France, Portugal, Germany and Spain.
FY2023 movements in tax provisions amounts to €2 million and includes the partial release of the provision accrued in FY2021 and FY2022 for the payment of corporate income tax in Israel. An assessment performed by management of the Group's transfer pricing model to be applied within the Group's subsidiaries (among the other potential possible options that were considered to be less in line with the Group structure and organisation), with the assistance of tax experts in this matter, results in a final calculation that has determined a lower amount of tax to be paid and consequently the provision has been partially released to the income statement.
The Group has estimated trading losses carried forward in the UK for an amount of approximately €17 million (€17 million in FY2023), in Italy for an amount of approximately €63 million (€30 million in FY 2023), and in Israel for an amount of approximately €0.6 million (€0.7 million in FY 2023). Punctual computation will be prepared by management in light of the presentation of the income tax return in each country.
Deferred tax assets of approximately €22 million (€16 million in FY2023) have not been recognised due to the uncertainty in the timing in which such loss will be utilised. For further detail, please refer to Note 21 - Deferred tax.

The income taxes for the year are reconciled with the theoretical tax burden in the following table:

€'000	2024	Restated 2023[3]
Loss before tax	(13,057)	(19,980)
Tax using the Company's domestic tax rate of 25.0% (25.0% in 2023)	(3,264)	(4,995)
R&D expenditure credit	(658)	(547)
Foreign subsidiaries income taxes	913	487
Movements in tax provisions[1]	(1,363)	893
Unrecognised deferred tax assets[3]	6,526	2,239
Unrecognised tax losses utilised	(101)	(745)
Other permanent differences[2]	(1,363)	350
Other movements	(694)	3
Total tax (credit)	**(4)**	**(2,315)**

1 In FY2024, it was mainly related to €1.1 million to lower taxable income resulting from applying the tax rules of the relevant jurisdiction to the prior year restatements. Please refer to Note 5 - Material accounting policies - Prior year restatements - a) Revenue recognition – Change in revenue recognition under IFRS 15.
2 Other permanent differences are related to the fact that the taxable income in some jurisdictions where the Group operates (and related application of the updated transfer pricing model), is different than the loss recognised in the accounts due to the application of the relevant tax legislation (and therefore no timing differences are arisen).
3 FY2023 column has been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - a) Revenue recognition – Change in revenue recognition under IFRS 15.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

13. INTANGIBLE ASSETS

Details of intangible assets increase and decrease for the years ended 31 December 2024 and 2023 are provided in the following table:

€'000	Customer relationships	Trademark	Development costs and software	Goodwill	Total
Cost					
As at 1 January 2023	**5,897**	**1,064**	**27,617**	**18,165**	**52,743**
Additions – internally generated	–	–	9,342	–	9,342
Additions	–	–	15	–	15
Acquired through business combinations	1,160	398	516	5,607	7,681
As at 31 December 2023	**7,057**	**1,462**	**37,490**	**23,772**	**69,781**
Additions – internally generated	–	–	8,278	–	8,278
Additions	–	–	105	–	105
As at 31 December 2024	**7,057**	**1,462**	**45,873**	**23,772**	**78,164**
Accumulated amortisation and impairment					
As at 1 January 2023	**942**	**166**	**14,928**	**–**	**15,986**
Charge for the year	631	208	6,479	–	7,318
As at 31 December 2023	**1,573**	**324**	**21,407**	**–**	**23,304**
Charge for the year	702	237	7,586	–	8,525
As at 31 December 2024	**2,275**	**561**	**28,993**	–	**31,829**
Net book value					
As at 1 January 2023	**4,955**	**948**	**12,689**	**18,165**	**36,757**
As at 31 December 2023	**5,484**	**1,138**	**16,083**	**23,772**	**46,477**
As at 31 December 2024	**4,782**	**901**	**16,880**	**23,772**	**46,335**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

13. INTANGIBLE ASSETS CONTINUED

Customer relationship

The customer relationship amounts to €4.8 million as at 31 December 2024 (€5.5 million as at 31 December 2023). The decrease is related to the amortisation of the year for €0.7 million. Management has assessed that there are no impairment indicators and therefore it is not necessary to prepare an impairment test, the reasons being the good performance in terms of revenues and EBITDA of the Group.

Trademark

Trademark costs amounted to €0.9 million as at 31 December 2024 (€1.1 million as at 31 December 2023) and this is related to the fair value allocated using the Relief-from-Royalty method to part of the consideration paid for the acquisition of GestionaleAuto.com. The decrease is related to the amortisation of the year for €0.2 million.

Development costs

Development costs amounting to €16.9 million as at 31 December 2024 (€16.1 million as at 31 December 2023) are due to the Group developing most of its technology and applications in-house. Such costs are related to continued development of new product offerings, applications, features and enhancements to existing digital services and solutions in the two dedicated hubs in Italy and Portugal. The main projects where the R&D team was involved during the year are the following:

- LeadSparK and LeadSparK 2 development: improvements of the new version of the CRM with new features and with an improvement in terms of user experience;
- WebSparK Sales and WebSparK (R)evolution: improvements of WebSparK Sales website performance and its adaptability to the Platform.

Due to the results of the year, development costs were subject to an impairment test, taking into account past economic and financial performance and future expectations inferable from the Business Plan 2025–2027. The results of the impairment test did not reveal any impairment loss.

Goodwill

Goodwill booked in the Consolidated Financial Statements as at 31 December 2024 amounts to €23.8 million (€23.8 million as at 31 December 2023).

In accordance with IAS 36, goodwill is not amortised and is tested for impairment annually or more frequently if facts or circumstances indicate that the asset may be impaired. Impairment testing is performed by comparing the carrying amount and the recoverable amount of the CGU. The recoverable amount of the CGU is the higher of its fair value less costs to sell and its value in use. To this end, for the purpose of verifying the recoverability of goodwill recorded under intangible assets, a single CGU has been identified, consisting of all the operating activities of the Group as a whole (the DriveK business unit was classified as a discontinued operation and sold during FY2022).

The recoverable amount of the CGU is determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes in margins. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

As at 31 December 2024, goodwill was subjected to an impairment test taking into account past economic and financial performance and future expectations inferable from the Business Plan 2025–2027. Beyond that period, operating cash flows are assumed to grow at 2% annually. The risk adjusted pre-tax rate (WACC) used to discount the CGU cash flow forecasts is 12.1%. For the purposes of estimating the value in use of the CGU to which the goodwill is allocated, both internal and external sources of information were used. The results of the impairment test on goodwill as at 31 December 2024 did not reveal any impairment loss.

In assessing the value in use of the CGU, management has considered the potential impact of possible changes in the main assumptions used. A sensitivity analysis was carried out by determining the break-even point WACC, which, keeping the other parameters constant, would render the difference between the recoverable amount and the carrying amount of the CGU as nil. In these circumstances, the break-even point WACC is 22.2%. Further sensitivity analysis were prepared by management on break-even EBITDA margin in terminal value and long-term growth rate, keeping the other parameters constant. Break-even EBITDA margin in terminal value is 21.7%. A reduction of 0.2% of long-term growth rate results in a decrease of headroom of €1.8 million with no effect on the results of impairment test

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

14. PROPERTY, PLANT AND EQUIPMENT

€'000	Leasehold land and buildings	Fixtures and fittings	Motor vehicles	Computer equipment	Right-of-use assets	Total
Cost						
As at 1 January 2023	**409**	**193**	**27**	**608**	**7,969**	**9,206**
Additions	–	22	7	94	1,017	1,140
Acquired through business combinations	–	11	–	27	57	95
Disposals	(17)	–	–	(14)	(488)	(519)
As at 31 December 2023	**409**	**209**	**34**	**715**	**8,555**	**9,922**
Additions	–	15	–	12	278	305
Disposals	–	–	–	–	(96)	(96)
As at 31 December 2024	**409**	**224**	**34**	**727**	**8,737**	**10,131**
Accumulated depreciation						
As at 1 January 2023	**327**	**88**	**6**	**293**	**3,492**	**4,206**
Charge for the year	16	20	12	121	1,254	1,423
Acquired through business combinations	–	–	–	–	34	34
Depreciation on disposals	–	–	–	–	(298)	(298)
As at 31 December 2023	**343**	**108**	**18**	**414**	**4,482**	**5,365**
Charge for the year	10	23	12	109	1,311	1,465
Depreciation on disposals	–	–	–	–	(78)	(78)
As at 31 December 2024	**353**	**131**	**30**	**523**	**5,715**	**6,752**
Net book value						
As at 1 January 2023	**82**	**105**	**21**	**315**	**4,477**	**5,000**
As at 31 December 2023	**66**	**101**	**16**	**301**	**4,073**	**4,557**
As at 31 December 2024	**56**	**93**	**4**	**204**	**3,022**	**3,379**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

14. PROPERTY, PLANT AND EQUIPMENT CONTINUED

Right-of-use assets amounting to €3 million as at 31 December 2024 (€4.1 million as at 31 December 2023) are related to the application of IFRS 16 to the lease of the offices of the Group subsidiaries and the lease of cars assigned to the employees. The overall decrease of €1 million is due to the following offsetting reasons: €0.3 million is mainly related to new car leases net of €1.3 million of depreciation booked during the year.

Right-of-use by underlying asset mainly refers to (i) automobiles for €0.6 million as of 31 December 2024 (€0.9 million as of 31 December 2023) and to (ii) office rental for €2.4 million as of 31 December 2024 (€3.2 million as of 31 December 2023). Total depreciation of the year amount to €1.3 million (FY2023 €1.3 million) of which €0.8 million (FY2023 €0.8 million) related to office rental and €0.5 million (FY2023 €0.5 million) related to automobiles. In 2024, the expense relating to low-value assets leases (mainly laptops) and short-term lease amounted to €0.2 million (€0.1 million in FY2023).

