

## Admission Document



### GALILEO GLOBAL TECHNOLOGIES LTD

*(a private limited company existing under the laws of England and Wales)*

**Admission to trading of Galileo Global Technologies Ltd 13.75% senior secured USD 75,000,000 bonds 2025/2028 on Euronext  
ABM**

This admission document (the "**Admission Document**") has been prepared by **Galileo Global Technologies Ltd** (the "**Issuer**", and together with its subsidiaries, "**Galileo**" or the "**Group**") in connection with the admission to trading on Euronext ABM, a list of registered bonds operated by Oslo Børs ASA, of the Galileo Global Technologies Ltd 13.75% senior secured USD 75,000,000 bonds 2025/2028 with ISIN NO0013481242 (the "**Bonds**") issued by the Issuer pursuant to the bond terms dated 28 February 2025 (the "**Bond Terms**"), attached as [Appendix A](#) to this Admission Document (the "**Admission to Trading**"). A loan description relating to the Bonds (the "**Loan Description**") is attached as [Appendix B](#) to this Admission Document.

**THIS ADMISSION DOCUMENT DOES NOT CONSTITUTE AN OFFER TO BUY, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT HERETO.**

**The date of this Admission Document is 3 September 2025**

## IMPORTANT INFORMATION

This Admission Document has been prepared solely by the Issuer only to comply with the ABM Rules for Euronext ABM to provide information about the Issuer and its business and in relation to the Admission to Trading. This Admission Document has been prepared solely in the English language.

All inquiries relating to this Admission Document should be directed to the Issuer. No other person has been authorized to give any information, or make any representation, on behalf of the Issuer in connection with the Admission to Trading, and if given or made, such other information or representation must not be relied upon as having been authorized by the Issuer.

The Issuer has within its reasonable effort ensured that all relevant information about the Issuer and the Bonds to be admitted to trading is included in the Admission Document and that it covers the content requirements as set out in section 2.7.2 of the ABM Rules for Euronext ABM. This Admission Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 (the EU Prospectus Regulation) and has not been prepared to comply with the said regulation.

The information contained herein is as of the date hereof and subject to change, completion or amendment without notice. There may have been changes affecting the Issuer or its subsidiaries subsequent to the date of this Admission Document. Neither the delivery of this Admission Document nor the completion of the Admission to Trading at any time after the date hereof will, under any circumstances, create any implication that there has been no change in the Issuer's affairs since the date hereof or that the information set forth in this Admission Document is correct as of any time since its date.

The contents of this Admission Document shall not be construed as legal, business or tax advice. Each reader of this Admission Document should consult its own legal, business or tax advisors as to legal, business or tax advice. If you are in any doubt about the contents of this Admission Document, you should consult your stockbroker, bank manager, lawyer, accountant or other professional adviser.

The distribution of this Admission Document may in certain jurisdictions be restricted by law. Persons in possession of this Admission Document are required to inform themselves about, and to observe, any such restrictions. No action has been taken or will be taken in any jurisdiction by the Issuer that would permit the possession or distribution of this Admission Document in any country or jurisdiction where specific action for that purpose is required.

The Bonds may be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

This Admission Document shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court (Nw.: *Oslo tingrett*) as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Admission Document.

## TABLE OF CONTENTS

<b>1</b>	<b>RESPONSIBILITY FOR THE ADMISSION DOCUMENT .....</b>	<b>2</b>
<b>2</b>	<b>PRESENTATION OF THE ISSUER .....</b>	<b>3</b>
2.1	Introduction and history .....	3
2.2	Principal activities .....	3
2.3	Developments and trends.....	4
2.4	Outlook .....	7
2.5	Dependency on contracts, patents and licences, etc.....	7
2.6	Legal and regulatory proceedings .....	8
<b>3</b>	<b>SELECTED FINANCIAL INFORMATION .....</b>	<b>9</b>
3.1	Introduction.....	9
3.2	Selected financial information.....	9
3.3	Investments .....	10
3.4	The Bonds, other borrowings and loans .....	10
3.5	Other information .....	11
<b>4</b>	<b>THE BOARD OF DIRECTORS AND MANAGEMENT.....</b>	<b>12</b>
4.1	The Board of Directors.....	12
4.2	Management.....	13
<b>5</b>	<b>CORPORATE INFORMATION .....</b>	<b>15</b>
5.1	Information about the Issuer .....	15
5.2	Legal structure.....	15
5.3	Authorized and issued share capital .....	16
<b>6</b>	<b>ADDITIONAL INFORMATION .....</b>	<b>17</b>

### APPENDICES TO THE ADMISSION DOCUMENT:

<b>APPENDIX A</b>	Bond Terms
<b>APPENDIX B</b>	Loan Description
<b>APPENDIX C</b>	Articles of association of Galileo Global Technologies Ltd
<b>APPENDIX D</b>	Annual Report and Financial Statements for the year ended 31 December 2024
<b>APPENDIX E</b>	Annual Report and Financial Statements for the year ended 31 December 2023
<b>APPENDIX F</b>	Condensed Interim Financial Statements for the six month period ended 30 June 2025
<b>APPENDIX G</b>	Summons for a Written Resolution

## 1 RESPONSIBILITY FOR THE ADMISSION DOCUMENT

The Issuer confirms that, to the best of its knowledge, the information contained in the Admission Document is in accordance with the facts and the document contains no omission likely to affect its import.

Oslo, 3 September 2025

On behalf of  
**Galileo Global Technologies Ltd**

Signed by:



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CEA75B3D6FF144E...  
Jesús Grande, CEO  
3 September 2025

## 2 PRESENTATION OF THE ISSUER

### 2.1 Introduction and history

Galileo Global Technologies Ltd is a private limited company validly incorporated on 9 October 2015 and existing under the laws of England and Wales.

In April 2016, Galileo formed a strategic partnership with Blue Water Energy Fund I, LP and Blue Water Energy Fund I and IA, LP (the "**BWE Funds**"), a private equity energy specialist based in London, to drive the growth of the business and the adoption of Galileo's technology.

As of 31 December 2024, Galileo operates the following four operating companies:

- Galileo Technologies S.A., registered in Argentina;
- Galileo Technologies Corporation, registered in the United States of America;
- Galileo Tecnología para Gas Limitada, registered in Brazil; and
- Galileo Technologies Corporation Sucursal Peru, a branch of Galileo Technologies Corporation registered in Peru.

For a more detailed description of the Group' legal structure, please refer to Section 5.2 (*Legal Structure*).

Galileo Technologies S.A. and Galileo Technologies Corporation sell equipment to both external clients and other Galileo entities to be used in projects built to address client needs. Additionally, they provide installation, operation and maintenance services and spare parts to clients. They also provide compression services to clients. Galileo Technologies S.A. built and operates a 40 mega watt ("mw") power generation plant in Mendoza, Argentina, the "Anchors Power Plant", and supplies electricity under a 10-year power purchase agreement to Compañía Administradora del Mercado Mayorista Eléctrico Sociedad Anónima (CAMMESA), the administrator of the wholesale power system in Argentina. This plant operates using liquefied natural gas ("**LNG**") produced by Galileo Technologies S.A. at "La Mora" Plant in Mendoza, Argentina.

Galileo Tecnología para Gas Limitada sells and rents equipment, sells spare parts, offers liquefaction services and installation, operation and maintenance services to Brazilian clients.

Galileo Technologies Corporation Sucursal Peru operates a liquefaction plant in Paita, Perú and sells LNG through a contract signed with a Peruvian fuel distributor for a period of 10 years.

A former trading company operated by Galileo, Galileo Technologies SAS, registered in France, is in the process of winding down and has no operating activity.

### 2.2 Principal activities

#### 2.2.1 Introduction

Galileo designs, manufactures and deploys a broad range of equipment for treating, compressing, liquefying and distributing natural gas and biogas and is a leading provider of modular LNG and compressed natural gas ("**CNG**") equipment. With production and assembly facilities in Buenos Aires, Argentina and New Jersey, USA, Galileo serves customers across Latin America, North America, Europe, Africa and Asia. From 1 October 2025 onwards, Galileo plans to move its operations to Texas.

To accommodate the requirements of its large and diverse customer base, Galileo operates within two segments:

- (i) **The solutions segment:** Galileo addresses its clients' needs through operation and maintenance services and selling of spare parts and/or by owning and operating plants and equipment that are either rented or whose production is sold to customers; and



- (ii) **The technologies segment:** Galileo addresses its clients' needs by combining standard modules and equipment to cover the specific needs of each client.

Development of small and very small scale LNG projects continued to grow in 2024 as demand for flexible, decentralized energy solutions continued to materialize. The key drivers for this increase in activity included the rising need for cleaner alternatives to diesel and coal in remote industrial operations, mining, and small power generation facilities and the need to reduce flaring and methane emissions from boil off gas. Development of bio-gas projects also continue to increase driven by stricter emissions regulations, rising carbon pricing, the push to decarbonize sectors like agriculture, waste management, and transport, and supportive government policies promoting sustainable energy solutions.

In this environment, Galileo continues to expand its market presence and increases its backlog by securing orders for its two flagship products, the Cryobox and the Biobox.

### 2.2.2 *The Cryobox*

The **Cryobox**™ LNG Production Station condenses all the capabilities of a large-scale LNG plant into a compact transportable module. This small-scale LNG solution enables gas monetization directly at the source, offering a low CAPEX alternative with all the standard components and key features of Galileo's compressor packages: modularity, low weight, transport advantages, and ease of installation.

### 2.2.3 *The Biobox*

The Biobox™ enables businesses to turn renewable natural gas ("**RNG**") into a profitable revenue stream. This skid-mounted upgrading and compression station features a plug-and-play design, ready for immediate use without the need for third-party equipment. Capable of processing all types of biogas—including non-edible crops, animal manure, dairy waste, and food industry by-products – the Biobox offers a flexible, efficient, and turnkey solution for RNG production.

## 2.3 **Developments and trends**

### 2.3.1 *Developments in 2024*

For the twelve-month period ended 31 December 2024 Galileo's revenue increased 33.17% year on year compared to the twelve-month period ended 31 December 2023. This growth was driven by (i) a 44.1% increase in the sales of goods and construction contracts' revenue, which grew from USD thousand ("**USDT**") 65,697 in 2023 to USDT 94,672 in 2024 driven by increasing activity levels that resulted in higher Cryobox and Biobox sales; and (ii) a 38.2% increase in revenue arising from the rendering of services, which grew from USDT 12,069 in 2023 to USDT 16,674 in 2024; a 6.7% increase on sales of energy revenue, which grew from USDT 17,519 in 2023 to USDT 18,686 in 2024; and a 2.6% increase in the revenue arising from rentals, which grew from USDT 10,256 in 2023 to USDT 10,516 in 2024. These increases were driven by growing revenue from aftermarket and maintenance services, and an improvement in the revenue generated by reoccurring revenue investments.

<b>Revenue</b>	<b>December 31, 2024</b> In USD thousands	<b>December 31, 2023</b> In USD thousands	<b>Variance</b>
Sale of goods - Construction contract	75,505	47,177	
Sale of goods	19,167	18,520	
Subtotal	94,672	65,697	44.1%
Sale of energy	18,686	17,519	6.7%
Rendering of services	16,674	12,069	38.2%
Rental income	10,516	10,256	2.5%
Total revenue	140,548	105,541	33.2%

Gross margin increased substantially from -2.0% in 2023 to 13.4% in 2024, driven by:

- (i) an improvement in revenue mix with larger participation of higher margin LNG projects;
- (ii) an improvement in macroeconomic conditions in Argentina that positively impacted the cost of operating there; and
- (iii) the implementation of cost reduction initiatives across the Group.

	<b>December 31, 2024</b> In USD thousands	<b>December 31, 2023</b> In USD thousands
Total revenue	140,548	105,541
Gross margin	18,825	-2,161
Gross margin (%)	13.4%	-2.0%

### 2.3.2 Developments since 31 December 2024

Galileo's revenue for the six-month period ended June 30, 2025, was 5.1% lower than in the same period in 2024. This decline is mainly due to a 20% decrease in revenue from sale of energy, services and equipment rental, which fell from USDT 19,863 in the first half of 2024 to USDT 24,851 in the first half of 2025. The decrease is explained by the termination of a rental contract by a customer in Brazil, lower compression revenue due to delayed contract renewals, and a partially offsetting increase in power generation revenue from higher dispatch levels. At the same time, the Technologies segment saw a 5.4% increase in revenue, rising from USDT 35,399 in the first half of 2024 to USDT 37,310 in the first half of 2025. This increase was driven by higher LNG production levels in the second quarter of 2025, although this was partially offset by client-driven engineering changes that delayed one project in production

<b>Revenue</b>	<b>Six-month period ended June 30, 2025</b> In USD thousands	<b>Six-month period ended June 30, 2024</b> In USD thousands	<b>Variance</b>
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Sales of goods – Construction contract	24,851	28,591	
Sales of goods	12,459	6,808	
Subtotal	<u>37,310</u>	<u>35,399</u>	5.4%
Sale of energy	9,900	8,415	17.65%
Rental income	5,389	5,700	-5.46%
Rendering of services	4,574	10,736	-57.4%
	<u>57,173</u>	<u>60,250</u>	-5.11%

Gross margin for the six months ending 30 June 2025 dropped to 7.8%, compared to 12.6% in the corresponding period of 2024. This reduction was largely driven by delays in revenue recognition on key projects, mostly attributable to changes in engineering from the client and changes to production plans that were implemented to mitigate the impact of newly implemented US tariffs, combined with a larger proportion of lower-margin orders delivered in the period, which reduced average profitability.

