

AS "MAPON"

Unaudited consolidated interim Report

January – December 2024

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General Information

Name of the Company	AS "Mapon"
Legal status of the Company	Joint stock company
Number, place and date of registration	40003800531 Commercial Registry Riga, 6 February 2006
Legal address	Ojāra Vācieša street 6B, Riga, LV-1004
Name and positions of Board members	Edmunds Riekstiņš – Chairman of the Board Andris Dzudzilo – Member of the Board Ingus Rūķis – Member of the Board Aleksi Avanesov – Member of the Board Dāvis Siksnāns – Member of the Board
Names and positions of Council members	Agris Tamanis – Chairman of the Council Lauris Liberts – Deputy chairman of the Council Inga Liberte – Member of the Council
Companies in the Group	Mapon Finland OY (100%) Mapon Estonia OU (100%) Mapon Denmark ApS (100%) Mapon Lithuania UAB (100%) (from 06.2024) Mapon Sucursal En Espana (representative office)
Financial period	1 January – 31 December 2024

Management report

Mapon is one of the leading fleet management and asset-tracking solution providers in Northern Europe and one of the largest SaaS (Software as a Service) companies in Latvia. The Company offers a comprehensive end-to-end telemetry solution, from widely compatible tracking devices to multiple state-of-the-art management platforms that provide actionable outputs and tools for business optimization.

Mapon continuously invests in new and existing product development to further improve customer value propositions and stay ahead of the competition.

Overview of the Group's status and results of operation

In 2024, the Group's net turnover reached 19,7 EUR million, marking a strong 13.5% year-over-year increase and reflecting robust financial performance. Recurring revenue saw even higher growth during the year.

The Group's Gross Profit Margin for 2024 was 59%, highlighting outstanding operational efficiency.

In Q3, a portion of the Cost of Goods Sold related to Research and Development activities was reclassified in the Consolidated Statement of Comprehensive Income to better align with the nature of these expenses. Additionally, costs related to the Internal Software department were capitalized, as the expected benefits from these investments are expected to be realized over the coming years.

The Group achieved an EBITDA of 2,3 EUR million in 2024, resulting in a solid EBITDA margin of 12%.

The interim report has been prepared in accordance with Latvian GAAP, while the annual consolidated report will comply with IFRS. As a result, certain deviations in the figures are expected.



30 000+

Clients



18+ years

Experience



400+

Global partners

The data on clients, experience, and partners reflects the situation on December 31, 2024.

Consolidated Statement of Comprehensive Income

	01.01.2024 - 31.12.2024 (Unaudited)	01.01.2023 - 31.12.2023
	EUR	EUR
Net turnover	19,711,430	17,361,134
Cost of goods sold	-8,126,044	-10,251,164
Gross profit	11,585,386	7,109,970
Selling expenses	-3,902,499	-3,232,307
Administrative expenses	-3,371,571	-2,303,083
R&D expenses	-3,005,251	—**
Other operating income	76,245	53,896
Other operating expenses	-321,913	-108,819
Interest income and similar income	76,914	3,511
Interest expenses and similar expenses	-232,660	-20,997
Profit before tax	904,651	1,502,171
Corporate income tax	-216,357	-157,801
Profit for the period	688,294	1,344,370
Exchange difference on translation of foreign operation	1,612	-374
Total comprehensive income for period after tax	689,906	1,343,996

** R&D expenses for 2023 will be reclassified during the preparation of the 2024 Annual Report

Consolidated Statement of Financial Position

ASSETS	31/12/2024	31/12/2023
NON-CURRENT ASSETS	EUR	EUR
Goodwill	2,327,334	1,982,125
Other intangible assets	1,246,583	1,143,438
Property, plant and equipment	1,187,312	1,075,399
Long term finance investments		
TOTAL	4,761,229	4,200,962
CURRENT ASSETS		
Inventories	1,402,030	802,857
Trade receivables	2,437,743	2,224,372
Other receivables	316,246	308,718
Own stocks and shares	10,000	10,000
Cash and cash equivalents	5,489,390	1,828,671
TOTAL	9,655,409	5,174,618
TOTAL ASSETS	14,416,638	9,375,580
EQUITY AND LIABILITIES		
EQUITY		
Share capital	230,924	230,924
Share premium	1,888,674	1,888,674
Retained earnings	5,097,197	4,407,291
TOTAL	7,216,795	6,526,889
NON-CURRENT LIABILITIES		
Interest bearing liabilities - Bonds (8 March 2027, 5% +3M EURIBOR)	3,000,000	-
Other interest bearing liabilities	186,298	191,924
Other liabilities	4,504	32,981
Deferred income	1,187,778	178,072
TOTAL	4,378,580	402,977
CURRENT LIABILITIES		
Interest bearing liabilities	794	133,431
Trade payables	704,492	446,892
Taxes and social security costs	911,959	787,841
Other current liabilities	68,886	37,414
Deferred income	334,352	300,964
Accrued liabilities	800,780	739,172
TOTAL	2,821,263	2,445,714
TOTAL LIABILITIES	7,199,843	2,848,691
TOTAL EQUITY AND LIABILITIES	14,416,638	9,375,580