15. INVESTMENTS IN ASSOCIATES AND NON-CURRENT ASSETS – SECURITY DEPOSIT

Investments in associated companies amounts to €3.5 million and it represents the investment in the 20% of AutoXY S.p.A. arisen from the business combination related to the sale of the DriveK Business Unit. Details are provided below in Note 24.

Due to the positive EBITDA of AutoXY S.p.A. during FY2024, the business growth and the future positive expectation of the management, no impairment test has been prepared as no impairment indicators were identified in the current period.

Non-current assets – security deposit amounts to €0.2 million as at 31 December 2024 (€0.2 million as at 31 December 2023) and includes deposits made by the Group mainly for the rental of the offices of the subsidiaries.

16. TRADE AND OTHER RECEIVABLES

Contract assets and trade and other receivables are shown in the following table:

€'000	2024	Restated 2023*
Trade receivables	11,170	11,385
Prepayments	995	1,103
Other receivables	308	160
Tax receivables	1,505	757
Total trade and other receivables	**13,978**	**13,405**

* Non-current Contract assets and Contract assets – current portion line items have been removed from the table above. Please refer to Note 5 - Material accounting policies - Prior year restatements - a) Revenue recognition – Change in revenue recognition under IFRS 15

Trade and other receivables

Trade receivables as at 31 December 2024 amounted to €11.2 million compared to €11.4 million as at 31 December 2023.

As at 31 December 2024, trade receivables of €6.1 million (€4.9 million as at 31 December 2023) were overdue but not impaired (of which €3.3 million by less than two months and €2.8 million by more than two months as reported in Note 8). Such not impaired receivables are related to the customers with no default history. The increase of overdue receivables not impaired amount to €1.1 million. As above mentioned, such increase is mainly related to the increase of business with OEM with an average higher DSO compared to the retail market.

The impairment allowance is a specific provision as provided by IFRS 9, when it is necessary to accrue a bad debt provision.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

16. TRADE AND OTHER RECEIVABLES CONTINUED

Trade and other receivables continued

Movements in the impairment allowance for trade receivables are as follows:

€'000	2024	2023
As at 1 January	**1,131**	**533**
Increase during the year	1,359	236
Increase related to business combinations	-	362
As at 31 December	**2,490**	**1,131**

Prepayments include mainly invoices for software and hosting received in FY 2024 related to costs of FY2025.

Tax receivables include mainly the R&D tax grants recognised by Italian tax authorities in relation to R&D expenses for €0.7 million (€0.5 million as at 31 December 2023).

17. CASH ON HAND AND CASH AT BANKS

The caption Cash on hand and cash at banks amounting to €3.4 million (€3.5 million as at 31 December 2023) is related to cash available in bank accounts of the Group subsidiaries. The amount includes €0.2 million of cash deposited onto prepaid cards used by employees as petty cash as at 31 December 2024 (€0.1 million as at 31 December 2023).

For details of changes during the analysed periods, please refer to the Consolidated Statement of Cash Flow.

Cash on hand and cash at banks are deposited with top-rated banks.

18. TRADE AND OTHER PAYABLES AND TAX PAYABLE

Trade and other payables include:

€'000	2024	Restated 2023*
Trade payables	1,675	2,250
Accruals	1,660	1,437
Total trade payables	**3,335**	**3,687**
Other payables including tax and social security payments (including bonus accruals)	7,957	10,966
Total current trade and other payables	**11,292**	**14,653**

* Other payables including tax and social security payaments (including bonus accruals) line item has been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - a) Revenue recognition – Change in revenue recognition under IFRS 15 and b) Post combination remuneration - settled in cash.

Trade payables amount to €1.7 million as at 31 December 2024, compared with €2.2 million as at 31 December 2023.

Accruals include invoices to be received for service rendered in 2024. The amount is in line with the balance as at 31 December 2023.

Other payables amounting to €7.9 million as at 31 December 2024 (€11 million as at 31 December 2023) includes:

- contract liabilities for €2.5 million (€2.8 million as at 31 December 2023). Changes during FY2024 are the following: increase for €2.5 million and €2.8 million recognised as revenue. Changes during FY2023 are the following: increase for €2.8 million and €1.5 million recognised as revenue;
- liabilities towards employees for bonuses to be paid in 2024 for €0.2 million (€1 million as at 31 December 2023);
- emoluments to be paid to the Directors for €0.1 million (€0.1 million as at 31 December 2023);
- post-combination services under IAS 19 for €0.1 million (€1.8 million as at 31 December 2023);
- other liabilities towards employees and related social security charges of approximately €4.7 million (€4.9 million as at 31 December 2023). Decrease of the year is mainly related to the reduction of average of FTE within the Group; and
- other minor liabilities for €0.4 million (€0.4 million as at 31 December 2023).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

18. TRADE AND OTHER PAYABLES AND TAX PAYABLE CONTINUED

€'000	2024	Restated 2023*
Corporate tax liabilities	875	37
VAT liabilities	2,919	2,536
Total tax payable	**3,794**	**2,573**

* Other payables including tax and social security payaments (including bonus accruals) line item has been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - a) Revenue recognition – Change in revenue recognition under IFRS 15

VAT liabilities is mostly composed by VAT debt position of the subsidiaries in Italy, Germany, Spain and France. The increase is mainly related to VAT liabilities of the last months of FY2024 that will be paid in FY2025.

19. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

Current and non-current financial liabilities include:

€'000	2024	Restated 2023*
Bank loans	5,826	1,860
Loan with other financial institutions	13,837	341
Other financial liabilities	507	6,696
Total current financial liabilities	**20,170**	**8,897**
Current lease liabilities	**1,141**	**1,170**
Bank loans	257	5,707
Loan with other financial institutions	-	4,287
Total non-current financial liabilities	**257**	**9,994**
Non-current lease liabilities	**2,196**	**3,190**

* Other financial liabilities as at 31 December 2023 have been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - b) Post combination remuneration - settled in cash

Bank loan and Loan with other financial institutions

The following table sets forth the breakdown of bank loans by counterparty for the years ended 31 December 2024 and 2023:

	2024		2023	
€'000	Current	Non-current	Current	Non-current
Illimity Bank	5,420	-	1,813	5,405
Atempo Growth	13,837	-	341	4,287
Viceversa	363	-	-	-
Sace	43	257	–	300
Belfius	-	-	29	–
ING Direct	-	-	18	–
CIC Sud Ouest	-	-	–	2
Total	**19,663**	**257**	**2,201**	**9,994**

Main changes of the year are reported below:

- Two new loans with Atempo Growth for a total amount of €9.3 million (net of costs incurred) in March 2024 and in November 2024 with a four-year duration and a variable interest rate equal to Euribor 3m plus the spread. A cross-default clause (non-financial covenant) is in place, linked to the Group's other financial indebtedness. The loan has been secured against selected assets of MotorK Italia S.r.l..

The financial loan in place with Illimity Bank amounts to €5.4 million, with a five-year duration and a 0.290 bps margin on Euribor, provides the following financial covenants to be tested annually, starting from December 2022:

- leverage ratio (net financial position/EBITDA); and
- gearing ratio (net financial position/net equity).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

19. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES CONTINUED

Bank loan and Loan with other financial institutions continued

The loan provides with a quarterly instalments repayment plan starting from March 2024 and it is guaranteed by SACE-Simest for 90% of the value.

The loan in place with Viceversa for €0.4 million was entered into in February 2024 to sustain the working capital fluctuations of the Group with a 5% interest rate. There are no financial covenants in place.

The loan in place with SACE-Simest for €0.3 million was entered into in September 2022 to sustain the digitalisation process of the Group with a six-year duration and a 0.081% interest rate. No financial covenants in place.

Loan with other financial institutions in place, comprises loans with Atempo Growth for a total amount of €13.8 million with a four-year duration and a variable interest rate equal to Euribor 3m plus the spread. A cross-default clause (non-financial covenant) is in place, linked to the Group's other financial indebtedness. The loan has been secured against selected assets of MotorK Italia S.r.l..

Following the negative Adjusted EBITDA reported for the year ended as at 31 December 2024, MotorK has obtained from Illimity Bank and Atempo Growth the waivers of testing the financial and non-financial covenants in place as at 31 December 2024. The next testing date will be then 31 December 2025. As the waivers were received after 31 December 2024, the Group has classified the Illimity Bank and Atempo Growth loan amounts as Current financial liabilities.

Other bank loans and Loans from other financial institutions, including Belfius, ING Direct, and CIC Sud Ouest, related to minor financing arrangements of the Company acquired during 2022, were fully repaid and closed during the first half of FY2024.

Other financial liabilities

Other current financial liabilities mainly include the remaining portion of the contingent consideration to be paid in FY2025 for the acquisition of FusionIT NV for €0.3 million (€6.5 million as of 31 December 2023) and the amount of credit cards repaid in the first month of FY2025 for €0.1 million (€0.2 million as of 31 December 2023).

The changes in financial liabilities, excluding lease liabilities, are shown below:

€'000	Total
Financial liabilities at 1 January 2023	**11,819**
Repayment of existing loans	(47)
New loan with other financial institutions	4,831
Change in other financial liabilities*	(801)
Cash changes	**3,983**
Other non-cash movements**	3,089
Financial liabilities at 31 December 2023	**18,891**
Repayment of existing loans	(1,862)
New loan with other financial institutions	9,687
Change in other financial liabilities***	(5,083)
Cash changes	**2,742**
Other non-cash movements****	(1,206)
Financial liabilities at 31 December 2024	**20,427**

* It comprises the payment of the considerations related to the acquisition of ICO International Gmbh and FusionIT NV.
** It comprises €3.2 million for the increase of financial liabilities due to the deferred consideration related to the acquisition of Gestionale Auto.com S.r.l. net of €0.1 million of other non material non cash movements.
*** It comprises the payment of the considerations related to the acquisition of FusionIT NV, PDA Dapda SL and GestionaleAuto.com S.r.l.
**** It comprises the remeasurement of the deferred consideration under IFRS 3 at FVTPL for €0.9 million due to targets not achieved andand €0.3 million of other non material non cash movements.