	Six-month period ended June 30, 2025 In USD thousands	Six-month period ended June 30, 2024 In USD thousands
Total revenue	57,173	60,250
Gross margin	4,445	7,572
Gross margin (%)	7.8%	12.6%

Selling, general and administrative expenses decreased by 5.7% in the first half of the year 2025 to USDT 12,708 compared to USDT 13,477 in the corresponding period of 2024. This reflects the Group's continued efforts to reduce both operating and non-recurring expenses.

Net finance loss for the six-month period ended on June 30, 2025 amounts to USDT 21,897, which is 54% higher than the corresponding period of the previous year. This increase mainly reflects recorded losses related to the repayment of senior secured loans and the reversal of capitalized costs associated with those loans.

	Six-month period ended June 30, 2025 In USD thousands	Six-month period ended June 30, 2024 In USD thousands	Variance
Revenue	57,173	60,250	
Cost of sales	<u>-52,728</u>	<u>-52,678</u>	
Gross margin	<u>4,445</u>	<u>7,527</u>	-41.30%
SG&A	<u>-12,708</u>	<u>-13,477</u>	-5.71%
Operating (loss) – profit	<u>-8,263</u>	<u>-5,905</u>	



Other	211	--2,696	
Finance expenses, net	<u>-21,897</u>	<u>-14,211</u>	54.08%
Loss for the period before tax	<u>-29,949</u>	<u>-22,812</u>	

### 2.3.3 Recent activities, developments and material events

Since 31 December 2024, the Issuer has continued its planned operations and development.

Following the issuance of the Bonds in March 2025, Galileo has been affected by the following circumstances:

- Complex regulatory requirements in Canada which delayed the production of a large order and postponed the associated collections.
- Uncertainties generated by U.S. tariff policy triggered postponements in project final investment decision and related new orders, despite a robust pipeline.
- An outstanding USD 30 million collection associated with a firm order under a signed contract has impacted cash flow and execution efficiency.
- Limited inflows and a cost base with limited short-term flexibility have further strained the cash position.

The last twelve months ("LTM") Adjusted EBITDA amounted to USDT 15,571, while Net Leverage increased to 4.36x, which does not comply with existing financing terms. These circumstances have also delayed the conversion of Galileo into a public limited company (PLC). As a result, Galileo has approached key bondholders to request a waiver of the LTM Leverage Covenant. Due to EBITDA developments so far and expected for the remainder of 2025, Galileo expects that a waiver of the leverage ratio requirements in the Bond Terms might be required into 2026. Please see Section 3.4 "*The Bonds, other borrowings and loans*" below and [Appendix G](#) for further details.

## 2.4 Outlook

Notwithstanding the above, Galileo estimates that the business will return to its planned growth path starting in early 2026. In this regard, Galileo expects that the demand for its LNG and biogas equipment will continue to improve in the coming period. This positive trend is driven by several factors, including the anticipated growth in global energy demand and a higher share of LNG, CNG and biogas in the global energy mix, which together stimulate new capital investments.

In addition, the increased availability of stranded and flared natural gas represents a cheap, abundant, and cleaner energy source that can be monetized through projects utilizing Galileo's products. The Group also sees continued strong momentum for biogas development, especially in Europe and in the United States. Galileo's technology is well positioned to meet these trends by enabling the monetization of flared and stranded gas, facilitating quick-to-market and modular gas liquefaction capacity, and supporting the implementation of fully integrated solutions for renewable biogas.

## 2.5 Dependency on contracts, patents and licences, etc.

Some of the Group's operations in Argentina, USA, Brazil and Perú depend on specific permits and licenses granted by public authorities. Accordingly, the Group relies on maintaining its current permits and licenses, as well as



obtaining future permits and licenses from the relevant governmental authorities to operate its facilities and to sustain and expand its revenues and business.

The Group does not depend on specific permits or licenses to manufacture and sell its technology. However, the Group does require specific permits issued by the relevant authorities to operate its liquefaction and power generation facilities, as described below:

(i) **Anchoris Power Plant (Mendoza, Argentina):** authorization as a generation agent of the Wholesale Electricity Market (*Mercado Eléctrico Mayorista - MEM*) issued by the Argentine Secretariat of Energy and the Dispatch Authority (*Organismo Encargado del Despacho - CAMMESA*).

(ii) **La Mora Liquefaction Plant (Mendoza, Argentina):** permits issued by the National Gas Regulatory Authority (*Ente Nacional Regulador del Gas – ENARGAS*) to connect to the gas transportation system and registration with the Gas Storage Registry (*Registro de Almacenadores*) of ENARGAS.

(iii) **Paíta Liquefaction Plant (Paíta, Piura, Peru):** marketing license issued by the General Directorate of Hydrocarbons (*Dirección General de Hidrocarburos - DGH*) and plant authorization by the Supervisory Agency for Investment in Energy and Mining (*Organismo Supervisor de la Inversión en Energía y Minería - Osinergmin*). The nature of the equipment manufactured by the Group, particularly gas compression and liquefaction equipment, results in sporadic sales, especially when a large project is sold to a single customer. This means that sometimes a significant portion of the Group's revenue may depend on a few clients.

The Issuer's current top five customers/contracts are:

- (i) **Saint John LNG Limited Partnership (Repsol Group):** contract under execution for the provision of liquefaction equipment in New Brunswick, Canada;
- (ii) **GNLink Distribuidora de Gas Natural S.A.:** contract under execution for the provision of liquefaction equipment at various locations in Brazil;
- (iii) **Matrix Service Inc.:** contract under execution for the provision of liquefaction equipment for final client Virginia Electric and Power Company (Dominion Energy);
- (iv) **East Jordan for Natural and Liquefied Gas and Energy Development LLC (Unigaz):** contract under execution for the provision of liquefaction equipment for project in Jordan; and
- (v) **Thungela Resources Limited:** contract under execution for the provision of liquefaction equipment for project in South Africa.

The Group holds copyright and other intellectual property rights for some of its technology and related components. Failure to protect the Group's intellectual property rights could weaken its competitive position and impact its financial performance.

## 2.6 Legal and regulatory proceedings

The Issuer is not and has not been involved in any legal disputes, arbitration proceedings, legal decisions, arbitration rulings or settlements which are not presented in the Financial Information (as defined below), and which have or may have a significant effect on the financial position of the Issuer. The Issuer is not aware of any such proceedings which are pending or threatened.

### 3 SELECTED FINANCIAL INFORMATION

#### 3.1 Introduction

In order to provide historical financial statements for the Issuer's underlying business, the Issuer has included the following financial statements in this Admission Document (the "**Financial Information**"):

- Audited consolidated financial statements for the Issuer as of and for the financial years ended 31 December 2024 and 31 December 2023 (the "**Annual Financial Statements**"), prepared in accordance with the United Kingdom Accounting Standards and in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework FRS 101* and are presented in USD. In the preparation of the Annual Financial Statements, the Issuer applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards ("**IFRS**") but makes amendments where necessary in order to comply with the Companies Act 2006. Please refer to note 1 of the Annual Financial Statements for an overview of the disclosures for which exemptions have been applied under FRS 101. The Annual Financial Statements have been audited by Moore Kingston Smith LLP and the audit reports are issued without any qualifications, modifications of opinion or disclaimers.
- Unaudited condensed consolidated interim financial statements for the Issuer as of and for the six month period ended 30 June 2025 (the "**Condensed Interim Financial Statements**"), prepared in accordance with the accounting principles and are presented in USD. The Condensed Interim Financial Statements have been prepared in accordance with IFRS and in conformity with the requirements of the Companies Act 2006. The Condensed Interim Financial Statements have not been subject to audit review.

The Annual Financial Statements for 2024 and 2023 are attached to this Admission Document as [Appendices D and E](#), respectively. The Condensed Interim Financial Statements are attached to this Admission Document as [Appendix E](#).

For information regarding accounting policies and the use of estimates and judgements, please refer to notes 1 and 2 of the Annual Financial Statements and the Condensed Interim Financial Statements.

The Issuer's independent auditor is Moore Kingston Smith LLP, with registered address 6th Floor, 9 Appold Street, London EC2A 2AP, England.

#### 3.2 Selected financial information

The table below references the pages, in the Financial Information, including selected historical financial information.

	Condensed Interim Financial Statements for the six month period ended 30 June 2025	Annual Financial Statements for the year ended 31 December 2024	Annual Financial Statements for the year ended 31 December 2023
Independent auditor's report	-	Pages 11-13	Pages 12-14
Statement of comprehensive income	Page 6	Page 14	Page 15
Statement of financial position	Page 7	Page 15	Page 16
Statement of cash flow	Page 9	Page 17	Page 18
Statement of changes in equity	Page 8	Page 16	Page 17
Notes to the financial statements	Page 10-16	Pages 18-55	Pages 19-55

### 3.3 Investments

#### 3.3.1 Main investments

Over the past years, Galileo has made significant investments in equipment to provide liquefaction services in Peru, biogas services in Brazil, gas compression services in the United States, and, to a lesser extent, in Argentina. The Issuer has also devoted resources to maintenance CAPEX and to development initiatives aimed at enhancing existing equipment, ensuring it remains highly competitive and at the forefront of technological innovation in the market.

The table below sets out information about the main investments made by Galileo from 1 January 2022 and until June 30, 2025:

Year	Investment
2022	USDT 28,695 in Property, plant and equipment
	USDT 6,642 in Operating CAPEX & Development Costs
2023	USDT 13,668 in Property, plant and equipment
	USDT 5,949 in Operating CAPEX & Development Costs
2024	USDT 5,143 in Property, plant and equipment
	USDT 6,069 in Operating Capex & Development Costs
2025	USDT 1,938 in Property, plant and equipment
	USDT 1,823 in Operating Capex & Development Costs

For all of the investments mentioned above, the Company used a portion of its existing financing tools referred to in Section 3.4.

#### 3.3.2 Future investments

The Issuer does not contemplate any major future investments, and which have been approved by its relevant corporate bodies.

### 3.4 The Bonds, other borrowings and loans

On March 4, 2025, Galileo issued senior secured USD 75,000,000 bonds 2025/2028 with ISIN NO0013481242. The Bonds are documented through a bond agreement dated 28 February 2025 between the Issuer as issuer and Nordic Trustee AS as bond trustee and security agent, included as [Appendix A](#), and the loan description included as [Appendix B](#).

A portion of the proceeds was used to fully repay the USDT 30,000 senior loan dated May 2, 2022 (as amended from time to time), entered into among others by Galileo Technologies Corporation, as borrower, and Morgan Stanley Senior Funding, Inc., as sole lead arranger, together with the lenders listed therein. The remaining proceeds will be used for general corporate purposes of the group.

Pursuant to section 17 of the Bond Terms, attached hereto as [Appendix A](#), the Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents, as defined in the Bond Terms, or waive a past default or an anticipated failure to comply with any provision of a Finance Document, provided that the conditions for such amendment set out in section 17.1 are met. On 1 September 2025, the Issuer requested the Bond Trustee to summon a Written Resolution for the purpose of seeking the Bondholders' consent to postpone



certain deliveries under the Bond Terms until 30 September 2025. The Summons for Written Resolution is attached hereto as Appendix G. The details of the proposals is described in further detail therein. Investors are encouraged to familiarize themselves with the content of the Summons for Written Resolution. On 3 September 2025, the written resolution was approved.

In addition to the Bonds, the Issuer has, as of July 2025, several outstanding intercompany loans and shareholder's loans totalling approximately USDT 209,737 plus accrued interest. Furthermore, the Issuer has issued USDT 10,000 zero coupon loan notes on 19 February 2025 in favor of Halliburton B.V. (the "**HAL loan notes**").

The loans described above are subordinated in right of payment and liquidation to the prior payment in full of the Bonds, in accordance with the applicable bond terms. The HAL loan notes and the indirect shareholder' loans carry a second and third lien, respectively, over materially the same security package granted to the Bonds.

### 3.5 Other information

The table below sets out the location and size of establishments accounting for more than 10% of the Issuer's production. The Issuer does not own any other real estate of significance.

Plant Location	Facility	Capacity (Annual)	Description
San Martin, Buenos Aires, Argentina (owned)	Welding	70 Cryoboxes	6 Mazak Machining centers
3 De Febrero, Buenos Aires, Argentina (owned)	Machining Center	100 Cryoboxes	Welding plant for vessel, spools and cooling units
3 De Febrero, Buenos Aires, Argentina (owned)	Assembly	50 Cryoboxes	Electrical and mechanical assembly
New Jersey, USA (leased)	Assembly	45 Cryoboxes	Electrical and mechanical assembly Enables local content tax benefits for customers

## 4 THE BOARD OF DIRECTORS AND MANAGEMENT

### 4.1 The Board of Directors

The current board of directors of the Issuer (the "**Board of Directors**") consists of two directors (the "**Directors**").