Consolidated Statement of Changes in Equity

	Issued capital	Share premium	Retained earnings	Total
	EUR	EUR	EUR	EUR
BALANCE AS AT 31 DECEMBER 2022	224,674	1,044,924	3,063,294	4,332,892
Increase in share capital	6,250	843,750		850,000
Profit for the reporting period			1,344,371	1,344,371
Foreign currency exchange rate difference			-374	-374
BALANCE AS AT 31 DECEMBER 2023	230,924	1,888,674	4,407,291	6,526,889
Increase in share capital				-
Profit for the reporting period			688,294	688,294
Foreign currency exchange rate difference			1,612	1,612
BALANCE AS AT 31 DECEMBER 2024	230,924	1,888,674	5,097,197	7,216,795

Consolidated Statement of Cash Flows

	2024 EUR	2023 EUR
<i>Cash flows to/from operating activities</i>		
Profit before tax	905,012	1,502,172
Adjustments for:		
Amortization and depreciation	1,278,303	1,125,592
Interest and similar income	-78,126	-10,634
Interest and similar expense	232,660	20,998
(Gain)/Loss from disposal of property and equipment	-16,458	-27,136
<i>Cash flow from operating activities before working capital change</i>	<i>2,321,391</i>	<i>2,610,992</i>
(Increase)/ decrease in inventories	-604,378	230,624
(Increase)/ decrease in trade and other receivables	-138,359	-816,650
(Decrease)/ increase in advances received and trade payables	1,591,413	392,432
<i>Cash flows used in/from operations</i>	<i>3,170,067</i>	<i>2,417,398</i>
Corporate income tax paid	-21,076	-47,970
Net cash flows used in operating activities	3,148,991	2,369,428
<i>Cash flows to/from investing activities</i>		
Share acquisition of related, associated or other companies	-862,716	
Acquisition of fixed assets and intangibles	-1,286,064	-2,231,401
Proceeds from sales of fixed assets and intangibles	13,973	53,249
Interest received	78,127	10,634
Cash acquired by acquisition of subsidiary		226,155
Net cash flows to/from investing activities	-2,056,680	-1,941,363
<i>Cash flows to/from financing activities</i>		
Share capital and share premium increase	-	850,000
Bonds issue	2,931,900	-
Finance lease payments	-348,587	-117,025
Interest paid	-14,905	-20,998
Net cash flows to/from financing activities	2,568,408	711,977
Net cash flow of the reporting year	3,660,719	1,140,042
Cash and cash equivalents at the beginning of the reporting year	1,828,671	688,629
CASH AT THE END OF THE PERIOD	5,489,390	1,828,671

Financial indicators

There are restrictions in the prospectus for the senior secured bonds issued (ISIN LV0000860161).

Mapon Group (the group of legal entities comprising Mapon and its direct or indirect Subsidiaries) undertakes to comply with the following financial covenants:

- A.** Interest coverage ratio - The ratio of (i) Consolidated EBITDA to Consolidated Net Finance Charges for the Relevant Period; or (ii) if the Group has performed an Acquisition in the Relevant period, the Pro-Forma EBITDA divided by Pro-Forma Net Finance Charges over the Relevant Period.
- B.** Equity ratio - Ratio of Total Equity to Total Assets, calculated according to the most recent Financial Report.
- C.** Net debt leverage ratio - Net Debt, according to the most recent Financial Report, divided by (i) Consolidated EBITDA; or (ii) if the Group has performed an Acquisition over the Relevant Period, the Pro-Forma EBITDA over the Relevant Period.

	Result as of 31/12/2024
Interest coverage ratio	10
Equity ratio	50%
Net debt leverage ratio	neg.