Changes compared with last year are already discussed above.
Finance lease liabilities are secured on the assets to which they relate and are related to the IFRS 16 application, starting from 1 January 2019, on lease agreements in place for offices of the Group subsidiaries and for cars assigned to employees.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

19. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES CONTINUED

Other financial liabilities continued

The leases within the scope of IFRS 16 relate to properties and motor vehicles. In 2024, the expense relating to low-value assets leases (mainly laptops) and short-term lease amounted to €0.2 million (€0.1 million in 2023).

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the Group's incremental external borrowing rate for the particular asset and level of security. After the initial measurement lease liabilities are increased as a result of interest charged and reduced for lease payments made.

The Group leases office buildings where payments are fixed until the contracts expire. The Group also leases motor vehicles where payments can be increased if actual mileage is higher than the contracted rates. There is no other variability in respect of payments and there is not considered to be any significant judgement in relation to the lease terms.

The following table provides details of lease liabilities:

€'000	Land and buildings	Motor vehicles	Total
Lease liabilities			
As at 1 January 2023	**4,028**	**473**	**4,637**
Cash items:			
Lease payments	(864)	(308)	(1,071)
Non-cash items:			
New leases in the year	336	681	1,017
New leases through business combinations	23	–	23
Reduction for disposal of lease	(191)	–	(191)
Interest expense	171	40	211
As at 31 December 2023	**3,503**	**857**	**4,360**
Cash items:			
Lease payments	(941)	(545)	(1,486)
Non-cash items:			
New leases in the year	-	291	645
Reduction for disposal of lease	(20)	–	(20)
Interest expense	150	42	192
As at 31 December 2024	**2,692**	**645**	**3,337**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

19. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES CONTINUED

Other financial liabilities continued

The following table provides details of the Group's lease liabilities:

€'000	As at 31 December 2024	2023
Repayables as follows:		
Under or equal to 1 year	1,141	1,170
> 1–5 years	2,009	2,502
Greater than 5 years	187	688
Total	**3,337**	**4,360**

20. EMPLOYEE BENEFITS LIABILITIES

Staff severance indemnity, mandatory pursuant to art. 2120 of the Italian civil code, is a deferred compensation and is based on the years of service of the employee and on the compensation received during the period of service. No other significant pension provisions other than staff severance indemnity booked in the Italian subsidiaries of the Group are included within such caption. According to the national law, the deferred compensation to be paid when an employee leaves the entity is based on the number of years of service of the employee and on the taxable remuneration earned by the employee during the service period, i.e. the capital accumulated when the employment ends. The provisions are due in the event of retirement, death, invalidity or resignation. During the periods analysed there were no special events, such as restructuring plans, reductions or regulations.

The Italian legislation regarding this scheme was amended by Law 296 of 27 December 2006 and subsequent decrees and regulations issued in the first part of 2007. Under these amendments, companies with at least 50 employees are obliged to transfer the employee benefit liabilities to the "Treasury fund" managed by the Italian state-owned social security body (INPS) or to supplementary pension funds. Prior to the amendments, accruing employee benefits liabilities for employees of all Italian companies could be managed by the Company itself. Consequently, the Italian companies' obligation to INPS and the contributions to supplementary pension funds take the form, under IAS 19 revised, of "Defined contribution plans" whereas the amounts recorded in the provision for employee severance pay retain the nature of "Defined benefit plans". Accordingly, the provision for employee severance indemnity in Italy consists of the residual obligation for employee benefits liabilities until December 31, 2006. This is an unfunded defined benefit plan as the benefits have already been almost entirely earned, with the sole exception of future revaluations. Since 2007, the scheme has been classified as a defined contribution plan, and the Group recognises the associated cost, being the required contributions to the pension funds, over the period in which the employee renders service. Employee benefit plan costs slightly decreased by €0.1 million as at 31 December 2024 compared with 31 December 2023. According to IAS 19, the liability was determined by an actuarial calculation. The effect of the actuarial profit, amounting to €0.01 million for the year ended 31 December 2024 (loss of €0.01 million for the year ended 31 December 2023), has been recognised in OCI.

The expected future benefit payments for the defined benefit plan as at 31 December 2024 are as follows:

Maturity profile of Defined Benefit Obligation	€'000
Years	
Expected benefit payments during the fiscal year ending 31 December 2025	188
Expected benefit payments during the fiscal year ending 31 December 2026	113
Expected benefit payments during the fiscal year ending 31 December 2027	129
Expected benefit payments during the fiscal year ending 31 December 2028	147
Expected benefit payments during the fiscal year ending 31 December 2029	225
Expected benefit payments during the fiscal year ending 31 December 2030 through 31 December 2034	1,508

The amounts recognised in the Statement of Financial Position are as follows:

€'000	2024	2023
Present value of obligation	(2,310)	(2,309)
Fair value of scheme assets	–	–
Employee benefit liability	**(2,310)**	**(2,309)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

20. EMPLOYEE BENEFITS LIABILITIES CONTINUED

Maturity profile of Defined Benefit Obligation continued

The amounts included within the Statement of Comprehensive Income are as follows:

€'000	2024	2023
Current service costs	469	603
Amount included in personnel costs	**469**	**603**
Interest on pension liabilities	69	71
Amount included in finance cost	**69**	**71**

Analysis of the amount recognised in Statement of Total Comprehensive Income:

€'000	2024	2023
Experience (loss)/gain on liabilities	92	(49)
Net (loss)/gain	**92**	**(49)**

Changes in the present value of the employee benefit obligation are as follows:

€'000	2024	2023
Opening employee benefit obligation	2,309	1,895
Service cost – continuing operations	469	603
Interest cost	69	71
Actuarial gain/(loss)	(92)	49
Benefit paid	(326)	(402)
Other movements	(119)	93
Closing employee benefit obligation	**2,310**	**2,309**

Expected payments for the year ended 31 December 2025 for the Group amount to €0.1 million.

One of the main assumptions is the discount rate, which should be based on the returns available on high-quality corporate bonds at the accounting date with a term corresponding to that of liabilities. The other assumptions should be chosen to reflect a better estimate of future long-term experience. IAS 19 does not define 'high quality', but generally means a security rating of AA.

The defined benefit plan are exposed to a numerous risks, including:

- Investment risks: movement of discount rate used (high quality corporate bonds denominated in the same currency as the post-employment benefit obligations) against the return from plan assets;
- Interest rate risk: decrease/increase in the discount rate used (high quality corporate bonds) will decrease/increase the defined benifit obligation;
- Longevity risk: changes in the estimation of mortality rates of current and former employees;
- Salary risk: increases in future salaries increase the gross defined benifit obligation.

The financial assumptions used for this report at the end of the fiscal year are:

- Discount rate: corporate bonds of appropriate duration and quality should be considered in order to determine a discount rate appropriate for IAS purposes. The discount rates used for assessing current and previous assessments were chosen based on the Willis Towers Watson (scheme actuaries) rate;
- Inflation: the assumed rate of price inflation was assessed by reference to the inflation of the target price set by the European Central Bank over the medium term with a country-specific adjustment; and
- Increase in remuneration: the hypothesis was selected in agreement with the Company.

The average duration of the employee benefit obligation is approximately six years as at 31 December 2024 (six years as at 31 December 2023).

Principal assumptions at the Statement of Financial Position date (expressed as weighted averages) are as follows:

	2024	2023
Discount rate	3.40%	3.20%
Rate of retail price inflation	2.00%	2.25%
Rate of increase in salaries	3.00%	3.25%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

20. EMPLOYEE BENEFITS LIABILITIES CONTINUED

Maturity profile of Defined Benefit Obligation continued

The amount for the current and previous periods are as follows:

€'000	2024	2023
Employee benefits obligation	(2,310)	(2,309)
Scheme assets	–	–
(Deficit)	(2,310)	(2,309)
Experience adjustments on scheme liabilities	92	(49)

Sensitivity analysis of the value of employee benefits liabilities is shown below:

€'000	2024	2023
Base case	2,310	2,305
Discount rate +0.5%	153	163
Discount rate -0.5%	(137)	(145)

€'000	2024	2023
Base case	2,310	2,305
Salary rate +0.5%	49	39
Salary rate -0.5%	(37)	(38)

€'000	2024	2023
Base case	2,310	2,305
Price inflation +0.5%	65	56
Price inflation -0.5%	(57)	(60)

21. DEFERRED TAX

Deferred tax are calculated in full-on temporary differences under the liability method using the tax rate of the country in which such differences have arisen.

The movement of FY2024 deferred tax is shown below:

€'000	Deferred tax asset	Deferred tax liability	Net Deferred tax	Charge through P&L
Intangible assets	-	1,514	1,514	272
Employee benefits liabilities	-	19	19	(13)
Leases	(515)	515	-	-
Total	**(515)**	**2,048**	**1,533**	**259**

The movement of FY2023 deferred tax is shown below:

€'000	Deferred tax asset	Deferred tax liability	Net Deferred tax	Charge through P&L
Intangible assets	-	1,786	1,786	230
Employee benefits liabilities	-	5	5	2
Leases	(694)	694	-	-
Total	**(694)**	**2,485**	**1,791**	**232**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

21. DEFERRED TAX CONTINUED

A deferred tax asset has not been recognised for the following table. The unused tax losses must be utilised by 31 December 2030. The deductible temporary differences can be carried forward indefinitely.

	2024		2023	
€'000	Tax losses	Unrecognised deferred tax assets	Tax losses	Unrecognised deferred tax assets
Assessed losses in UK, Italy, and Israel	75,480	20,597	51,451	14,265
Non-deductible interest carried forward	5,455	1,527	4,779	1,338
Temporary differences on lease liabilities	-	54	-	49
Total	**80,935**	**22,178**	**46,672**	**15,652**

22. PROVISIONS

Other non-current liabilities and provisions include:

€'000	2024	2023
Current provisions	121	120
Non-current provisions	-	57
Total	**121**	**177**

Provisions classified within liabilities amounts to €0.1 million (€0.2 million as at 31 December 2023) and includes the provision for certain risk mainly related to litigations in place with some employees who left MotorK and whose level of risk is assessed as probable by management. The amount is in line with last year.