The names and positions of the Directors are set out in the table below.

The Issuer's registered address at C/O Aztec Financial Services (Uk) Limited Forum 4, Solent Business Park, Parkway South, Whiteley, Fareham, England, PO15 7AD, serves as the business address for the members of the Board of Directors as regards their directorship in the Issuer.

Name	Position
Salil Oberoi	Director
Thomas Joseph Sikorski	Director

Set out below are brief biographies of each of the Directors. The biographies include the Director's relevant management expertise and experience and indications of each of the Director's significant principal activities performed outside the Issuer where relevant for the business of the Issuer, including the names of companies and partnerships of which a Director is a member of the administrative management or supervisory bodies or partner.

#### **Salil Oberoi, Director**

Salil joined Bluewater Energy, the private equity fund that controls the Issuer, in 2013 and has more than 15 years of experience in the energy and industrials sector. Salil's key responsibilities include origination, execution and portfolio management. He has a focus on companies within the energy and industrial manufacturing and technology segments.

Salil was previously a Director in the Corporate Finance division at Ruspetro Plc and, before then, an Investment Banking Associate in the Basic Industries group at Citigroup. He is a Rhodes Scholar from University of Oxford and holds a BA (Hons) degree in Economics and Management.

Salil currently serves on the boards of Galileo Global Technologies, Severn Group, Varel Energy Services International, Apex and EDGE Gathering Virtual Pipelines

#### **Thomas Joseph Sikorski, Director**

Tom co-founded Bluewater Energy, the private equity fund that controls the Issuer, in 2011 and currently leads the Management Team as Managing Partner. Tom's responsibilities range from deal origination and structuring to execution, monitoring and exit strategy evaluation. Tom is involved in investment activities throughout the entire energy industry, with particular expertise in industrial manufacturing and service, energy transition and storage and logistics.

Before Bluewater, Tom served as Managing Director and, from 2006, Head of the London office and Chairman of First Reserve International. Tom holds an A.B. degree Magna Cum Laude in Economics from Harvard College and an M.B.A. from Stanford Graduate School of Business. Tom has served in recent years as a director on the boards of Aquilex Corp., Dresser, Inc., Dresser-Rand Group, Inc., Quanta Services, Inc. and Bahamas Oil Refining Company International Limited (BORCO).

Tom currently serves on the boards of Authentix, Excellence Logging, IMServ, Severn, FIT as well as Galileo Global Technologies.

## 4.2 Management

The Issuer's senior management team (the "**Management**") currently consists of 11 individuals.

The names of the members of Management and their respective positions are presented in the table below.

The Issuer's principal place of business at C/O Aztec Financial Services (UK) Limited Forum 4, Solent Business Park, Parkway South, Whiteley, Fareham, England, PO15 7AD, serves as business address for the members of the Management as regards their positions with the Issuer.

Name	Position
Jesús Grande	Chief Executive Officer
Abel Valdés	Production Director
Elizabeth Gagliardi	HR Director
Emilio Weber	Commercial Director
Gastón Sayús	Legal Director
Germán Laria	Financial Director
Marcelo Cammi	QHSE Director
Maximiliano Fernández	Supply Chain Director - IT Director
Nicolás Cappellari	Chief Operating Officer
Ricardo Krauze	Operations and Services Director
Ron Foster	COO for North America

Set out below are indications of each member of the Management's significant principal activities performed outside the Issuer where relevant for the business of the Issuer, including the names of companies and partnerships of which a member of the Management is a member of the administrative management or supervisory bodies or partner.

**Jesús Grande, Chief Executive Officer**

*Principal activities performed outside the Issuer:* Not applicable.

**Abel Valdés, Production Director**

*Principal activities performed outside the Issuer:* Not applicable.

**Elizabeth Gagliardi, HR Director**

*Principal activities performed outside the Issuer:* Not applicable.

**Emilio Weber, Commercial Director**

*Principal activities performed outside the Issuer:* Not applicable.

**Gastón Sayús, Legal Director**

*Principal activities performed outside the Issuer:* Not applicable.

**Germán Laria, Financial Director**

*Principal activities performed outside the Issuer:* Not applicable.



**Marcelo Cammi, QHSE Director**

*Principal activities performed outside the Issuer:* Not applicable.

**Maximiliano Fernández, Supply Chain Director - IT Director**

*Principal activities performed outside the Issuer:* Not applicable.

**Nicolás Cappellari, Chief Operating Officer**

*Principal activities performed outside the Issuer:* Not applicable.

**Ricardo Krauze, Operations and Services Director**

*Principal activities performed outside the Issuer:* Not applicable.

**Ron Foster, COO for North America**

*Principal activities performed outside the Issuer:* Not applicable.

## 5 CORPORATE INFORMATION

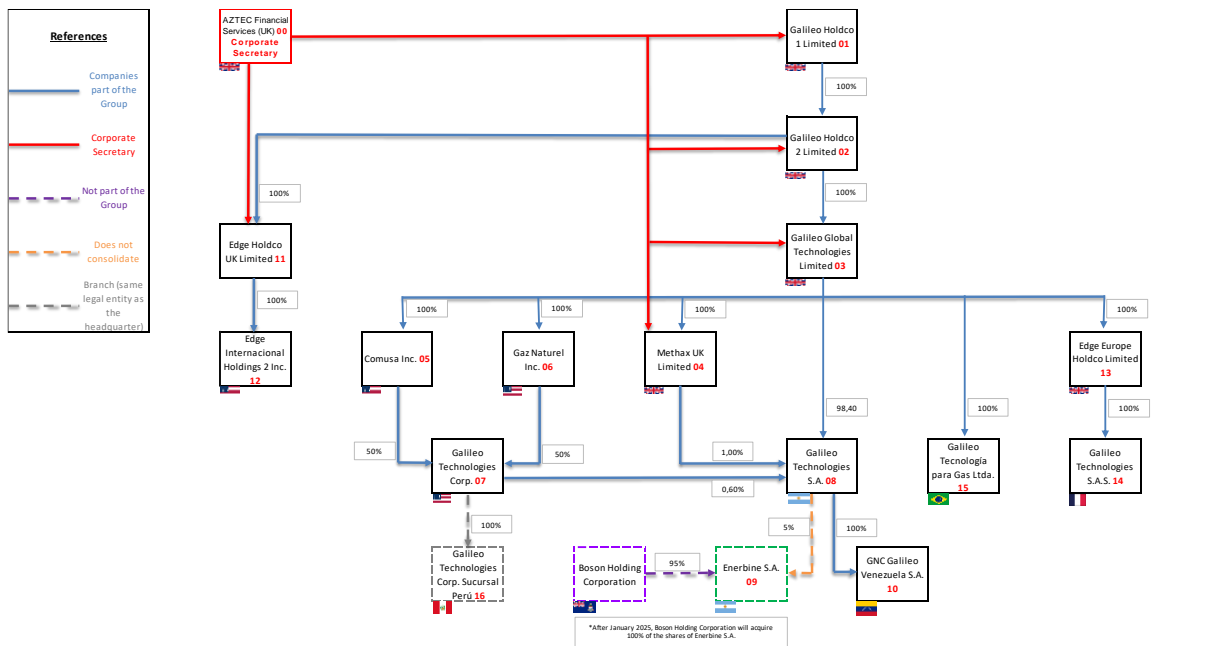
### 5.1 Information about the Issuer

The Issuer's registered and commercial name is Galileo Global Technologies Ltd. The Issuer is a limited company validly incorporated on 9 October 2015 and existing under the laws of England and Wales in accordance with Companies Act, 2006 (as amended). The Issuer is registered with the Registrar of Companies for England and Wales under company number 9817636 and its LEI code is 213800YIJLJT8TLZHT73. The Issuer's registered business address is C/O Aztec Financial Services (UK) Limited Forum 4, Solent Business Park, Parkway South, Whiteley, Fareham, England, PO15 7AD, with its principal place of business at Av. General Paz 265, Saenz Peña, Tres de Febrero, Province of Buenos Aires, Argentina. The Issuer's website is [www.galileotechnologies.com](http://www.galileotechnologies.com).

The Issuer's articles of association, included as Appendix C, do not include provisions constraining or limiting the Issuer's objectives.

### 5.2 Legal structure

The following illustration provides an overview of the ownership structure of Galileo:



The table below sets out brief information about the Issuer's subsidiaries, including country of incorporation.

Company name	Country	Acronym
Galileo Holdco 1 Limited	UK	GH1
Galileo Holdco 2 Limited	UK	GH2
Galileo Global Technologies Limited	UK	GGT
Methax UK Limited	UK	MUK
Comusa Inc.	USA	CMU
Gaz Naturel Inc.	USA	GZN
Galileo Technologies Corp.	USA	GTC
Galileo Technologies SA	Argentina	GTA
Enerbine SA	Argentina	ENB
Galileo Venezuela SA	Venezuela	GVE



Company name	Country	Acronym
Edge Holdco UK Limited	UK	EHU
Edge International Holdings 2 Inc.	USA	EIH
Edge Europe Holdco Limited	UK	EEH
Galileo Technologies S.A.S.	France	GTF
Galileo Tecnologia para Gas Ltda.	Brazil	GTB
Galileo Technologies Corp., Peru Branch	Peru	GTP

The Issuer's issued shares are held by Galileo Holdco 2 Limited, and is, indirectly, ultimately owned by five shareholders as set out below:

Shareholder	Holding (%)
Blue Water Energy Fund I-A, L.P.	40.78%
Blue Water Energy Fund I, L.P.	31.22%
Ohio Public Employees Retirement System (OPERS)	15%
Northwestern University	6%
Makena Traditional Natural Resource Master Fund B, L.P.	6%

### 5.3 Authorized and issued share capital

As of the date of this Prospectus, the Issuer's authorized share capital is USD 118,332,229 consisting of 118,332,229 shares with a par value of USD 1 each, of which all shares have been issued and are fully paid.

All issued shares have been created under the Companies Act, 2006 (as amended) and are validly issued and fully paid. There are no imminent changes in the issued share capital which have been formally approved.

Neither the Issuer or any companies in which the borrower directly or indirectly owns more than 50% of the shares hold any shares in the Issuer.



## **6 ADDITIONAL INFORMATION**

Wikborg Rein Advokatfirma AS has assisted the Issuer in the preparation of this Admission Document.

The trustee for the Bonds is Nordic Trustee AS, a Norwegian incorporated limited liability company having its business address at Haakon VII gate 1, 0161 Oslo, Norway, with organisation number 963 342 624 in the Norwegian Register of Business Enterprises.

The Admission Document is available for inspection on [www.euronext.com](http://www.euronext.com).



**GALILEO GLOBAL TECHNOLOGIES LTD**

[Galileo Technologies](#)

**APPENDIX A**

*EXECUTION VERSION*

**BOND TERMS**

**FOR**

**Galileo Global Technologies Ltd. 13.75 % senior secured USD 75,000,000  
bonds 2025/2028**

**ISIN NO0013481242**

## Contents

Clause	Page
1. INTERPRETATION .....	3
2. THE BONDS .....	18
3. THE BONDHOLDERS.....	20
4. ADMISSION TO LISTING .....	20
5. REGISTRATION OF THE BONDS.....	21
6. CONDITIONS FOR DISBURSEMENT.....	21
7. REPRESENTATIONS AND WARRANTIES .....	25
8. PAYMENTS IN RESPECT OF THE BONDS .....	27
9. INTEREST.....	29
10. REDEMPTION AND REPURCHASE OF BONDS .....	29
11. PURCHASE AND TRANSFER OF BONDS.....	31
12. INFORMATION UNDERTAKINGS .....	32
13. GENERAL AND FINANCIAL UNDERTAKINGS .....	33
14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS .....	38
15. BONDHOLDERS' DECISIONS .....	41
16. THE BOND TRUSTEE.....	45
17. AMENDMENTS AND WAIVERS .....	49
18. MISCELLANEOUS .....	50
19. GOVERNING LAW AND JURISDICTION.....	52

ATTACHMENT 1 COMPLIANCE CERTIFICATE  
ATTACHMENT 2 RELEASE NOTICE – ESCROW ACCOUNT  
ATTACHMENT 3 AGREED SECURITY PRINCIPLES  
ATTACHMENT 4 INTERCREDITOR AGREEMENT

<b>BOND TERMS between</b>	
ISSUER:	<b>Galileo Global Technologies Ltd</b> , a company existing under the laws of England and Wales with registration number 09817636 and LEI-code 213800YIJLJT8TLZHT73; and
BOND TRUSTEE:	<b>Nordic Trustee AS</b> , a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
DATED:	28 February 2025
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

## 1. INTERPRETATION

### 1.1 Definitions

The following terms will have the following meanings:

“**Accounting Standard**” means GAAP.

“**Additional Bonds**” means the debt instruments issued under a Tap Issue.

“**Affiliate**” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

“**Agreed Security Principles**” means the security principles set out in Attachment 3 (*Agreed Security Principles*) hereto.

“**Annual Financial Statements**” means the audited unconsolidated and consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

“**Attachment**” means any schedule, appendix or other attachment to these Bond Terms.

“**Bond Currency**” means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Bond Terms**” means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“**Bond Trustee**” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“**Bond Trustee Fee Agreement**” means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

“**Bondholder**” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders’ rights*).