€'000	2024	2023
Current provisions as at 1 January	**120**	**153**
Release of the period	(85)	(262)
Business combination	-	89
Provision for the period	29	115
Reclassification from non-current provision	57	25
Current provisions as at 31 December	**121**	**120**

€'000	2024	2023
Non-current provisions as at 1 January	**57**	**142**
Reclassification to current provision	(57)	(25)
Provision/(release) for the period	-	(60)
Non-current provisions as at 31 December	**-**	**57**

23. SHAREHOLDERS' EQUITY

Share capital

The share capital is composed as follows:

	2024			2023		
	Value (€'000)	Number	Value per share (€)	Value (€'000)	Number	Value per share (€)
Ordinary shares	459	45,851,891	0.01	407	40,702,185	0.01
Total	**459**	**45,851,891**	**0.01**	**407**	**40,702,185**	**0.01**

During the financial year 2024, share capital changed due to the following items:

- issue of 4,513,388 shares related to the reserved capital increase of both €12.3 million in February 2024 and €1.7 million in April 2024 (of which €45 thousand as share capital and €14 million as share premium) to further bolster the Group's external growth strategy. The main participants in this strategic round included 83 North, Lucerne, PROCAR Automobile, and Anfield Ltd;
- issue of 504,234 shares related to the exercise of stock-option assigned to the employees resulting in €1.6 million of which €5 thousand as share capital and €1.6 million as share premium;
- issue of 92,308 shares related to the earn-out assigned to the former shareholders of Fidcar resulting in €0.6 million of which €1 thousand as share capital and €0.6 million as share premium; and
- issue of 39,776 shares related to the earn-out assigned to the former shareholders of FusionIT resulting in €0.2 million of which €0.4 thousand as share capital and €0.2 million as share premium.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

23. SHAREHOLDERS' EQUITY CONTINUED

Share capital continued

On 11 May 2023, AGM approved a capital reduction by way of the cancellation of an amount equal to €4 million standing to the credit of the Group's share premium account, to create additional distributable reserves, included in respect of the Programme. Such capital reduction implied a reduction of share premium and an increase of Retained Earnings without effect on the number of shares of the Company.

Share-based payments

The Group operates an equity-settled share-based remuneration scheme for employees, which comprises the Group Employee Share Option Plan.

In May 2024, 923,840 options (1,044,646 in 2023) were granted to employees in the context of the Omnibus LTIP issued in 2022, providing a straight-line basis vesting over three or four years and subject to performance conditions, defined on the basis of Group performance decided year over year (for more details regarding performance conditions please refer to the disclosure done in the Remuneration Committee Report of this Annual Report). As per the rules of the Plan, the grant provide with an exercise price of €5.94 and €5.70 for the November 2024's one with a life of ten years. The performance conditions of the above mentioned grant were not met so the full amount of n. 923,840 options lapsed.

The Company has in place also the Original Share Option Plan issued before FY2022 providing a straight-line basis vesting over four years, with an exercise price of €0.34 and with a life of ten years. More information related to the share option plans mentioned above are reported in the Remuneration Committee Report of this Annual Report.

Original Share Option Plan

	2024		2023	
	Weighted average exercise price (€ cents)	Number	Weighted average exercise price (€ cents)	Number
Outstanding at 1 January	**34**	**2,458,663**	**34**	**3,224,385**
Subdivision of shares				
Lapsed during the year[1]	34	(3,839)	34	(197,953)
Exercised during the year	34	(467,476)	34	(567,769)
Outstanding at 31 December	**34**	**1,987,348**	**34**	**2,458,663**
Of which				
Vested		*1,922,680*		*2,173,462*
Unvested		*64,668*		*285,201*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

23. SHAREHOLDERS' EQUITY CONTINUED

Share-based payments continued

Omnibus LTIP

a) Grant related to FY2022

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January			**1.645/1.895**	**1,013,018**
Subdivision of shares				
Lapsed during the year[1]	1.645/1.895	(107,749)	1.645/1.895	(350,000)
Exercised during the year	1.645/1.895	(27,460)	–	–
Outstanding at 31 December	**1.645/1.895**	**527,809**	**1.645/1.895**	**663,018**
Of which				
Vested		*305,137*		*190,673*
Unvested		*222,672*		*472,345*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

b) Grant related to January 2023

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January	**1.21**	**261,613**	**–**	**–**
Subdivision of shares				
Granted during the year	–	–	1.21	261,613
Lapsed during the year[1]	1.21	(13,333)	–	–
Exercised during the year	1.21	(6,667)	–	–
Outstanding at 31 December	**1.21**	**241,613**	**1.21**	**261,613**
Of which				
Vested		*161,076*		*87,204*
Unvested		*80,537*		*174,409*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

23. SHAREHOLDERS' EQUITY CONTINUED

Share-based payments continued

Omnibus LTIP continued

c) Grant related to June 2023

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January	**2.37**	**450,700**	**–**	**–**
Subdivision of shares				
Granted during the year	–	–	2.37	653,333
Lapsed during the year[1]	2.37	(99,331)	–	–
Exercised during the year	2.37	(2,631)	–	–
Outstanding at 31 December	**2.37**	**348,738**	**2.37**	**450,700**
Of which				
Vested				–
Unvested				*450,700*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

d) Grant related to 9 November 2023

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January	**2.73**	**18,750**	**–**	**–**
Subdivision of shares				
Granted during the year	–	–	2.73	25,000
Lapsed during the year[1]	–	–	2.73	(6,250)
Outstanding at 31 December	**2.73**	**18,750**	**2.73**	**18,750**
Of which				
Vested		*4,688*		–
Unvested		*14,062*		*18,750*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

23. SHAREHOLDERS' EQUITY CONTINUED

Share-based payments continued

Omnibus LTIP continued

e) Grant related to 22 November 2023

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January	**2.79**	**78,525**	**–**	**–**
Subdivision of shares				
Granted during the year	–	–	2.79	104,700
Lapsed during the year[1]	2.79	(56,050)	2.79	(26,175)
Outstanding at 31 December	**2.79**	**22,475**	**2.79**	**78,525**
Of which				
Vested		*6,870*		*–*
Unvested		*15,605*		*78,525*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

f) Grant related to 23 May 2024

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January	-	-	-	–
Subdivision of shares				
Granted during the year	5.94	923,840	–	–
Lapsed during the year[1]	5.94	(923,840)	–	–
Outstanding at 31 December	-	-	-	-
Of which				
Vested		–		–
Unvested		–		–

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

The following information is relevant in the determination of the fair value of options granted during the year under the equity-settled share-based remuneration scheme operated by the Group:

	2024 (Omnibus LTIP May 2024)	2023 (Omnibus LTIP Jan 2023)	2023 (Omnibus LTIP Jun 2023)	2023 (Omnibus LTIP 9 Nov 2023)	2023 (Omnibus LTIP 22 Nov 2023)	2022 Omnibus LTIP	2022 Original Share Option Plan
Option pricing model used	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes
Weighted average share price at grant date (€)	1.7227	0.7655	1.1306	1.2680	1.2680	0.7650	4.7800
Exercise price (€)	5.94	1.21	2.37	2.73	2.79	1.645/1.895	0.337
Weighted average contractual life (years)	10	10	10	10	10	10	10
Volatility	31.40%	31.20%	31.59%	31.40%	31.40%	31.20%	31.20%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

23. SHAREHOLDERS' EQUITY CONTINUED

Share-based payments continued

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information. Historic volatility is estimated looking at the five-year, 50-day median volatility of a sample of comparable companies operating in the software industry listed on the European stock market (Euronext).

The share-based remuneration expense comprises:

€'000	2024	Restated 2023*
Equity-settled scheme	821	2,195

* FY2023 Equity-settled scheme amount has been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - c) Equity-settled post combination remuneration – change in an accounting policy under IFRS 2

The decrease of Accumulated losses for €15.3 million compared to the previous year is related to the following events:

- the decrease of €13 million related to the loss of the period;
- the increase of €0.8 million related to the share-based remuneration expense;
- the decrease of €0.6 million to the issuance of shares for the contingent consideration assigned to the former shareholders of Fidcar (reclassified into share capital and share premium);
- the decrease of €1.1 million related to the release of the accrual of the contingent consideration provisions to be paid through issuance of shares not more due..

The last outstanding shares will be issued before 31 December 2025.

24. EARNINGS PER SHARE

The following table shows earnings per share, calculated by dividing the result for the year by the weighted average number of ordinary shares outstanding during the year.

	For the year ended 31 December	
	2024	Restated 2023*
Loss for the period (in thousands)	(13,053)	(17,665)
Weighted average number of shares	44,892,098	40,082,754
Earnings per share	(0.29)	(0.44)

* FY2023 Loss for the period (in thousands) and Earnings per share have been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements - a) Revenue recognition – Change in revenue recognition under IFRS 15

It should be noted that share-based payments are instruments that could potentially dilute basic earnings per share in the future (for more information on these instruments reference is made to Note 23 – Shareholders' equity). However, considering that in periods analysed a loss was registered, potential ordinary shares were not dilutive as the potential conversion would decrease the loss per share, in accordance with IAS 33.
The reduction of the weighted average number of shares is due to the cancellation of shares performed during FY2023 in connection with the buy-back programme already disclosed above.

25. POST BALANCE SHEET EVENTS

On 14 March 2025 and on 25 March 2025, the Group successfully executed capital reserved increases of €4.8 million and €0.5 million respectively. Major strategic investors, including 83 North, Lucerne Capital Management, and Zobito, participated in this round, reaffirming their commitment to the Group's strategy and long-term vision. This capital injection is aimed at strengthening the Group's financial position, supporting MotorK's commitment to reach a Cash EBITDA positive position by the end of FY2025.

On 26 March 2025, the Group completed the sale of its remaining 20% stake in Auto XY SpA to GEDI Digital Srl for a total consideration of €3.5 million. This transaction marks the final step in the divestment of the DriveK business unit, initiated in December 2022. With its completion, MotorK has successfully finalised its strategic repositioning, further consolidating its focus on the B2B market, and reinforcing its balance sheet. The proceeds will be allocated to support the Group's growth initiatives and drive further innovation in its

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

25. POST BALANCE SHEET EVENTS CONTINUED

SaaS solutions for the automotive retail industry. This strategic step underscores the collective confidence of both existing and new investors in MotorK's potential, solidifying their collaborative commitment to the Group's sustained growth and ongoing success.

Following the negative Adjusted EBITDA reported for the year ended as at 31 December 2024, MotorK has obtained from Illimity Bank and Atempo Growth the waivers of testing the financial and non-financial covenants in place as at 31 December 2024. The next testing date will be then 31 December 2025. As the waivers were received after 31 December 2024, the Group has classified the Illimity Bank and Atempo Growth loan amounts as Current financial liabilities.

26. TRANSLATION OF FOREIGN COMPANIES' FINANCIAL STATEMENTS

The exchange rates used to translate non-Euro-zone Company's financial statements are as follows:

	2024 average exchange rate	31 Dec 2024 year-end exchange rate
Israeli Shekel	4.0044	3.8120

	2023 average exchange rate	31 Dec 2023 year-end exchange rate
Israeli Shekel	3.9875	3.9993

The effect of the translation of MotorK Israel Ltd reporting package amount to €19 thousand (€77 thousand in FY2023) as reported in the Consolidated Statement of Profit and Loss and Other Comprehensive Income.

27. RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Group

Full details of the compensation and of number of shares of MotorK Plc of key management personnel are given in the Directors' Remuneration Report on pages 66-79. Key management personnel are the members of the Board of Directors of MotorK Plc. Please also refer to the Directors' Remuneration Report for information regarding Directors' shareholding in the Group. Directors' compensations are shown in the table on page 117 under Note 10 - Group Operating loss.

MOTORK PLC STATEMENT OF FINANCIAL POSITION

€'000	Note	As at 31 December 2024	Restated as at 31 December 2023*
Investments	4	83,124	62,359
Non-current assets – security deposits		4	4
Financial assets	5	10,577	26,518
Non-current assets		**93,705**	**88,881**
Trade and other receivables	6	6,443	7,007
Financial assets	5	3,470	407
Cash at banks	7	387	420
Current assets		**10,300**	**7,834**
Total assets		**104,005**	**96,715**
Trade and other payables	8	3,026	3,246
Current financial liabilities	9	14,913	2,070
Current liabilities		**17,939**	**5,316**
Non-current financial liabilities	9	-	4,286
Non-current liabilities		**-**	**5,316**
Total liabilities		**17,939**	**4,286**
Share capital	10	459	407
Share premium	10	82,956	68,093
Merger reserve	10	3,627	3,627
Retained Earnings	10	(976)	14,986
Total equity		**86,066**	**87,113**
Total liabilities and equity		**104,005**	**96,715**

* The Statement of Financial Position as of 31 December 2023 is restated. Please refer to the Note 2 – Accounting Policies – Prior year restatements.
The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not prepared its own Statement of Comprehensive Income in these financial statements. The loss after tax of the Parent Company for the year was €15 million (Restated 2023: profit of €3.5 million).

The notes on pages 141 to 153 form part of the Parent Financial Statements. The Parent Financial Statements on pages 138 to 140 were approved and authorised for issue by the Board of Directors on 15 April 2025 and were signed on 16 April 2025 on its behalf by:

Marco Marlia
Chief Executive Officer
16 April 2025

MOTORK PLC STATEMENT OF CHANGES IN EQUITY

€'000	Share capital	Restated Share premium[3]	Merger reserve	Restated Retained Earnings[4]	Total attributable to equity holders of parent
1 January 2023	**403**	**68,754**	**3,627**	**3,631**	**76,415**
Correction of error (net of tax)	–	–	–	4,156	4,156
Restated total equity at the beginning of the financial year	**403**	**68,754**	**3,627**	**7,787**	**80,571**
Comprehensive income for the period					
Income for period[1]	–	–	–	3,500	3,500
Total comprehensive loss for the period	**–**	**–**	**–**	**3,500**	**3,500**
Contributions by and distributions to owners					
Issue of shares	18	3,339	–	–	3,357
Share-based payment	–	–	–	2,195	2,195
Share-based payment exercised	–	–	–	(204)	(204)
Buy-back programme[2]	(14)	–	–	(2,292)	(2,306)
Capital reduction	–	(4,000)	–	4,000	–
Total contributions by and distributions to owners	**4**	**(661)**	**–**	**3,699**	**3,042**
31 December 2023	**407**	**68,093**	**3,627**	**14,986**	**87,113**

1 The line item "Income for period" for FY2023 is restated. Please refer to the Note 2 – Accounting Policies – Prior year restatements - c) Equity-settled share-based payment - accounting by the Parent Company.
2 MotorK bought its own shares and cancelled them.
3 Share premium column as at 31 December 2023 has been restated. Please refer to Note 2 - Accounting policies - Prior year restatements - d) Share based payments - Incorrect presentation of share-based payments reserve.
4 The Earn-out reserve column has been incorporated in the column Retained Earnings. Retained earnings column as at 31 December 2023 has been restated. Please refer to Note 2 - Accounting policies - Prior year restatements - b) Equity-settled post combination remuneration – change in an accounting policy under IFRS 2, c) Equity-settled share-based payment - accounting by the Parent Company, and d) Share based payments - Incorrect presentation of share-based payments reserve.

MOTORK PLC STATEMENT OF CHANGES IN EQUITY CONTINUED

€'000	Share capital	Share premium	Merger reserve	Retained Earnings	Total attributable to equity holders of parent
Comprehensive income for the period					
Income for period	–	–	–	(15,043)	(15,043)
Total comprehensive income for the period	**–**	**–**	**–**	**(15,043)**	**(15,043)**
Contributions by and distributions to owners					
Issue of shares[5]	52	14,863	–	–	14,915
Share-based payment	–	–	–	821	821
Share-based payment exercised	–	–	–	(600)	(600)
Reversal of share-based payments charges[6]	–	–	–	(1,140)	(1,140)
Total contributions by and distributions to owners	**52**	**14,863**	**–**	**(919)**	**13,996**
31 December 2024	**459**	**82,956**	**3,627**	**(976)**	**86,066**

5 Please refer to Note 10 for further details.
6 Please refer to Note 10 for further details.

Share capital represents the nominal value of share capital subscribed for. Share Premium represents amounts subscribed for share capital in excess of the nominal value, less related costs of share issues. During FY2023, the Group completed a capital reduction, which resulted in a reduction of the share premium account. As part of this process, a portion of the share premium amounting to €4 million was transferred to the Retained earnings in accordance with applicable legal requirements and accounting standards.

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS

1. GENERAL INFORMATION

MotorK Plc (the Company or the Parent Company) is a Company incorporated in the UK, with the Company Registration number 09259000. The registered office is on the 5th Floor, One New Change, London, England, EC4M 9AF, listed from November 2021 on Euronext Amsterdam.

The Parent Company is the holding of a Group that offers a cloud-based holistic SaaS platform (named SparK) to support the full vehicle lifecycle and the entire customer journey. SparK can be used to manage the digital presence of a small single showroom dealer as well as support the sales and marketing functions of a regional network of franchise dealerships for an automotive OEM across EMEA.

As of 31 December 2024, the main shareholders of the Parent Company are 83 North, who directly holds approximately 21% of the share capital, Lucerne, who holds approximately 20% of the share capital and the original founders Marco Marlia (CEO of the Group), Marco De Michele, and Fabio Gurgone own roughly 12% each of the share capital.

2. ACCOUNTING POLICIES

Basis of preparation of financial statements

The Parent Company financial statements of MotorK Plc (the Company) have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements and Financial Reporting Standard 101 Reduced Disclosure Framework, and as required by the Companies Act 2006.

The financial statements are prepared under the historical cost convention as modified for financial instruments that are measured at fair value.

Disclosure exemptions adopted

In preparing these financial statements, the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- certain comparative information as otherwise required by UK-adopted international accounting standards;
- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the Group headed by MotorK Plc.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted as equivalent disclosures are included in the Consolidated Financial Statements of MotorK Plc. These financial statements do not include certain disclosures in respect of:

- business combinations;
- financial instruments (other than certain disclosures required as a result of recording financial instruments at fair value);
- fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value); and
- impairment of assets.

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

2. ACCOUNTING POLICIES CONTINUED

Investments

Equity investments in subsidiaries are entered at the consideration paid to acquire the Company or at the value subscribed for the incorporation. Management periodically review the value of the investments to detect any possible impairment indicators. Should such indicators arise, an impairment test is carried out to evaluate if book value is higher than the greater between fair value less cost of disposal and value in use.

Financial assets

The Company's financial assets are classified on the basis of the business model adopted to manage them and the characteristics of the related cash flows.

a) Financial assets valued at amortised cost

Financial assets that have been verified to meet the following requirements are classified in this category:

(i) the asset is held within a business model whose objective is possession of the asset to collect contractual financial flows; and

(ii) the contractual terms of the asset include cash flows represented solely by payments of principal and interest on the principal amount to be repaid.

These are financial loans, other receivables cash on hand and cash at banks.

Other receivables and loans are initially recognised in the financial statements at their fair value increased by any directly attributable accessory costs to the transactions that generated them. At the time of subsequent measurement, financial assets were shown at amortised cost, using the effective interest rate. The effects of this measurement are recognised as a financial income component.

The Company values receivables by adopting an expected loss impairment model.

Financial liabilities

Financial liabilities include financial payables, trade payables and other payables.