“**Bondholders’ Meeting**” means a meeting of Bondholders as set out in Clause 15 (*Bondholders’ Decisions*).

“**Bonds**” means (a) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds, and (b) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

“**Boson Deferred Consideration**” means Galileo Holdco 1 Limited’s deferred consideration of USD 1,737,504 to Boson Holding Corporation.

“**Business Day**” means a day on which both the relevant CSD settlement system and the relevant settlement system for the Bond Currency are open.

“**Business Day Convention**” means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

“**Call Option**” has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

“**Call Option Repayment Date**” means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

“**Cash and Cash Equivalents**” means at any time:

- (a) cash in hand or amounts standing to the credit of any current and/or on deposit accounts with a reputable bank; and
- (b) time deposits with reputable banks and certificates of deposit issued, and bills of exchange accepted, by a reputable bank,

in each case to which a Group Company is beneficially entitled at the time and to which it has free and unrestricted access and which is not subject to any Security (other than any Transaction Security).

“**Change of Control Event**” means a person or group of persons acting in concert, other than the Sponsor or a Permitted Transferee, gaining Decisive Influence over the Issuer.

“**Closing Procedure**” has the meaning ascribed to such term in paragraph (c) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

“**Compliance Certificate**” means a statement substantially in the form as set out in Attachment 1 (*Compliance Certificate*) hereto.

“**CSD**” means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS) (Euronext Securities Oslo).

“**Cure Amount**” means cash actually received by the Issuer (a) in exchange for fully paid shares in the Issuer or (b) as Subordinated Loans.

“**Decisive Influence**” means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

“**Default Notice**” has the meaning ascribed to such term in Clause 14.2 (*Acceleration of the Bonds*).

“**Default Repayment Date**” means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

“**Distribution**” means:

- (a) payment of dividend, charge or fee or other distribution (whether in cash or in kind) on or in respect of share capital;
- (b) repayment or distribution of dividend or share premium reserve;
- (c) redemption, repurchase or repayment of share capital or other restricted equity with repayment to shareholders;
- (d) repayment or service of any Subordinated Loan (other than capitalising accrued interest); or
- (e) other similar distributions or transfers of value to the direct and indirect shareholders of any Group Company or the Affiliates of such direct and indirect shareholders.

“**EBITDA**” means, in respect of any Relevant Period, the consolidated operating profit of the Group before taxation (excluding, without any form of double counting, the results from discontinued operations):

- (a) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any Group Company (calculated on a consolidated basis) in respect of that Relevant Period;
- (b) not including any accrued interest owing to any Group Company;

- (c) after adding back any amount attributable to the amortisation or depreciation of assets of any Group Company;
- (d) in respect of any Relevant Period ending on or before 30 September 2025, before taking into account any exceptional, one off, non-recurring or extraordinary items incurred on or before 31 December 2024;
- (e) in respect of any Relevant Period ending after 30 September 2025, before taking into account any exceptional, one off, non-recurring or extraordinary items for up to a total amount equal to 10.00 per cent. of EBITDA in respect of such Relevant Period (when calculated prior to the making of any adjustments for any such items) in aggregate for the Group;
- (f) before deducting any fees, costs and expenses, stamp, registration and other taxes incurred by any Group Company in connection with the issuance of the Bonds;
- (g) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (h) plus or minus the Group's share of the profits or losses (after finance costs and tax) of any investment or entity (which is not itself a Group Company (including associates and JVs)) in which any Group Company has an ownership interest;
- (i) excluding any Transaction Costs;
- (j) before taking into account any unrealised gains or losses on any derivative or financial instrument (other than any derivative instrument which is accounted for on a hedge accounting basis);
- (k) before taking into account any gain or loss arising from an upward or downward revaluation of any other asset;
- (l) before taking into account any income or charge attributable to a post-employment benefit scheme (other than the current service costs and any past service costs and curtailments and settlements attributable to the scheme); and
- (m) excluding the charge to profit represented by the expensing of stock options,

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation.

**“Escrow Account”** means an account in the name of the Issuer, blocked and pledged on first priority as security for the Issuer's obligations under the Finance Documents and which may be constituted by several accounts in different currencies, reflecting the required currencies for the purposes set out in Clause 2.3 (*Use of proceeds*).

**“Escrow Account Pledge”** means the pledge over the Escrow Account, where the bank operating the account has waived any set-off rights.

“**Event of Default**” means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

“**Exchange**” means:

- (a) Nordic ABM; and
- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

“**Existing Debt**” means the Financial Indebtedness under the USD 30,000,000 senior loan agreement dated 2 May 2022 entered into, amongst others, between Galileo Technologies Corporation in its capacity as borrower, the lenders listed therein and Morgan Stanley Senior Funding, Inc. in its capacity as sole lead arranger (as amended and/or amended and restated from time to time), which shall be refinanced using part of the proceeds of the Initial Bond Issue.

“**Finance Documents**” means these Bond Terms, the Bond Trustee Fee Agreement, the Intercreditor Agreement, any Transaction Security Document, any Security Agent Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;

- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

“**Financial Reports**” means the Annual Financial Statements and the Interim Accounts.

“**First Call Date**” means the Interest Payment Date falling in September 2026.

“**First Call Price**” has the meaning ascribed to such term in paragraph (a)(ii) of Clause 10.2 (*Voluntary early redemption – Call Option*)

“**GAAP**” means generally accepted accounting practices and principles in the country in which the Issuer is incorporated including, if applicable, IFRS.

“**Group**” means the Issuer and its Subsidiaries from time to time, other than any JV.

“**Group Company**” means any person which is a member of the Group.

“**Guarantee**” means the unconditional Norwegian law guarantee and indemnity (Norwegian: “*selvskyldnerkausjon*”) issued by each of the Guarantors in respect of the Secured Obligations.

“**Guarantor**” means each Original Guarantor and each Group Company which subsequently becomes a Material Group Company.

“**Halliburton Loan**” means the USD 10,000,000 loan facility granted by Halliburton Argentina S.R.L. to Galileo Technologies S.A., which may be assigned to Halliburton BV and settled by means of a loan note instrument to be constituted by the Issuer to Halliburton BV, which is secured by the Second Priority Transaction Security (as defined in the Intercreditor Agreement) ranking after the Bonds and guaranteed provided that such guarantees are fully subordinated to the Secured Obligations in accordance with the terms of the Intercreditor Agreement and where any servicing of interest or principal of such loan or other liability is subject to all present and future obligations and liabilities under the Secured Obligations having been discharged in full.

“**IFRS**” means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

“**Incurrence Test**” has the meaning ascribed to such term in Clause 13.24 (*Incurrence test*).

“**Initial Bond Issue**” means the amount to be issued on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Initial Nominal Amount**” means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Insolvent**” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

“**Intercompany Loans**” means any loan or credit granted by a Group Company to any other Group Company (excluding any Financial Indebtedness under any cash pooling arrangement) where (a) the Intercompany Loan is scheduled or expected to be outstanding for at least 12 months and (b) the principal amount of such Intercompany Loan is at least USD 1,000,000 (or the equivalent in any other currency) and, in the case of any Intercompany Loan granted by a Material Group Company, which is fully subordinated to the Secured Obligations.

“**Intercreditor Agreement**” means a Norwegian law governed intercreditor agreement to be entered into between, among others, the Issuer, the Bond Trustee and the Security Agent, substantially in the form set out in Attachment 4 (*Intercreditor Agreement*), subject to such technical and administrative amendments as may be reasonably required by any security agent thereunder.

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 4 September 2025 and the last Interest Payment Date being the Maturity Date.

“**Interest Period**” means, subject to adjustment in accordance with the Business Day Convention, the periods between 4 March and 4 September of each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

“**Interest Rate**” means 13.75 percentage points per annum.

“**Interim Accounts**” means the unaudited consolidated quarterly financial statements of the Issuer for the quarterly period ending on each Quarter Date, prepared in accordance with the Accounting Standard.

“**ISIN**” means International Securities Identification Number.

“**Issue Date**” means 4 March 2025.

“**Issuer**” means the company designated as such in the preamble to these Bond Terms.

“**Issuer’s Bonds**” means any Bonds which are owned by the Issuer or a Group Company or any Affiliate of the Issuer or a Group Company.

“**JV**” means any entity in which a Group Company holds no more than 55.00 per cent of the equity interest and an entity not being a Group Company holds the remaining equity interest.

“**Leverage Ratio**” means, in respect of any Relevant Period, the ratio of Total Net Debt to EBITDA in respect of that Relevant Period.

“**Listing Deadline**” means 4 September 2025.

“**Listing Failure Event**” means:

- (a) that the Bonds have not been admitted to listing on Nordic ABM within the Listing Deadline; or
- (b) in the case of a successful admission to listing, that a period of 6 months has elapsed since the Bonds ceased to be admitted to listing on Nordic ABM.

“**Make Whole Amount**” means an amount equal to the sum of the present value on the Repayment Date of:

- (a) the Nominal Amount of the redeemed Bonds at the First Call Price as if such payment originally had taken place on the First Call Date; and
- (b) the remaining interest payments on the redeemed Bonds (less any accrued and unpaid interest on the redeemed Bonds as at the Repayment Date) to the First Call Date,

where the present value (in respect of both (a) and (b) above) shall be calculated by using a discount rate of 4.636 per cent. per annum.

“**Manager**” means Artic Securities AS and Pareto Securities AS.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the ability of the Issuer or any Guarantor to perform and comply with its obligations under any Finance Document; or
- (b) the validity or enforceability of any Finance Document.

“**Material Group Company**” means any Subsidiary of the Issuer which has subsequently been designated as a Material Group Company by the Issuer pursuant to Clause 13.20 (*Designation of Material Group Companies*).

“**Maturity Date**” means 4 March 2028, adjusted according to the Business Day Convention.

“**Maximum Issue Amount**” means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Methax Receivables Financing**” means the financing obtained by Galileo Technologies S.A. by issuing publicly traded promissory notes (*pagarés bursátiles*) guaranteed by Banco Supervielle, provided that:

- (a) such financing does not exceed USD 4,000,000 (or its equivalent in other currencies); and
- (b) any such financing is either unsecured or secured solely in receivables related to the power purchase agreement of Methax plant.

“**Net Proceeds**” means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Managers and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds).

“**Nominal Amount**” means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

“**Obligor**” means the Issuer and each Guarantor.

“**Original Guarantor**” means each of:

- (a) Galileo Technologies Corporation, a company registered under the laws of the state of California, United States of America with registration no. 3430776;
- (b) Comusa Inc., a company registered under the laws of the state of California, United States of America with registration no. 3607418;
- (c) Gaz Naturel Inc., a company registered under the laws of the state of California, United States of America with registration no. 3607419;
- (d) Galileo Technologies S.A., a company registered under the laws of Argentina with registration no. 800054; and
- (e) Galileo Tecnologia para Gas Ltda, a company registered under the laws of Brazil with registration no. CNPJ 37.352.656/0001-83.

“**Outstanding Bonds**” means any Bonds not redeemed or otherwise discharged.

“**Overdue Amount**” means any amount required to be paid by an Obligor under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

“**Parent**” means Galileo Holdco 2 Limited, a company existing under the laws of England and Wales with registration number 10138785.

“**Partial Payment**” means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

“**Paying Agent**” means Pareto Securities AS.

**“Payment Date”** means any Interest Payment Date or any Repayment Date.

**“Permitted Financial Indebtedness”** means any Financial Indebtedness:

- (a) arising under the Finance Documents;
- (b) up to the first release of funds from the Escrow Account, any Existing Debt;
- (c) arising under any guarantee arrangements provided to the Issuer and/or any other Group Company in the ordinary course of business on normal commercial terms, constituting:
  - (i) bid bonds, performance guarantees or payment guarantees (including letters of credit and standby letters of credit) or (ii) advance payment guarantees towards customers;
- (d) arising under the Methax Receivables Financing;
- (e) arising under any Unsecured Argentina Credit Facilities;
- (f) subject to compliance with the Incurrence Test, arising under any Tap Issue;
- (g) arising under the Halliburton Loan;
- (h) constituting Boson Deferred Consideration;
- (i) arising under a Permitted Loan or a Permitted Guarantee;
- (j) of any person acquired by a Group Company after the Issue Date which is incurred under arrangements in existence at the date of acquisition, but not incurred or increased or having its maturity date extended in contemplation of, or since, that acquisition, and outstanding only for a period of 3 months following the date of acquisition;
- (k) arising under any Permitted Hedging Liabilities;
- (l) under any lease or hire purchase contract entered into in the ordinary course of business;
- (m) in the form of Subordinated Loans;
- (n) any Intercompany Loans and other loans between Group Companies;
- (o) arising under supplier credits on normal commercial terms in the ordinary course of business;
- (p) arising as a result of a contemplated refinancing of the Bonds in full provided that (i) a call notice has been served on the Bonds or will be served in connection with the refinancing (in full) and (ii) the proceeds of such debt issuance are held in escrow until full repayment of the Bonds;
- (q) under any pension and tax liabilities incurred in the ordinary course of business; or
- (r) not permitted by the preceding paragraphs and the outstanding amount of which does not exceed USD 1,000,000 (or its equivalent) in aggregate for the Group at any time.