Amounts due to banks and other lenders are initially recognised at fair value net of directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method. If there is a change in the expected cash flows, the value of the liabilities is recalculated to reflect this change based on the current value of the new expected cash flows and the initially determined internal rate of return.

Trade payables are obligations to pay for goods or services acquired from suppliers in the ordinary course of business. Trade payables are classified as current liabilities if they are paid within one year of the balance sheet date. Otherwise, these payables are classified as non-current liabilities.

Trade and other payables are initially recognised at fair value and subsequently measured using the amortised cost method.

Financial liabilities are eliminated from the financial statements when the obligation underlying the liability is extinguished, cancelled or fulfilled. Contingent considerations classified as financial liabilities are measured at FVTPL. Ancillary costs incurred on recognition of the liability are immediately recognised in the Consolidated income statement. On subsequent measurement, FVTPL financial liabilities are measured at fair value.

With reference to the derecognition of a financial liability, new records must be created for its extinction and the recognition of a new liability if the contractual terms are substantially different. The terms are considerably different if the actualised value of the financial flow under the new terms, including any fee paid net of the fee received and actualised using the original interest rate, are at least 10% different from the actualised value of the remaining financial flows of the original financial liability. If the exchange of debt instruments or the change in the terms are recognised as an extinction, any costs or fees paid are recorded as income or losses associated with the extinction. If the exchange or modification are not recognised as extinction, any costs or fees sustained will adjust the accounting value of the liability and will be amortised over the remaining term of the liability in question.

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

2. ACCOUNTING POLICIES CONTINUED

Share-based payments

The group provides share-based payment arrangements to certain employees, including earn-out arrangements settled in shares to employees of acquired businesses.

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the Consolidated Statement of Comprehensive Income over the remaining vesting period. Costs incurred for share-based payments are charged to the subsidiaries of the Group on the basis of certain interCompany agreements stipulated between the Parent Company and the subsidiaries.

Prior year restatements

a) Post combination remuneration - settled in cash

In the context of a business combination, IFRS 3 refers to any continuing services provided after a business combination, such as employee services or services provided by vendors and are not considered part of the total consideration for the business combination but are treated as remuneration costs. This consideration links to ongoing employment of the individuals and achieving of certain performance targets post the business combination and settled in cash. The amount related to this consideration should have been recognised as a liability under IAS 19 Employee Benefits and presented within Trade and other payable line item instead of Financial liabilities line item as currently presented in the Statement of Financial Position.

The above adjustments have been corrected by restating each of the affected financial statement line items for the prior periods as shown in the table on the next page without any impact on the profit of the period.

b) Equity-settled post combination remuneration – change in an accounting policy under IFRS 2

In accordance with IFRS 2, post remuneration expenses settled in shares incurred in relation to a business combination must be recognised in the financial statements and allocated over the vesting period—i.e., the period during which recipients must meet certain conditions, such as continued employment with the Group. If this compensation is equity-settled (i.e., the employees will be paid through issuance of shares), the cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. This cost is recognised as an employee benefits expense over the vesting period in which the service and, where applicable, performance conditions are met. Previously, the group has distinguished between Employee Stock Ownership Plans (ESOP) of the group, recognised with a corresponding increase in Accumulated losses, and post-combination remuneration settled in shares which was presented separately under the Earn-out reserve in the Consolidated Statement of Financial Position. The Group decided to consolidate all compensation expenses related to equity-settled share-based payments including post-combination remuneration settled in shares in the Accumulated losses line item. This change will result in all costs being presented under one heading and provide better information to users of the financial statements about where the related costs are recognised in equity.

As a result, the related amounts from prior periods have been reclassified from the Earn-out reserve to Accumulated losses. This change in presentation has no impact on the Consolidated Statement of Profit and Loss.

c) Equity-settled share-based payment - accounting by the Parent Company

IFRS 2 requires that, regardless of the type of plan, the compensation expense should be recognised in the financial statements and spread over the vesting period (the period during which the recipient must fulfil certain conditions, such as remaining employed by the Company for a specified number of years). If the share-based payment is equity-settled (i.e. the employees of the subsidiary are granted options or shares in the Parent Company), the subsidiary must recognise the expense related to the share-based payment based on the fair value of the options or shares. The Parent Company must also recognise the transaction, typically through an intercompany charge, and reflect the corresponding equity in its own financial statements.

The total impact of the prior year restatement mentioned above on the Retained Earning is €6.2 million, of which €4.2 million related to the opening balance as at 1 January 2023 and €2 million related to the reduction of FY2023 profit, therefore FY 2023 profit previously stated of €1.5 million has increased to €3.5 million.

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

2. ACCOUNTING POLICIES CONTINUED

Prior year restatements continued

d) Share based payments – Incorrect presentation of share-based payments reserve

Upon vesting and exercise of options by issuing shares for equity-settled share-based remuneration scheme for employees, the Group had previously transferred the accumulated share-based payment charges recognised in retained earnings to share premium. The accumulated share-based payment charges should not have been reclassified into share premium and no adjustment was required as it had been presented altogether in retained earnings. The exercise price of shares issued should be recognised in share capital and share premium, to the extent that the exercise price exceeds the nominal value of the shares.

This error has been corrected by restating each of the affected financial statement line items of Share premium and Retained earnings for the prior period as shown in the table below without any impact in the Consolidated Statement of Profit and Loss. No third balance sheet is presented for this error given the impact is immaterial.

The below table summarises the impact of both prior year restatement mentioned above:

Statement of financial position (extract)

€'000	As at 31 December 2023	Post combination remuneration - settled in cash restatement	Equity-settled post combination remuneration restatement	Equity-settled share-based payment restatement	Vested and exercise options for equity settled share-based payments restated	Restated as at 31 December 2023
Trade and other receivables	806	-	-	6,201	-	7,007
Current assets	**1,633**	**-**	**-**	**6,201**	**-**	**7,834**
Total assets	**90,514**	**-**	**-**	**6,201**	**-**	**96,715**
Trade and other payables	2,488	758	-	-	-	3,246
Current financial liabilities	2,828	(758)	-	-	-	2,070
Current liabilities	**5,316**	**-**	**-**	**-**	**-**	**5,316**
Total liabilities	**9,602**	**-**	**-**	**-**	**-**	**9,602**
Share premium	69,446	-	-	-	(1,353)	68,093
Earn-out reserve	1,587	-	(1,587)	-	-	-
Retained Earnings	5,845	-	1,587	6,201	1,353	14,986
Total equity	**80,912**	**-**	**-**	**6,201**	**-**	**87,113**
Total liabilities and equity	**90,514**	**-**	**-**	**6,201**	**-**	**6,201**

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acCompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and assumptions

Impairment of investments

At each reporting date, the Company assesses whether there is an indication that investments in subsidiaries may be impaired. If any such indication exists, the Company makes an estimate of the asset's recoverable amount. The recoverable amount is defined as the higher of (i) the fair value of the investment less costs of disposal and (ii) its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Any resulting impairment is recognized in the income statement. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the Company makes an estimate of the recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount, up to a maximum of the carrying amount that would have been determined if no impairment loss had been recognized for the asset in prior periods. Such a reversal is recognized in the income statement. The key assumptions used to determine the recoverable amount for the different investment, including a sensitivity analysis, are disclosed and further explained in Note 4.

4. INVESTMENTS

€'000	2024	2023
Cost		
At 1 January	**62,359**	**58,483**
Increase	37,765	3,876
At 31 December	**100,124**	**62,359**
Impairment provisions		
At 1 January	**–**	**–**
Movement in year	(17,000)	–
At 31 December	**(17,000)**	**–**
Net book value	**83,124**	**62,359**

The value of the investments amounting to €100.1 million is entirely related to the equity investments in the 100% of the shares of MotorK Italia S.r.l. The increase of the year is related to a contribution in kind of €12.3 million following the capital injection dated 5 February 2024 on Motork Plc and the waiver of the financial receivables towards MotorK Italia S.r.l. converted in contribution in kind for an amount of €25.5 million with the aim of the recapitalisation of the owned Company. For further information, regarding the capital injection, please refer to Note 10 – Shareholders equity.

As at 31 December 2024, the equity investments owned in MotorK Italia S.r.l. was subjected to an impairment test taking into account past economic and financial performance, and future expectations. Beyond that period, operating cash flows are assumed to grow at 1.9% annually. The risk adjusted pre-tax rate (WACC) used to discount the cash flow forecasts is 12.34%. For the purposes of estimating the fair value of the investment less costs of disposal, both internal and external sources of information were used. The results of the impairment test on equity investment as at 31 December 2024 revealed an impairment loss for an amount of €17 million.

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

4. INVESTMENTS CONTINUED

In assessing the fair value of the investment less costs of disposal, management has considered the potential impact of possible changes in the main assumptions used. A sensitivity analysis was carried out by determining the break-even point WACC, which, keeping the other parameters constant, would render the difference between the recoverable amount and the carrying amount of the investment as nil. In these circumstances, the break-even point WACC is 10.7%.

5. CURRENT AND NON-CURRENT FINANCIAL ASSETS

Current and non-current financial assets are related to the following receivable receivables towards MotorK Italia S.r.l.:

- €14 million related to the shareholder loan stipulated in October 2023, March 2024 and November 2024 (mirroring the financial loan entered into with Atempo Growth in October 2023, March 2024 and November 2024). Main terms of such intercompany loan are interest rate calculated as Euribor 3M plus the spread equal to 9.25% with a four-year duration and the monthly tranches repayment starting respectively from October 2024, March 2025 and November 2025. The current portion classified as current financial assets amounts to €3.5 million.

6. TRADE AND OTHER RECEIVABLE

€'000	2024	Restated 2023*
Amounts owed from Group undertakings	6,099	6,666
Prepayments	134	238
Other receivables	210	103
Total trade and other receivables	**6,443**	**7,007**

* Amounts owend from Group undertakings line item has been restated. Please refer to Note 2 - Accounting policies - Prior year restatements - c) Equity-settled share-based payment - accounting by the Parent Company.