**“Permitted Guarantee”** means:

- (a) any Guarantee or indemnity granted under the Finance Documents;
- (b) the guarantees and indemnities granted in respect of the Halliburton Loan on the terms and in force as at the Issue Date;
- (c) any guarantee or indemnity for the benefit of third parties in the ordinary course of business or guarantee or indemnity for or for the benefit of any Group Company;
- (d) any guarantee given in respect of netting or set-off arrangements permitted pursuant to paragraph (g) of the definition of Permitted Security; or
- (e) not otherwise permitted by the preceding paragraphs and in the ordinary course of business so long as the aggregate amount of the guaranteed liabilities does not exceed USD 1,000,000 (or its equivalent in other currencies) at any time.

**“Permitted Hedging Liabilities”** means any liabilities of any Group Company under any hedging or other derivative transaction entered into by any Group Company with one or more hedge counterparties in connection with any protection against or benefit from the fluctuation in any interest, rate or price, where such exposure arises in respect of the Bonds or any other indebtedness or otherwise in the ordinary course of business (but not a hedging or derivative transaction for investment or speculative purposes).

**“Permitted Loan”** means:

- (a) any Intercompany Loan, any loans between Group Companies;
- (b) any loan provided to any JV up to USD 1,000,000 (or its equivalent in other currencies) per JV or exceeding this limit if provided on a pro rata basis with the other shareholders of such JV;
- (c) any trade credit extended by any Group Company on normal commercial terms and in the ordinary course of trading;
- (d) any loan which is referred to in the definition of, or otherwise constitutes Permitted Financial Indebtedness; and
- (e) any loan so long as the aggregate amount of the Financial Indebtedness under any such loans does not exceed USD 1,000,000 (or its equivalent in other currencies) at any time.

**“Permitted Security”** means:

- (a) any Security arising under the Finance Documents;
- (b) any Security in the form of cash collateral securing liabilities arising under guarantee arrangements permitted pursuant to paragraph (c) of the definition of Permitted Financial Indebtedness;
- (c) Security arising under the Methax Receivables Financing;

- (d) any Security created in favour of the Second Priority Creditors (as defined in the Intercreditor Agreement) under the Halliburton Loan, provided that such Security is extended to and shared with the Bond Trustee (on behalf of the Bondholders) pursuant to and in accordance with the terms of the Intercreditor Agreement;
- (e) any lien arising by operation of law or in the ordinary course of trading and not as a result of any default or omission by any Group Company;
- (f) any Security in respect of the Existing Debt so long as the Security is irrevocably removed or discharged by no later than the date of the initial disbursement of the Net Proceeds or in accordance with the Closing Procedure;
- (g) any netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of Group Companies;
- (h) any payment or close out netting or set-off arrangement pursuant to any treasury transaction or foreign exchange transaction entered into by a Group Company which constitutes Permitted Financial Indebtedness;
- (i) any Security over or affecting any asset or company acquired by a Group Company after the Issue Date if the Security was not created in contemplation of the acquisition of that asset or company, the principal amount secured has not been increased in contemplation of or since the acquisition of that asset or company by a Group Company and the Security is removed or discharged within 3 months of the date of acquisition of such asset or company;
- (j) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Group Company in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any Group Company;
- (k) any Security granted in favour of any Permitted Hedging Liabilities;
- (l) any Security arising as a consequence of any lease or hire purchase contract permitted pursuant to the definition of "Permitted Financial Indebtedness"; or
- (m) any Security (excluding over assets covered by Transaction Security) securing indebtedness the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of Security given by any Group Company other than any permitted under the preceding paragraphs) does not exceed USD 1,000,000 (or its equivalent in other currencies).

**"Permitted Transferee"** means any person approved (prior to a Change of Control Event occurring) as a "Permitted Transferee" by a Bondholders' meeting or written resolution of the Bondholders with a majority of at least 50 per cent. of the Voting Bonds.

**"Pre-Disbursement Security"** means the Security listed in paragraph (a)(ii) through (a)(iv) of Clause 2.5 (*Transaction Security*).

“**Pre-Settlement Security**” means the Security listed in paragraph (a)(i) of Clause 2.5 (*Transaction Security*).

“**Put Option**” has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*).

“**Put Option Repayment Date**” means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*).

“**Quarter Date**” means in each financial year, 31 March, 30 June, 30 September and 31 December.

“**Relevant Jurisdiction**” means the country in which the Bonds are issued, being Norway.

“**Relevant Period**” means each period of 12 consecutive calendar months ending on the relevant Quarter Date.

“**Relevant Record Date**” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders’ Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders’ decision being made, or another date as accepted by the Bond Trustee.

“**Repayment Date**” means any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.

“**Secured Obligations**” means all present and future liabilities and obligations of the Obligor to any of the Secured Parties under the Finance Documents.

“**Secured Parties**” means the Security Agent and the Bond Trustee on behalf of itself and the Bondholders.

“**Securities Trading Act**” means the Securities Trading Act of 2007 no. 75 of the Relevant Jurisdiction.

“**Security**” means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Security Agent**” means the Bond Trustee or any successor Security Agent, acting for and on behalf of the Secured Parties in accordance with any Security Agent Agreement or any other Finance Document.

“**Security Agent Agreement**” means any agreement other than these Bond Terms whereby the Security Agent is appointed to act as such in the interest of the Bond Trustee (on behalf of itself and the Bondholders).

“**Security Provider**” means the Parent, each Obligor and each other person granting Transaction Security.

“**Sponsor**” means Blue Water Energy LLP and any fund or entity managed or advised by it.

“**Subordinated Loan**” means any loan granted to the Issuer (or recourse liability) from the Parent or any of its direct or indirect shareholders or any third-party, in each case which is fully subordinated to the Secured Obligations to the satisfaction of the Security Agent and where any servicing of interest or principal of such loan or other liability is subject to all present and future obligations and liabilities under the Secured Obligations having been discharged in full (unless serviced as part of a distribution expressly permitted hereunder).

“**Subsidiary**” means a person over which another person has Decisive Influence.

“**Summons**” means the call for a Bondholders’ Meeting or a Written Resolution as the case may be.

“**Tap Issue**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Tap Issue Addendum**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Tax Event Repayment Date**” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

“**Total Net Debt**” means at any time, the aggregate amount of all interest bearing debt of the Group but:

- (a) excluding any such obligations to any other Group Company;
- (b) excluding any such obligations in respect of any Subordinated Loan;
- (c) excluding any Bonds held by the Issuer;
- (d) including, in the case of finance leases, their capitalised value only; and
- (e) deducting the aggregate amount of Cash and Cash Equivalents at that time,

and so that no amount shall be included or excluded more than once.

“**Transaction Costs**” means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other Group Company directly or indirectly in connection with (a) the Initial Bond Issue and any Tap Issue (b) the admission to trading of the Bonds and (c) refinancing of the Existing Debt.

“**Transaction Security**” means the Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to the Transaction Security Documents.

“**Transaction Security Documents**” means, collectively, the Escrow Account Pledge and all of the documents which shall be executed or delivered pursuant to Clause 2.5 (*Transaction Security*).

“**Unsecured Argentina Credit Facilities**” means any credit facilities provided to Galileo Technologies S.A., provided that:

- (a) the aggregate maximum commitment under such facilities does not exceed the higher of (i) USD 15,000,000 and (ii) 0.5x EBITDA at the time of commitment (or, in each case, the equivalent in any other currency); and
- (b) any such facility has a 1-year rolling maturity.

“**Voting Bonds**” means the Outstanding Bonds less the Issuer’s Bonds.

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

## 1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of “**law**” are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*);
- (j) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and

- (k) an Event of Default is “**continuing**” if it has not been remedied or waived.

## **2. THE BONDS**

### **2.1 Amount, denomination and ISIN of the Bonds**

- (a) The Issuer has resolved to issue a series of Bonds up to USD 75,000,000 (the “**Maximum Issue Amount**”). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of USD 55,000,000. The Issuer may, provided that the conditions set out in Clause 6.4 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a “**Tap Issue**”) until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a “**Tap Issue Addendum**”).
- (b) The Bonds are denominated in US Dollars (USD), being the legal currency of the United States of America.
- (c) The Initial Nominal Amount of each Bond is USD 125,000.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN and (ii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders’ Meeting*).

### **2.2 Tenor of the Bonds**

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

### **2.3 Use of proceeds**

- (a) The Issuer will use the Net Proceeds from the Initial Bond Issue for:
  - (i) refinancing of the Existing Debt; and
  - (ii) general corporate purposes of the Group.
- (b) The Issuer will use the Net Proceeds from the issuance of any Additional Bonds for general corporate purposes of the Group, unless otherwise stated.

### **2.4 Status of the Bonds**

- (a) The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank *pari passu* between themselves and at least *pari passu* with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

- (b) The Bonds will be secured on a first priority basis and will receive (i) the proceeds from any enforcement of the Transaction Security and certain distressed disposals and (ii) any payments following any other enforcement event prior to the Second Priority Creditors (as defined in the Intercreditor Agreement) in accordance with the waterfall provisions of the Intercreditor Agreement.

## 2.5 Transaction Security

- (a) As Security for the due and punctual fulfilment of the Secured Obligations, the Issuer shall procure that the following Transaction Security is granted in favour of the Security Agent (on behalf of the Secured Parties), or, in the case of the Pre-Settlement Security, the Bond Trustee (on behalf of the Bondholders) with first priority within the times agreed in Clause 6 (*Conditions for Disbursement*), subject to mandatory limitations under applicable law and the Agreed Security Principles:

*Pre-Settlement Security:*

- (i) the Escrow Account Pledge;

*Pre-Disbursement Security:*

- (ii) a first priority pledge over all shares in the Issuer;
- (iii) first priority assignment of any Subordinated Loans; and
- (iv) a first priority assignment of Intercompany Loans granted by the Issuer;

*Post-Disbursement Security:*

- (v) a first priority pledge over all shares owned by any Group Company in each Obligor;
  - (vi) a first priority assignment of Intercompany Loans granted by an Obligor at any time; and
  - (vii) Guarantees from each Guarantor.
- (b) The Pre-Settlement Security shall be granted in favour of the Bond Trustee (on behalf of the Bondholders). The Security Agent shall have the right (acting in its sole discretion) to release the Pre-Settlement Security in connection with the release of funds from the Escrow Account.
  - (c) The Pre-Disbursement Security and Post-Disbursement Security shall be granted in favour of the Security Agent (on behalf of the Secured Parties).
  - (d) The Security Agent is irrevocably authorised to release:
    - (i) any Guarantees and Transaction Security (A) over assets which are sold or otherwise disposed of in connection with any merger, de-merger, disposal or other transaction permitted by the Finance Documents, or (B) in connection with any enforcement or insolvency; and

- (ii) any Guarantee or Transaction Security provided by a Guarantor that ceases to be a Material Group Company.

### **3. THE BONDHOLDERS**

#### **3.1 Bond Terms binding on all Bondholders**

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

#### **3.2 Limitation of rights of action**

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

#### **3.3 Bondholders' rights**

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

### **4. ADMISSION TO LISTING**

The Issuer shall ensure that the Bonds are listed on Nordic ABM within the Listing Deadline and thereafter remain listed until the Bonds have been redeemed in full.