Amounts owed from Group undertakings amounting to €6.1 million (€6.7 million as at 31 December 2023) are mainly related to the recharge of stock options accrual to the subsidiaries and are in line with the previous period. For further details, please refer to Note 12 on Related Parties Transactions.

7. CASH AT BANKS

The caption cash at banks amounting to €0.4 million (2022: €0.4 million) is related to cash available in bank accounts of MotorK Plc.

8. TRADE AND OTHER PAYABLES

€'000 Current	2023	Restated 2023*
Trade payables	106	312
Amounts owed to Group undertakings	2,607	1,919
Other payables	282	899
Accruals	31	116
Total current liabilities	**3,026**	**3,246**

* Other payables line item has been restated. Please refer to Note 2 - Accounting policies - Prior year restatements - a) Post combination remuneration - settled in cash.

For details of the payables towards Group companies, please refer to Note 12 - Related Parties Transactions.

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

9. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

€'000 Current	2024	Restated 2023*
Loan with other financial institutions	13,837	341
Amounts owed to Group undertakings	1,076	-
Other financial liabilities	-	1,729
Total current financial liabilities	**14,913**	**2,070**

* Other financial liabilities line item has been restated. Please refer to Note 2 - Accounting policies - Prior year restatements - a) Post combination remuneration - settled in cash

€'000 Non-current	2024	2023
Loan with other financial institutions	-	4,286
Total non-current financial liabilities	**-**	**4,286**

€'000	2024	2023
Non-current financial liabilities are repayable as follows:		
> 1 year or 2 years	-	3,071
2 to 5 years	-	1,215
Total non-current financial liabilities	**-**	**4,286**

During 2023, MotorK Plc has entered into a financial loan with Atempo Growth for €4.6 million (net of costs incurred) in October 2023 to fuel the growth of the business for the third quarter of the year and for FY2024 with a four-year duration and a variable interest rate equal to Euribor 3m plus the spread. A cross-default clause (non-financial covenant) is in place, linked to the Group's other financial indebtedness. The loan has been secured against selected assets of MotorK Italia S.r.l.. During 2024, MotorK Plc has obtained new loans with Atempo Growth for a total amount of €9.3 million (net of costs incurred) in March 2024 and in November 2024 with a four-year duration and a variable interest rate equal to Euribor 3m plus the spread. A cross-default clause (non-financial covenant) is in place, linked to the Group's other financial indebtedness. The loan has been secured against selected assets of MotorK Italia S.r.l..

Following the negative Adjusted EBITDA reported for the year ended as at 31 December 2024, MotorK has obtained from Illimity Bank and Atempo Growth the waivers of testing the financial and non-financial covenants in place as at 31 December 2024. The next testing date will be then 31 December 2025. As the waivers were received after 31 December 2024, the Company has classified the entire Atempo Growth loan amount as a current financial liability.

Other financial liabilities (classified within current financial liabilities) are nil as at 31 December 2024 (€1.7 million as at 31 December 2023). The decrease of the period for €1.7 million is attributable to the re-measurement in profit and loss of the contingent consideration under IFRS 3 classified as financial liabilities at FVTPL due to targets not achieved for €1.7 million.

10. SHAREHOLDERS EQUITY

Share capital

The share capital is composed as follows:

	2023			2023		
	Value (€'000)	Number	Value per share (€)	Value (€'000)	Number	Value per share (€)
Ordinary shares	459	45,851,891	0.01	407	40,702,185	0.01
Total	**459**	**45,851,891**	**0.01**	**407**	**40,702,185**	**0.01**

During the financial year 2024 share capital changed due to the following items:

- issue of 4,513,388 shares related to the reserved capital increase of both €12.3 million in February 2024 and €1.7 million in April 2024 (of which €45 thousand as share capital and €14 million as share premium) to further bolster the Group's external growth strategy. The main participants in this strategic round included 83 North, Lucerne, PROCAR Automobile, and Anfield Ltd;
- issue of 504,234 shares related to the exercise of stock-option assigned to the employees resulting in €1.6 million of which €5 thousand as share capital and €1.6 million as share premium;

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

10. SHAREHOLDERS EQUITY CONTINUED

Share capital continued

- issue of 92,308 shares related to the earn-out assigned to the former shareholders of Fidcar resulting in €0.6 million of which €1 thousand as share capital and €0.6 million as share premium; and
- issue of 39,776 shares related to the earn-out assigned to the former shareholders of FusionIT resulting in €0.2 million of which €0.4 thousand as share capital and €0.2 million as share premium.

On 11 May 2023, AGM approved a capital reduction by way of the cancellation of an amount equal to €4 million standing to the credit of the Group's share premium account, to create additional distributable reserves, included in respect of the Programme. Such capital reduction implied a reduction of share premium and an increase of Retained Earnings without effect on the number of shares of the Company.

Share-based payments

The Group operates an equity-settled share-based remuneration scheme for employees, which comprises the Group Employee Share Option Plan.

In May 2024, 923,840 options (1,044,646 in 2023) were granted to employees in the context of the Omnibus LTIP issued in 2022, providing a straight-line basis vesting over three or four years and subject to performance conditions, defined on the basis of Group performance decided year over year (for more details regarding performance conditions please refer to the disclosure done in the Remuneration Committee Report of this Annual Report). As per the rules of the Plan, the grant provide with an exercise price of €5.94 with a life of ten years. The performance conditions of the above mentioned grant were not met so the full amount of n. 923,840 options lapsed.

The Company has in place also the Original Share Option Plan issued before FY2022 providing a straight-line basis vesting over four years, with an exercise price of €0.34 and with a life of 10 years. More information related to the share option plans mentioned above are reported in the Remuneration Committee Report of this Annual Report.

Original Share Option Plan

	2024		2023	
	Weighted average exercise price (€ cents)	Number	Weighted average exercise price (€ cents)	Number
Outstanding at 1 January	**34**	**2,458,663**	**34**	**3,224,385**
Subdivision of shares				
Lapsed during the year[1]	34	(3,839)	34	(197,953)
Exercised during the year	34	(467,476)	34	(567,769)
Outstanding at 31 December	**34**	**1,987,348**	**34**	**2,458,663**
Of which				
Vested		*1,922,680*		*2,173,462*
Unvested		*64,668*		*285,201*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

10. SHAREHOLDERS EQUITY CONTINUED

Omnibus LTIP

a) Grant related to FY2022

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January			**1.645/1.895**	**1,013,018**
Subdivision of shares				
Lapsed during the year[1]	1.645/1.895	(107,749)	1.645/1.895	(350,000)
Exercised during the year	1.645/1.895	(27,460)	–	–
Outstanding at 31 December	**1.645/1.895**	**527,809**	**1.645/1.895**	**663,018**
Of which				
Vested		*305,137*		*190,673*
Unvested		*222,672*		*472,345*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

b) Grant related to January 2023

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January	**1.21**	**261,613**	**–**	**–**
Subdivision of shares				
Granted during the year	-	-	1.21	261,613
Lapsed during the year[1]	1.21	(13,333)	–	–
Exercised during the year	1.21	(6,667)	–	–
Outstanding at 31 December	**1.21**	**241,613**	**1.21**	**261,613**
Of which				
Vested		*161,076*		*87,204*
Unvested		*80,537*		*174,409*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

10. SHAREHOLDERS EQUITY CONTINUED

Share-based payments continued

c) Grant related to June 2023

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January	**2.37**	**450,700**	**–**	**–**
Subdivision of shares				
Granted during the year	-	-	2.37	653,333
Lapsed during the year[1]	2.37	(99,331)	2.37	(202,633)
Exercised during the year	2.37	(2,631)	–	–
Outstanding at 31 December	**2.37**	**348,738**	**2.37**	**450,700**
Of which				
Vested		*110,947*		*–*
Unvested		*237,791*		*450,700*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

d) Grant related to 9 November 2023

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January	**2.73**	**18.750**	**–**	**–**
Subdivision of shares				
Granted during the year	–	–	2.73	25,000
Lapsed during the year[1]	–	–	2.73	(6,250)
Outstanding at 31 December	**2.73**	**18,750**	**2.73**	**18,750**
Of which				
Vested		*4,688*		*–*
Unvested		*14,062*		*18,750*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/ totally not met.

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

10. SHAREHOLDERS EQUITY CONTINUED

Share-based payments continued

e) Grant related to 22 November 2023

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January	**2.79**	**78,525**	**–**	**–**
Subdivision of shares				
Granted during the year	–	–	2.79	104,700
Lapsed during the year[1]	2.79	(56,050)	2.79	(26,175)
Outstanding at 31 December	**2.79**	**22,475**	**2.79**	**78,525**
Of which				
Vested		*6,870*		*–*
Unvested		*15,605*		*78,525*

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

f) Grant related to 23 May 2024

	2024		2023	
	Weighted average exercise price (€)	Number	Weighted average exercise price (€)	Number
Outstanding at 1 January	**–**	**–**	**–**	**–**
Subdivision of shares				
Granted during the year	5.94	923,840	–	–
Lapsed during the year[1]	5.94	(923,840)	–	–
Outstanding at 31 December	**-**	**-**	**-**	**-**
Of which				
Vested		–		–
Unvested		–		–

1 The options lapsed when the beneficiary left the Company and in the case in which the performance conditions related to the grants are partially/totally not met.

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

10. SHAREHOLDERS EQUITY CONTINUED

Share-based payments continued

The following information is relevant in the determination of the fair value of options granted during the year under the equity-settled share-based remuneration scheme operated by the Group:

	2024 (Omnibus LTIP May 2024)	2023 (Omnibus LTIP Jan 2023)	2023 (Omnibus LTIP Jun 2023)	2023 (Omnibus LTIP 9 Nov 2023)	2023 (Omnibus LTIP 22 Nov 2023)	2022 Omnibus LTIP	2022 Original Share Option Plan
Option pricing model used	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes
Weighted average share price at grant date (€)	1.7227	0.7655	1.1306	1.2680	1.2680	0.7650	4.7800
Exercise price (€)	5.94	1.21	2.37	2.73	2.79	1.645/1.895	0.337
Weighted average contractual life (years)	10	10	10	10	10	10	10
Volatility	31.40%	31.20%	31.59%	31.40%	31.40%	31.20%	31.20%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information. Historic volatility is estimated looking at the five-year, 50-day median volatility of a sample of comparable companies operating in the software industry listed on the European stock market (Euronext).

The share-based remuneration expense comprises:

€'000	2024	Restated 2023*
Equity-settled scheme	821	2,195

* FY2023 Equity-settled scheme amount has been restated. Please refer to Note 2 - Accounting policies - Prior year restatements - b) Equity-settled post combination remuneration – change in an accounting policy under IFRS 2.

The decrease of Retained earnings for €17.3 million compared to the previous year is related to the following events:

- the decrease of €15 million related to the loss of the period;
- the increase of €0.8 million related to the share-based remuneration expense;
- the decrease of €0.6 million to the issuance of shares for the contingent consideration assigned to the former shareholders of Fidcar (reclassified into share capital and share premium);
- the decrease of €1.1 million related to the release of the accrual of the contingent consideration provisions to be paid through issuance of shares not more due.

The last outstanding shares will be issued before 31 December 2025.

NOTES FORMING PART OF THE MOTORK PLC FINANCIAL STATEMENTS CONTINUED

11. DEFERRED TAX

The Company has estimated trading losses totalling approximately €17 million (2023: €17 million). A deferred tax asset of approximately €4 million (€5 million in FY2023) has not been recognised due to the uncertainty as to when the loss will be utilised.

12. RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Group. Full details of the compensation of key management personnel are given in the Directors' Remuneration Report on pages 66-79. Directors' compensations are shown in the table on page 117 under Note 10 - Group Operating Loss.

Transactions with related parties are related to receivables and payables booked towards companies of the Group, namely:

	2024				Restated 2023*		
€'000	**Trade and other receivables**	**Trade and other payables**	**Financial assets**	**Financial assets**	**Trade and other receivables**	**Trade and other payables**	**Financial assets**
MotorK Italia S.r.l.	3,510	2,480	14,047	1,076	3,259	1,894	26,925
MotorK Israel Ltd	279	66	-	-	195	25	-
MotorK Spain Gestioness Comerciales SL	895	61	-	-	2,011	-	-
MotorK Deutschland GmbH	48	-	-	-	49	-	-
MotorK France Sarl	1,292	-	-	-	1,089	-	-
DealerK Technology Solutions, Unipessoal Lda	62	-	-	-	58	-	-
FusionIT NV	3	-	-	-	-	-	-
ICO International GmbH	10	-	-	-	5	-	-
Total	**6,099**	**2,607**	**14,047**	**1,076**	**6,666**	**1,919**	**26,925**

* Other payables line item has been restated. Please refer to Note 2 - Accounting policies - Prior year restatements - c) Equity-settled share-based payment - accounting by the Parent Company

The financial assets towards MotorK Italia S.r.l. is related to the loan agreements in place which details are provided below:

- €14 million related to the shareholder loan stipulated in October 2023, March 2024 and November 2024 (mirroring the financial loan entered into with Atempo Growth in October 2023, March 2024 and November 2024). Main terms of such interCompany loan are already disclosed above (refer to Note 5 - Current and Non-current Financial Assets).

Trade and other receivables and trade and other payables are regulated by interCompany agreements providing relevant terms and conditions on the basis of the transfer pricing policy in place (recharges of the year at cost as pass-through (OECD Guidelines)). Payments are due during FY2025.

GROUP ALTERNATIVE PERFORMANCE MEASURE (APM)

Please find below the list of Group APM indicating its definition, explanation why they are considered relevant and reconciliation with the accounts.

ANNUAL RECURRING REVENUE (ARR)

ARR is considered an APM and it represents the yearly subscription contract value of the Group's customer base at the end of the reporting period (December). Due to the accounting policies applied by MotorK Group, the ARR differs from the revenue caption of the Consolidated Statement of Profit and Loss and Other Comprehensive Income. As per the revenue recognition applied, the most significant part of the revenues of the SaaS multi-year contracts are recognised over time during the life of the contract.

ARR represents the value of the December monthly subscription fee of the Group's customer base multiplied by 12. This is the main KPI used by the markets to measure Company operating in a SaaS business.

COMMITTED ANNUAL RECURRING REVENUE (CARR)

CARR is considered an APM and it represents the value of ARR plus the annual recurring revenue that will be generated by additional contracts already signed and committed yet to be delivered and billed. Due to the nature of MotorK Group standard terms and conditions, the contracts signed are binding for the customers. It is therefore only a matter of time before the committed component of the CARR is converted into ARR.

Reconciliation with accounts:

December 2024 monthly recurring billing*	€2.85m
Number of months	12
Total Annual recurring revenue (ARR) (A)	**€34.2m**
December 2024 monthly committed recurring billing	€0.2m
Number of months	12
Total committed component (B)	**€2.4m**
Committed annual recurring revenue (CARR) (A+B)	**€36.6m**

* It represents the amount of fees related to SaaS platform recurring revenue contracts billed or where the right to bill exists in December 2024 to customers. This amount cannot be traced back to Note 9 of the Consolidated Financial Statements as revenue due to the fact that this ARR refers to December 2024 billings times 12 months. December 2024 monthly recurring billing represents the amount billed or where the right to bill exists in December 2024.

GROUP ALTERNATIVE PERFORMANCE MEASURE (APM) CONTINUED

OPERATING FREE CASH FLOW AND FREE CASH FLOW

Operating cash flow measures cash generated by MotorK Group business operations. Free cash flow is the cash that MotorK Group generates from its business operations after subtracting capital expenditures. These indicators are considered non-GAAP measures and Group APMs. The following table shows the reconciliation with the accounts.

Reconciliation:

€'000	2024	Restated 2023*		
(Increase) in trade and other receivables	90	160	A	Consolidated Statement of Cash Flows page 96
Increase in trade and other payables	(1,161)	1,514	B	Consolidated Statement of Cash Flows page 96
Adjusted EBITDA	(505)	(5,857)	C	Please refer to the reconciliation reported in the subsequent page
Other minor movements	231	(293)	D	Other minor movements are included in different lines of the Consolidated Statement of Cash Flows page 96
Operating free cash flow	**(1,345)**	**(4,476)**	E = A+B+C+D	
Income taxes paid	(191)	(712)	F	Consolidated Statement of Cash Flows page 96
Purchase of intangible assets	(8,383)	(9,358)	G	Consolidated Statement of Cash Flows page 96 Note 13 on pages 120-121
Purchases of property, plant and equipment	(27)	(92)	H	Consolidated Statement of Cash Flows page 96 Note 14 on pages 122-123
Free cash flow	**(9,946)**	**(14,638)**	I = E+F+G+H	

* Prior year figures have been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements.

GROUP ALTERNATIVE PERFORMANCE MEASURE (APM) CONTINUED

ADJUSTED EBITDA

This represents the operating profit that the Group is able to generate excluding exceptional components. It is considered a Group APM as it measures the ability of the Group to focus on recurring component excluding expenses that are not strictly inherent to the underlying business performance.

Reconciliation:

€'000	2024	Restated 2023*		
Loss before tax	**(13,057)**	**(19,980)**	A	Consolidated Statement of Profit and Loss and Other Comprehensive Income page 93
Finance expense	2,313	1,097	B	Consolidated Statement of Profit and Loss and Other Comprehensive Income page 93 Note 11 on page 118-119
Finance income	(222)	(57)	C	Consolidated Statement of Profit and Loss and Other Comprehensive Income page 93 Note 11 on page 118-119
EBIT	**(10,966)**	**(18,940)**	D=A+B+C	
Depreciation and amortisation	9,990	8,741	E	Consolidated Statement of Profit and Loss and Other Comprehensive Income page 93 Note 10 on pages 118
EBITDA	**(976)**	**(10,199)**	F=D+E	
Exceptional costs	(167)	3,140	G	Consolidated Statement of Profit and Loss and Other Comprehensive Income page 93 and Note 10 on page 118 Financial and Operating Review page 36
Stock option plan cost	638	1,202	H	Consolidated Statement of Profit and Loss and Other Comprehensive Income page 93 Note 10 on page 118
Adjusted EBITDA	**(505)**	**(5,857)**	I=F+G+H	

* Prior year figures have been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements.

GROUP ALTERNATIVE PERFORMANCE MEASURE (APM) CONTINUED

CASH EBITDA

Cash EBITDA is a consistent measure of trading performance, aligned with the interests of our shareholders and a good proxy of cash generated during the year. This is considered a Group APM by management.

Reconciliation:

€'000	2024	Restated 2023*		
Adjusted EBITDA	**(505)**	**(5,857)**	A	Please refer to the reconciliation reported on page 156
R&D capitalisation	(8,278)	(9,342)	C	Consolidated Statement of Profit and Loss and Other Comprehensive Income page 93
Cash EBITDA	**(8,783)**	**(15,199)**	D = A+B+C	

* Prior year figures have been restated. Please refer to Note 5 - Material accounting policies - Prior year restatements.

COMPANY INFORMATION

Directors	Amir Rosentuler (Executive Chairman) Marco Marlia (Chief Executive Officer) Laurel Charmaine Bowden (Non-Executive Director) Måns Hultman (Non-Executive Director/Independent Director) Helen Protopapas (Non-Executive Director/Independent Director)
Company Secretary	Gravitas Company Secretarial Services Limited
Registered office	5th Floor, One New Change, London, EC4M 9AF United Kingdom
Company number	09259000
Independent auditors	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA United Kingdom
Solicitors	K&L Gates LLP One New Change London EC4M 9AF United Kingdom
Company website	www.motork.io

MOTORK

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