## **5. REGISTRATION OF THE BONDS**

### **5.1 Registration in the CSD**

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

### **5.2 Obligation to ensure correct registration**

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

### **5.3 Country of issuance**

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

## **6. CONDITIONS FOR DISBURSEMENT**

### **6.1 Conditions precedent for disbursement to the Issuer**

- (a) Payment of the Net Proceeds from the issuance of the Bonds to the Escrow Account shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
  - (i) these Bond Terms duly executed by all parties hereto;
  - (ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
  - (iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party;
  - (iv) copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
  - (v) the Escrow Account Pledge duly executed by all parties thereto and perfected in accordance with applicable law (including all applicable acknowledgements and consents from the account bank);
  - (vi) copies of the Issuer's latest Financial Reports (if any);
  - (vii) confirmation that the applicable prospectus requirements (ref. the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
  - (viii) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;

- (ix) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
  - (x) confirmation of acceptance from any process agent;
  - (xi) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
  - (xii) the Bond Trustee Fee Agreement duly executed by all parties thereto; and
  - (xiii) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).
- (b) The Net Proceeds from the issuance of the Bonds (on the Escrow Account) will not be disbursed to the Issuer unless the Bond Trustee has received or is satisfied that it will receive in due time (as determined by the Bond Trustee) prior to such disbursement to the Issuer each of the following documents, in form and substance satisfactory to the Bond Trustee:
- (i) a duly executed release notice from the Issuer, as set out in Attachment 2;
  - (ii) unless delivered under paragraph (a) above, as pre-settlement conditions precedent:
    - (A) copies of all necessary corporate resolutions of each Security Provider in respect of the Pre-Disbursement Security required to provide the Transaction Security and execute the Finance Documents to which it is a party;
    - (B) a copy of a power of attorney (unless included in the relevant corporate resolutions) from each Security Provider in respect of the Pre-Disbursement Security to relevant individuals for their execution of the Finance Documents to which it is a party;
    - (C) copies of the articles of association and a full extract from the relevant company register in respect of each Security Provider in respect of the Pre-Disbursement Security evidencing that such Security Provider is validly existing;
  - (iii) the Transaction Security Documents for the Pre-Disbursement Security duly executed by all parties thereto and evidence of the establishment and perfection of the Pre-Disbursement Security in accordance with the Closing Procedure;
  - (iv) the Intercreditor Agreement, duly executed by all parties thereto;
  - (v) subordination statements with respect to any Subordinated Loans, in each case duly executed by all parties thereto;

- (vi) evidence that (A) the Existing Debt will be repaid in full no later than on the date of first disbursement and (B) any guarantee or security created in respect thereof will be released and discharged in full, in each case subject to the Closing Procedure;
  - (vii) a list of the Group Companies that constitute Material Group Companies on the Issue Date and which shall grant Pre-Disbursement Security, including reasonable calculations evidencing compliance with Clause 13.18 (*Designation of Material Group Companies*); and
  - (viii) legal opinions or other statements as may be required by the Bond Trustee, including in respect of corporate matters relating to the Obligors and the legality, validity and enforceability of the Finance Documents (unless delivered under paragraph (a) as pre-settlement conditions precedent).
- (c) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1, waive the requirements for documentation or decide that delivery of certain documents shall be made subject to an agreed closing procedure (the “**Closing Procedure**”) between the Bond Trustee and the Issuer where the parties may agree that certain conditions precedent that are to be delivered prior to or in connection with the release of funds from the Escrow Account or in respect of any Tap Issue under Clause 6.4 (*Tap Issues*) are delivered as conditions subsequent. Perfection of the Transaction Security (except for the Escrow Account Pledge) shall be established as soon as possible in accordance with the terms of the Closing Procedure subject to the Agreed Security Principles on or immediately after the release of funds from the Escrow Account, including to allow for certain matters to be handled post disbursement, as customary or required for practical reasons.
- (d) Without limiting the generality of the foregoing, the Issuer and the Bond Trustee may, under the terms of the Closing Procedure, agree that any conditions precedent (including the grant of Transaction Security and accession to the Intercreditor Agreement) which are to be delivered by or in respect of any Material Group Company (other than the Issuer) may be delivered as conditions subsequent, however such conditions may in no event be delivered later than 10 Business Days after first release of funds from the Escrow Account.

## **6.2 Disbursement of the proceeds**

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee’s confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee’s discretion or waived by the Bond Trustee pursuant to paragraph (c) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

## **6.3 Conditions subsequent**

- (a) No later than 60 days following the release of the Net Proceeds from the issuance of the Bonds (on the Escrow Account) to the Issuer, the Issuer shall deliver to the Bond Trustee each of the following documents, in form and substance satisfactory to the Bond Trustee:

- (i) unless delivered under paragraph (a) or (b) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*);
  - (A) copies of all necessary corporate resolutions of each Security Provider required to provide Transaction Security and execute the Finance Documents to which it is a party;
  - (B) a copy of a power of attorney (unless included in the relevant corporate resolutions) from each Security Provider to relevant individuals for their execution of the Finance Documents to which it is a party;
  - (C) copies of each Security Provider's articles of association and of a full extract from the relevant company register in respect of each Security Provider evidencing that each Security Provider is validly existing;
  - (D) the Transaction Security Documents duly executed by all parties thereto and evidence of the establishment and perfection of the Transaction Security in accordance with the Closing Procedure; and
- (ii) legal opinions or other statements as may be required by the Bond Trustee;
- (b) The Bond Trustee, acting in its sole discretion, may waive the requirements for documentation or decide that delivery of certain documents shall be made subject to the Closing Procedure.

#### **6.4 Tap Issues**

- (a) The Issuer may issue Additional Bonds if:
  - (i) the Bond Trustee has received, in form and substance satisfactory to it:
    - (A) a Tap Issue Addendum duly executed by all parties thereto;
    - (B) copies of corporate resolutions required for the Tap Issue and any power of attorney or other authorisation required for execution of the Tap Issue Addendum and any other Finance Documents;
    - (C) a Compliance Certificate certifying compliance with the Incurrence Test, including supporting documentation and calculations as the Bond Trustee may reasonably require;
    - (D) any security confirmations or amendment agreements in respect of the Transaction Security, as applicable; and
    - (E) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of the Tap Issue Addendum and any other Finance Documents (if applicable)).

- (ii) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds; and
  - (iii) the Issuer meets the Incurrence Test tested pro forma including the new Financial Indebtedness incurred as a result of issuing such Additional Bonds.
- (b) The Bond Trustee may (at its sole discretion and in each case) waive or postpone the delivery of certain conditions precedent, and the Bond Trustee may (on behalf of the Bondholders) agree on a Closing Procedure with the Issuer.

## **7. REPRESENTATIONS AND WARRANTIES**

The Issuer makes the representations and warranties set out in this Clause 7, in respect of itself and in respect of each Obligor to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms;
- (b) on the Issue Date;
- (c) on each date of disbursement of proceeds from the Escrow Account; and
- (d) on the date of issuance of any Additional Bonds.

### **7.1 Status**

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

### **7.2 Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

### **7.3 Valid, binding and enforceable obligations**

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

### **7.4 Non-conflict with other obligations**

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

## **7.5 No Event of Default**

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

## **7.6 Authorisations and consents**

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

## **7.7 Litigation**

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

## **7.8 Financial Reports**

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

## **7.9 No Material Adverse Effect**

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

## **7.10 No misleading information**

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

## **7.11 No withholdings**

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

**7.12 Pari passu ranking**

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.4 (*Status of the Bonds*).

**7.13 Security**

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

**8. PAYMENTS IN RESPECT OF THE BONDS**

**8.1 Covenant to pay**

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

**8.2 Default interest**

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bonds Terms will accrue at the Interest Rate plus 1 percentage point per annum.

### 8.3 Partial Payments

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
  - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee (and any Security Agent);
  - (ii) secondly, towards accrued interest due but unpaid; and
  - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly, towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations:
  - (i) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*); or
  - (ii) if a resolution according to Clause 15 (*Bondholders' Decisions*) has been made.

### 8.4 Taxation

- (a) Each Obligor is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Obligors shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
  - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
  - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

### 8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account

connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.

- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

## **8.6 Set-off and counterclaims**

No Obligor may apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

## **9. INTEREST**

### **9.1 Calculation of interest**

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.
- (c) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:
  - (i) the last day in the relevant Interest Period is the 31<sup>st</sup> calendar day but the first day of that Interest Period is a day other than the 30<sup>th</sup> or the 31<sup>st</sup> day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or
  - (d) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.

### **9.2 Payment of interest**

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

## **10. REDEMPTION AND REPURCHASE OF BONDS**

### **10.1 Redemption of Bonds**

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100.00 per cent. of the Nominal Amount.

## 10.2 Voluntary early redemption - Call Option

- (a) The Issuer may redeem all or part of the Outstanding Bonds (the “**Call Option**”) on any Business Day from and including:
  - (i) the Issue Date to, but excluding the First Call Date at a price equal to the Make Whole Amount;
  - (ii) the First Call Date to, but excluding, the Interest Payment Date in March 2027 at a price equal to 106.875 per cent. of the Nominal Amount for each redeemed Bond (the “**First Call Price**”);
  - (iii) the Interest Payment Date in March 2027 to, but excluding, the Interest Payment Date in September 2027 at a price equal to 104.8125 per cent. of the Nominal Amount for each redeemed Bond; and
  - (iv) the Interest Payment Date in September 2027 to, but excluding, the Maturity Date at a price equal to 102.0625 per cent. of the Nominal Amount for each redeemed Bond.
- (b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date. Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within 3 Business Days from the date of the notice.
- (d) Any redemption notice given in respect of the Call Option may, at the Issuer’s discretion, be subject to the satisfaction of one or more conditions precedent, in which case the exercise of the Call Option will be automatically cancelled unless such conditions precedent have been satisfied or waived no later than 3 Business Days prior to such Call Option Repayment Date.
- (e) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

## 10.3 Mandatory repurchase due to a Change of Control Event

- (a) Upon the occurrence of a Change of Control Event, each Bondholder will have the right (the “**Put Option**”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.
- (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Change of Control Event has occurred pursuant to Clause 12.3 (*Change of Control Event*). Once notified, the Bondholders’ right to exercise the Put Option is irrevocable.

- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5<sup>th</sup> Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

#### **10.4 Early redemption option due to a tax event**

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

### **11. PURCHASE AND TRANSFER OF BONDS**

#### **11.1 Issuer's purchase of Bonds**

The Issuer and the Group Companies may purchase and hold Bonds and such Bonds may be retained or sold, but not discharged (other than in relation to a process of full redemption of all Outstanding Bonds) in the Issuer's sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*).

#### **11.2 Restrictions**

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

## **12. INFORMATION UNDERTAKINGS**

### **12.1 Financial Reports**

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 4 months after the end of its financial year (the first report to be published for the full year ending on 31 December 2024).
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 2 months after the end of the relevant interim period (the first such report to be published for the quarter ending on 31 March 2025).

### **12.2 Requirements as to Financial Reports**

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying inter alia that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with Clause 13.22 (*Financial covenants*) as at such date or, in respect of any event which is subject to the Incurrence Test, calculations and figures in respect of the Incurrence Test.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

### **12.3 Change of Control Event**

The Issuer shall promptly inform the Bond Trustee and the Bondholders in writing after becoming aware that Change of Control Event has occurred and provide the Bond Trustee with such further information as the Bond Trustee may request following receipt of such notice.

### **12.4 Listing Failure Event**

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (a) to list the Bonds in accordance with Clause 4 (*Admission to listing*) or (b) to inform of such Listing Failure Event, and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

### **12.5 Information: Miscellaneous**

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);

- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

### **13. GENERAL AND FINANCIAL UNDERTAKINGS**

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13.

#### **13.1 Authorisations**

The Issuer shall, and shall procure that each other Group Company will, obtain, maintain and comply with the terms of any authorisation, approval, licence and consent required for the conduct of its business as carried out from time to time if failure to do so would have a Material Adverse Effect.

#### **13.2 Compliance with laws**

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time.

#### **13.3 Continuation of business**

The Issuer shall procure that no material change is made to the general nature of the business from that carried on by the Group at the Issue Date.

#### **13.4 Corporate status**

The Issuer shall not change its type of organisation or jurisdiction of incorporation, except that the Issuer shall, by not later than the date occurring 6 months after the Issue Date, change its type of organisation to a public limited company under and in accordance with the UK Companies Act 2006.

#### **13.5 Mergers**

The Issuer shall not, and shall procure that no other Group Company will, carry out any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other person, if such transaction would have a Material Adverse Effect and provided that in any merger or other business combination or corporate reorganisation involving an Obligor, the surviving entity shall be or become an Obligor (and if such merger involves the Issuer, the Issuer shall be the surviving entity).

### **13.6 De-mergers**

The Issuer shall not, and shall procure that no other Material Group Company will, carry out any de-merger or other corporate reorganisation having the same effect as a de-merger, other than any de-merger or other corporate reorganisation of any Material Group Company (other than the Issuer) into two or more separate companies or entities which are (directly or indirectly) wholly-owned by any Group Company (or, in the case of a Material Group Company that was not wholly-owned prior to such de-merger, owned with the same ownership percentage as the original Material Group Company), unless such de-merger or other corporate reorganisation is carried out at arm's length terms and does not have a Material Adverse Effect.

### **13.7 Financial Indebtedness**

The Issuer shall not, and shall procure that no other Group Company will, incur or maintain any Financial Indebtedness, other than any Permitted Financial Indebtedness.

### **13.8 Negative pledge**

The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its/their assets (whether present or future) other than any Permitted Security.

### **13.9 Loans or credit**

The Issuer shall not, and shall procure that no other Group Company will, be a creditor in respect of any Financial Indebtedness, other than any Permitted Loan.

### **13.10 No guarantees or indemnities**

The Issuer shall not, and shall procure that no other Group Company will, incur or allow to remain outstanding any guarantee in respect of any obligation of any person, other than any Permitted Guarantee.

### **13.11 Disposals**

The Issuer shall not, and shall procure that no other Group Company will, sell, transfer or otherwise dispose of all or a substantial part of its assets (including shares or other securities in any person) or operations (other than to a Group Company), unless such sale, transfer or disposal is carried out on arm's length basis and would not have a Material Adverse Effect.

### **13.12 Ownership**

The Parent shall ensure that it shall be the legal and beneficial direct owner of all shares in the Issuer.

### **13.13 Preservation of assets**

The Issuer shall, and shall procure that each Group Company will, in all material respects, maintain in good working order and condition (ordinary wear and tear excepted) all of its assets necessary or material in the conduct of its business.

### **13.14 Insurances**

The Issuer shall, and shall procure that each Group Company will, maintain customary insurances on or in relation to their business and assets with reputable independent insurance companies and underwriters against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.

**13.15 Acquisitions**

The Issuer shall not, and shall procure that no other Group Company will, acquire any company, shares, securities, business or undertaking (or any interest in any of them) or make any similar investments, unless the transaction is carried out on arm's length basis and provided that it does not have a Material Adverse Effect.

**13.16 Distributions**

The Issuer shall not and shall procure that no other Group Company shall make any Distributions to the shareholders of the Issuer other than (a) Distributions up to USD 300,000 per year to cover costs, expenses and taxes accrued by any of the Issuer's direct or indirect holding companies and (b) the deferred consideration of up to USD 1,737,504 in aggregate to cover the Boson Deferred Consideration.

**13.17 Related party transactions**

Without limiting Clause 13.2 (*Compliance with laws*), the Issuer shall not, and shall procure that no other Group Company will, enter into any transaction with any Affiliate which is not a Guarantor except on arm's length basis.

**13.18 Anti-corruption and sanctions**

The Issuer shall, and shall ensure that all other Group Companies will (a) ensure that no proceeds from the Bonds are used directly or indirectly for any purpose which would breach any applicable acts, regulations or laws on bribery or corruption and (b) conduct its businesses and maintain policies and procedures in compliance with applicable anti-corruption laws. The Issuer shall not, and shall ensure that no Group Company will engage in any conduct prohibited by any sanctions law.

**13.19 Subsidiaries' distributions**

The Issuer shall ensure that, at all times, each Group Company will use its reasonable endeavours to:

- (a) maximise the amount and the frequency with which it up-streams cash to the Issuer or a Guarantor (via any intermediate holding companies, if applicable); and
- (b) remove any restriction or limitation which might otherwise restrict, limit or prevent it from declaring and paying that dividend or otherwise up-streaming cash,

provided that such Group Company need not up-stream any cash it requires for its current or projected liquidity and/or working capital needs (including capital expenditure) and/or taxes payable or required by applicable law for the purposes of any applicable statutory or other required reserves of such Group Company.

**13.20 Designation of Material Group Companies**

- (a) The Issuer shall:
  - (i) in connection with the conditions precedent to be delivered under paragraph (b) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*);
  - (ii) together with the delivery of its Annual Financial Statements; and

- (iii) on the date of completion of any merger or de-merger, disposal of a Material Group Company, or any acquisition which is financed through the proceeds of a Tap Issue,

deliver a Compliance Certificate to the Bond Trustee designating as Material Group Companies:

- (A) each Group Company which (on a consolidated basis in the case of a Group Company which itself has Subsidiaries) has EBITDA or gross assets which represent more than 10.00 per cent. of aggregate EBITDA or gross assets (excluding intra-Group items) of the Group, calculated on a consolidated basis, based on the preceding four Financial Quarters (where Financial Reports are available); and
  - (B) any additional Group Companies which are necessary to ensure that the aggregate EBITDA and gross assets of the Guarantors (calculated on an unconsolidated basis and excluding all intra-Group items, investments in Subsidiaries of any Group Company) exceed 80.00 per cent. of consolidated EBITDA and gross assets of the Group; and
- (iv) procure that any Material Group Companies designated pursuant to this paragraph
    - (a) no later than 60 Business Days after such nomination grants Transaction Security in accordance with the Agreed Security Principles and accedes to the Intercreditor Agreement.
  - (b) The identity of the Material Group Companies nominated by the Issuer in accordance with this Clause 13.20 shall be listed in the Compliance Certificate to be provided to the Bond Trustee in connection with the provision of the relevant Compliance Certificate in accordance with Clause 12 (*Information undertakings*).

### **13.21 Additional Security and Guarantees**

Subject to any mandatory limitations under applicable law and subject to the Agreed Security Principles, the Issuer shall ensure that in the event that any Group Company becomes the owner of any new shares in an Obligor, any Obligor becomes the creditor of any new Intercompany Loans or any new Subordinated Loans arise, the Issuer shall promptly notify the Bond Trustee thereof in writing and shall procure that within 45 Business Days of the relevant Group Company becoming the owner of such assets (or such Subordinated Loan arising) equivalent Transaction Security over those assets is granted.

### **13.22 Financial covenants**

- (a) The Issuer shall ensure that Leverage Ratio in respect of any Relevant Period (as measured on each Quarter Date) shall not exceed:
  - (i) 3.50:1.00 for any Relevant Period ending on a Quarter Date within the period from the Issue Date to and including the Interest Payment Date in March 2026;
  - (ii) 3.00:1.00 for any Relevant Period ending on a Quarter Date within the period from but excluding the Interest Payment Date in March 2026 to the Interest Payment Date in March 2027; and

- (iii) 2.50:1.00 for any Relevant Period ending on a Quarter Date within the period from the Interest Payment Date in March 2027 to and including the Maturity Date.
- (b) Calculation of the Leverage Ratio shall be made using the calculations and calculation adjustments set out in Clause 13.25 (*Calculations and calculation adjustments*).

**13.23 Financial covenants cure**

- (a) If the Issuer does not comply with the Leverage Ratio requirement in respect of a Relevant Period, and the Issuer receives or has received any Cure Amount during the period from the last Quarter Date up to the date of delivery to the Bond Trustee of the Compliance Certificate in respect of such period, then the Leverage Ratio shall be recalculated on the basis that the Cure Amount so received shall be deemed to reduce the Total Net Debt for the Relevant Period.
- (b) If, after giving effect to the foregoing recalculation, the Issuer is in compliance with the requirements of the Leverage Ratio, the Issuer shall be deemed to have satisfied the requirements of the Leverage Ratio on the relevant Quarter Date.
- (c) The Issuer shall be limited to a maximum of two cures of actual failures to satisfy the Leverage Ratio during the term of the Bonds and no consecutive cures are permitted.

**13.24 Incurrence Test**

- (a) The Incurrence Test shall be applied in respect of any Tap Issue and is met if the Leverage Ratio, in respect of any Relevant Period, does not exceed:
  - (i) 3.00:1.00 for any Relevant Period ending on a Quarter Date within the period from the Issue Date to and including the Interest Payment Date in March 2026;
  - (ii) 2.50:1.00 for any Relevant Period ending on a Quarter Date within the period from the Interest Payment Date in March 2026 to the Interest Payment Date in March 2027; and
  - (iii) 2.00:1.00 for any Relevant Period ending on a Quarter Date within the period from the Interest Payment Date in March 2027 up to and including the Maturity Date.
- (b) Calculation of the Incurrence Test shall be made using the calculations and calculation adjustments set out in Clause 13.25 (*Calculations and calculation adjustments*).

**13.25 Calculations and calculation adjustments**

- (a) The calculation of the Leverage Ratio shall be made as per a testing date determined by the Issuer, falling no earlier than 1 month prior to the event relevant for the application of the Incurrence Test.
- (b) Total Net Debt shall be measured on the relevant testing date, but adjusted so that (i) the full amount of the new Financial Indebtedness in respect of which the Incurrence Test is applied shall be added to Total Net Debt and (ii) any cash balance resulting from the incurrence of such new Financial Indebtedness shall not reduce the Total Net Debt (other than to the extent it will be used to repay any Financial Indebtedness).

- (c) EBITDA shall be calculated in accordance with the most recent Financial Report for which a Compliance Certificate has been delivered and for that Relevant Period adjusted by:
  - (i) including the operating profit before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of a Group Company (or attributable to a business or asset) acquired during the Relevant Period for the part of the Relevant Period prior to it becoming a Group Company or (as the case may be) prior to the acquisition of the business or asset; and
  - (ii) excluding the operating profit before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) attributable to any Group Company (or to any business or assets) disposed of during the Relevant Period for that part of the Relevant Period.

## **14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS**

### **14.1 Events of Default**

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

(a) *Non-payment*

An Obligor fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless payment is made within 5 Business Days following the original due date.

(b) *Breach of other obligations*

An Obligor does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

(c) *Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by an Obligor under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made, unless such incorrect, inaccurate or misleading representation, warranty or statement is capable of remedy and is remedied within 30 days after the Issuer has actual knowledge thereof or notice thereof is provided to the Bond Trustee.

(d) *Cross default*

If for an Obligor:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or

- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described), or
- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of any insolvency, insolvency proceedings, creditor's process or cessation of business (however described) (but, for the avoidance of doubt, not as a result of any other defaults (including breach of any maintenance financial covenants)),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of USD 5,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

Any Obligor:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
  - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or
  - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its payment obligations under these Bond Terms; or
  - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
  - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above; or
  - (E) for paragraphs (A) to (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Obligor having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within 20 Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for an Obligor to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of such Obligor to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee or any Security Agent to exercise any material right or power vested to it under the Finance Documents.

**14.2 Acceleration of the Bonds**

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise (or direct the Security Agent to exercise) any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

**14.3 Bondholders' instructions**

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

**14.4 Calculation of claim**

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date):

- (a) for any Event of Default arising out of a breach of paragraph (a) (*Non-payment*) of Clause 14.1 (*Events of Default*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and

- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in paragraph (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

## **15. BONDHOLDERS' DECISIONS**

### **15.1 Authority of the Bondholders' Meeting**

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a) section (i) and (ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

### **15.2 Procedure for arranging a Bondholders' Meeting**

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
  - (i) the Issuer;
  - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
  - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
  - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.

- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

### **15.3 Voting rules**

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

### **15.4 Repeated Bondholders' Meeting**

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out

in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.

- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

## 15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
  - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
  - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5,

shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
  - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
  - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons (the "**Voting Period**").

- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (f) or (g) of Clause 15.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders' Meeting*).

## **16. THE BOND TRUSTEE**

### **16.1 Power to represent the Bondholders**

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

### **16.2 The duties and authority of the Bond Trustee**

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other Obligor unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.

- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
  - (i) complying with instructions of the Bondholders; or
  - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

### **16.3 Equality and conflicts of interest**

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

#### **16.4 Expenses, liability and indemnity**

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
  - (i) acting in accordance with advice from or opinions of reputable external experts;  
or
  - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of

investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.

- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to any Obligor, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee or the Security Agent in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, irrespective of such funds being subject to Transaction Security, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

#### **16.5 Replacement of the Bond Trustee**

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and

release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

## **16.6 Security Agent**

- (a) The Bond Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent may include holding Transaction Security on behalf of the Secured Parties and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Transaction Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents.
- (b) The Bond Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it, that are bearers of right relating to the Transaction Security in safe custody on behalf of the Bondholders. The Bond Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.
- (c) Before the appointment of a Security Agent other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Bond Trustee.
- (d) The functions, rights and obligations of the Security Agent may be determined by a Security Agent Agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require each Obligor and any other party to a Finance Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters, whether or not a separate Security Agent Agreement has been entered into.
- (e) The provisions set out in Clause 16.4 (*Expenses, liability and indemnity*) shall apply *mutatis mutandis* to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

## **17. AMENDMENTS AND WAIVERS**

### **17.1 Procedure for amendments and waivers**

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).

- (b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a Security Agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). If so desired by the Bond Trustee, any or all of the Transaction Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

**17.2 Authority with respect to documentation**

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

**17.3 Notification of amendments or waivers**

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a) section (i) of Clause 17.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

**18. MISCELLANEOUS**

**18.1 Limitation of claims**

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

**18.2 Access to information**

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

**18.3 Notices, contact information**

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.
- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
  - (i) if by letter, when delivered at the address of the relevant party;
  - (ii) if by e-mail, when received; and
  - (iii) if by publication on a relevant information platform, when published.
- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address, telephone number and contact persons.
- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
  - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
  - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
  - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

**18.4 Defeasance**

- (a) Subject to paragraph (b) below and provided that:
  - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph

(c) below (the “**Defeasance Amount**”) is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the “**Defeasance Account**”);

- (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the “**Defeasance Pledge**”); and
- (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

- (A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Change of Control Event*), Clause 12.5 (*Information: miscellaneous*) and Clause 13 (*General and Financial Undertakings*);
  - (B) any Transaction Security shall be released and the Defeasance Pledge shall be considered replacement of the Transaction Security; and
  - (C) any Obligor shall be released from any Guarantee or other obligation applicable to it under any Finance Document.
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
  - (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

## **19. GOVERNING LAW AND JURISDICTION**

### **19.1 Governing law**

These Bond Terms (and any non-contractual obligations arising out of or in connection with them) are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

### **19.2 Main jurisdiction**

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have exclusive jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

**19.3 Alternative jurisdiction**

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any other Obligor or any of their respective assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

**19.4 Service of process**

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Issuer:
  - (i) irrevocably appoints Marinelaw AS, company registration number 944 932 712, as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and
  - (ii) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Issuer must immediately (and in any event within 10 Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

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These Bond Terms have been executed by way of electronic signatures.

**SIGNATURES:**

<p><b>The Issuer:</b> GALILEO GLOBAL TECHNOLOGIES LTD</p> <p>DocuSigned by: <i>Salil Oberoi</i> D7F7C9D12610458...</p> <p>By: salil oberoi Position: Director</p>	<p><b>As Bond Trustee and Security Agent:</b> NORDIC TRUSTEE AS</p> <p>DocuSigned by: <i>Merete Vatsendvik</i> A07659D14D99495.....</p> <p>By: Merete vatsendvik Position: Authorised signatory</p>
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**ATTACHMENT 1  
COMPLIANCE CERTIFICATE**

[date]

**Galileo Global Technologies Ltd 13.75% bonds 2025/2028 ISIN NO0013481242**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms, a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [•].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*), we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

[The financial covenants set out in Clause 13.22 (*Financial covenants*) are met, please see the calculations and figures in respect of the ratios attached hereto.]

[With reference to Clause 13.18 (*Designation of Material Group Companies*), the following Group Companies are nominated as Material Group Companies: [•].]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,  
**Galileo Global Technologies Ltd**

\_\_\_\_\_

Name of authorised person

Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]

**ATTACHMENT 2  
RELEASE NOTICE – ESCROW ACCOUNT**

[date]

Dear Sirs,

**Galileo Global Technologies Ltd 13.75% bonds 2025/2028 ISIN NO0013481242**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer.

Capitalised terms used herein will have the same meaning as in the Bond Terms.

We hereby give you notice that we on [date] wish to draw [the amount specified in Enclosure I (*Flow of Funds*)]/[all amounts] from the Escrow Account to be applied pursuant to the purpose set out in the Bond Terms, and request you to instruct the bank to release the above mentioned amount.

We hereby represent and warrant that (a) no Event of Default has occurred and is continuing or is likely to occur as a result of the release from the Escrow Account, and (b) we confirm that the representations and warranties set out in the Bond Terms are true and accurate in all material respects at the date hereof.

Yours faithfully,  
**Galileo Global Technologies Ltd**

\_\_\_\_\_

Name of authorised person

Enclosure I: *Flow of Funds*

### ATTACHMENT 3 AGREED SECURITY PRINCIPLES

- (a) Security will be granted by the Parent and the Material Group Companies, over such types of assets or asset classes as set out under the Transaction Security or to the extent required to grant Security over any shares (ownership interests) in any company becoming a Material Group Company.
- (b) General statutory and customary limitations (e.g. financial assistance, corporate benefit and retention of title claims) may limit the ability of a Group Company to provide Security or guarantee without inclusion of provisions limiting the responsibility for granting full legal valid and perfected Security or guarantee, or require that such Security or guarantee is limited by an amount or otherwise.
- (c) The security and extent of its perfection and scope shall take into account the cost, work and time of providing security which (in the Security Agent's sole discretion) must be proportionate to the benefit accruing to the Secured Parties.
- (d) Group Companies will not be required to give guarantees or enter into security documents if it would:
  - (i) result in any breach of corporate benefit, financial assistance, fraudulent preference or thin capitalisation laws or regulations (or analogous restrictions) of any applicable jurisdiction;
  - (ii) result in a significant risk to the officers of the relevant Group Company of contravention of their fiduciary duties and/or of civil or criminal liability,unless such guarantees or security documents are legally permissible and accompanied by relevant provisions (limitation language) limiting the potential liability for the relevant Group Company, its management, officers or other employees.
- (e) Security over monetary claims under insurance contracts shall exclude liability insurances and other third-party insurance.
- (f) Security shall not be taken over leasehold property where such security will require third party consent and where such consent is not, despite the security provider's reasonable efforts, given.
- (g) Security over bank accounts shall exclude (i) accounts in cash pool arrangement which are not, under the terms for those arrangements, bank accounts, (ii) tax deduction accounts (No: *skattetrekkskonti*), escrow or cash collateral accounts constituting Permitted Security and (iii) such accounts which, under the policies of the account bank, cannot or shall not be subject to third party Security.
- (h) Any assets subject to pre-existing third party arrangements which are permitted by the Finance Documents or any other contractual restrictions on assignments or absence of necessary regulations, registrations or similar, and which prevent those assets from being charged if so required by paragraph a) above, will be excluded from any relevant security

document, but the relevant Material Group Company must use its reasonable endeavours to obtain consent to charging any such assets if the relevant asset is material.

- (i) Security documents shall operate to create Security rather than to impose any new commercial obligations or restrictions on use of the assets in the relevant Group Company's ordinary course of business prior to an event of default (i.e. blocking, transfer of title or similar) and shall, accordingly, not contain additional or duplicate representations or undertakings to those contained in the Finance Documents unless required for the creation, perfection, effectiveness or preservation of the Security.
- (j) Notwithstanding paragraph (a) above, guarantees and Security will not be required from or over the assets of any joint venture or similar arrangement or any company in which a Group Company holds a minority interest.
- (k) Perfection of Security will not be required if it would materially and adversely affect the ability of the relevant Group Company to conduct its operations or business in the ordinary course. Where the blocking of the bank account is required by applicable law to perfect the Security, perfection of the bank account pledge will not be required until an Event of Default has occurred which is continuing.
- (l) Security will not be enforceable until an Event of Default has occurred and is continuing and an acceleration notice has been served to the relevant debtors.
- (m) The Security Agent shall only be able to:
  - (i) exercise any powers of attorney (including, but not limited to, in respect of voting rights appertaining to any shares) granted under any security document or have the right to receive any dividends if an Event of Default has occurred and is continuing and, unless (in the sole opinion of the Security Agent) it could have an adverse effect on the interest of the Secured Parties, the Security Agent has given notice of its intention to exercise such powers of attorney, voting rights or dividend rights (as applicable), upon which such rights may no longer be exercised by the relevant pledgor; and
  - (ii) exercise any powers of attorney granted under any security document in relation to actions for perfecting and maintaining Security if and when the relevant Obligor has failed to comply with a further assurance or perfection obligation within 5 Business Days of receiving prior notice of it.

**ATTACHMENT 4  
INTERCREDITOR AGREEMENT**

Draft

**INTERCREDITOR AGREEMENT<sup>1</sup>**

dated [●] 2025

between

**NORDIC TRUSTEE AS**  
as First Priority Pledgee

**NORDIC TRUSTEE AS**  
as First Priority Bond Trustee  
on behalf of the First Priority Bondholders

**TMF GROUP NEW YORK, LLC**  
acting as Second Priority Pledgee

**[HALLIBURTON ARGENTINA S.R.L.]<sup>2</sup>**  
**HALLIBURTON B.V.**  
as Second Priority Creditors

and

**EACH OF THE COMPANIES LISTED IN SCHEDULE 1 HERETO**  
as Obligors

**WIKBORG | REIN**

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<sup>1</sup> NTD: General comment – to be executed in offer/acceptance format for Argentinian regulatory purposes

<sup>2</sup> NTD: General comment - if conversion of the Second Priority Loan Agreement into a Second Priority Note Instrument takes place before entry into the ICA, references to Halliburton Argentina S.R.L. to be removed

**CONTENTS**

<b>Clause</b>		<b>Page</b>
1	DEFINITIONS AND INTERPRETATION .....	3
2	CONSENT .....	7
3	RANKING .....	8
4	SUBORDINATION .....	8
5	UNDERTAKINGS OF THE SECOND PRIORITY PLEDGEE .....	8
6	UNDERTAKINGS OF THE FIRST PRIORITY PLEDGEE .....	12
7	PRESERVATION OF SUBORDINATED DEBT .....	14
8	DETERMINATION OF PROCEEDS .....	14
9	ACKNOWLEDGEMENT AND AGREEMENT .....	14
10	THE OBLIGORS AS PARTY .....	15
11	[AGENCY PROVISIONS].....	15
12	FIRST PRIORITY PLEDGEE AS GRATUITOUS BAILEE/GRATUITOUS AGENT FOR PERFECTION .....	15
13	MISCELLANEOUS.....	16
14	NOTICES .....	17
15	COUNTERPARTS .....	18
16	GOVERNING LAW – JURISDICTION .....	18
	SCHEDULE 1 OBLIGORS .....	19

**THIS AGREEMENT** is dated [●] 2025 and made between:

- (1) **EACH OF THE COMPANIES** listed in Schedule 1 (*Obligors*) hereto in their capacity as obligors;
- (2) **NORDIC TRUSTEE AS** in its capacity as security agent for the First Priority Finance Parties and as first priority pledgee under this Agreement (the "**First Priority Pledgee**");
- (3) **NORDIC TRUSTEE AS** in its capacity as bond trustee for the First Priority Bondholders under the Bond Terms (the "**First Priority Bond Trustee**");
- (4) **TMF GROUP NEW YORK, LLC** in its capacity as security agent for the Second Priority Finance Parties and as second priority pledgee under this Agreement (together with its successors and assigns in such capacity from time to time, the "**Second Priority Pledgee**"); and
- (5) **HALLIBURTON ARGENTINA S.R.L.** and **HALLIBURTON B.V.** as creditors under the Second Priority Loan Documents and the Second Priority Note Instruments, respectively (the "**Second Priority Creditors**"),

each a "**Party**" and together the "**Parties**".

**IT IS AGREED** as follows:

## **1 DEFINITIONS AND INTERPRETATION**

### **1.1 Definitions**

In this Agreement:

**"Bond Terms"** means the bond terms dated [●] 2025 governing the First Priority Bonds with ISIN [●] and entered into between the First Priority Bond Trustee and the Issuer.

**"Existing ICA"** means the New York law governed intercreditor agreement, dated 9 September 2024 (as amended, supplemented and/or otherwise modified from time to time) and made between, among others, TMF Group New York, LLC as first lien collateral agent, TMF Group New York, LLC as second lien collateral agent, Halliburton Argentina S.R.L. as second lien lender, Halliburton B.V. as second lien loan noteholder, Galileo Technologies S.A. as second lien borrower and Galileo Global Technologies Ltd as issuer under the second lien loan notes.

**"First Priority Bondholders"** means the "Bondholders" under and as defined in the Bond Terms.

**"First Priority Bonds"** means the "Bonds" under and as defined in the Bond Terms.

**"First Priority Finance Documents"** means the "Finance Documents" under and as defined in the Bond Terms.

**"First Priority Finance Parties"** means the "Finance Parties" under and as defined in the Bond Terms.

**"First Priority Obligor"** means the "Parent" and each "Obligor", in each case, under and as defined in the Bond Terms.

**"First Priority Secured Obligations"** means all present and future liabilities and obligations at any time due, owing or incurred by any First Priority Obligor to any First Priority Finance Party under the First Priority Finance Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

**"First Priority Transaction Security"** means all Transaction Security (as defined in the Bond Terms) granted by any First Priority Obligor in favour of the First Priority Pledgee (on behalf of the First Priority Finance Parties) pursuant to the First Priority Transaction Security Documents.

**"First Priority Transaction Security Documents"** means:

- (a) each of the Transaction Security Documents (as defined in the Bond Terms); and
- (b) any other document entered into at any time by any of the First Priority Obligors creating any guarantee, indemnity, Security or other assurance against financial loss in favour of the First Priority Pledgee (on behalf of the First Priority Finance Parties) as security for any of the First Priority Secured Obligations.

**"Group Company"** means the Issuer and each of its subsidiaries from time to time.

**"Halliburton-Only Security"** means all Second Priority Transaction Security, existing as of the date of this Agreement, over any assets of any Obligor that are not also subject to first priority Security securing the First Priority Secured Obligations.

**"Issuer"** means the "Issuer" under and as defined in the Bond Terms.

**"Liability"** means any liability, damage, loss, costs, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise.

**"Obligors"** means the First Priority Obligors and the Second Priority Obligors.

**"Second Priority Finance Documents"** means the "Transaction Documents" (or any comparable term) under and as defined in the Second Priority Loan Documents or any Second Priority Note Instrument together with any Second Priority Transaction Security Documents.

**"Second Priority Finance Parties"** means the "Secured Parties", "Lenders" and "Loan Noteholders" (or any comparable term) under and as defined in the Second Priority Loan Documents, any Second Priority Note Instrument or any Second Priority Transaction Security Document.

**["Second Priority Loan Agreement"** means the loan agreement dated 19 April 2024 and made between Galileo Technologies S.A. as borrower and Halliburton Argentina S.R.L. as lender as amended on 9 September 2024.]<sup>3</sup>

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<sup>3</sup> NTD: General comment - if conversion of the Second Priority Loan Agreement into a Second Priority Note Instrument takes place before entry into the ICA, references to Second Priority Loan Agreement to be removed

**["Second Priority Loan Agreement Guarantee"** means the corporate guarantee dated 19 April 2024 and made between Galileo Global Technologies Ltd as guarantor and Halliburton Argentina S.R.L. as lender in connection with the Second Priority Loan Agreement;.]<sup>4</sup>

**["Second Priority Loan Agreement Side Letter"** means the side letter dated 19 April 2024 and made between Galileo Technologies S.A. as borrower and Halliburton Argentina S.R.L. as lender as amended on 9 September 2024.]<sup>5</sup>

**["Second Priority Loan Documents"** means the Second Priority Loan Agreement, the Second Priority Loan Agreement Side Letter and the Second Priority Loan Agreement Guarantee or any one of them as the context may require.]<sup>6</sup>

**"Second Priority Local Pledgee"** means each relevant TMF Sub-Agent or any successor local security agent appointed by the Second Priority Pledgee pursuant to the terms of the Existing ICA and any Second Priority Finance Document.

**"Second Priority Pledgee"** has the meaning set forth in Recital (4) above and where the context may require, will be deemed to refer to any relevant Second Priority Local Pledgee, as applicable.

**"Second Priority Note Instruments"** means:

- (a) the loan note instrument dated 22 September 2023 and made between Galileo Holdco 2 Limited as issuer and Halliburton B.V. as noteholder in respect of certain fixed rate super senior loan notes; and
- (b) [the loan note instrument to be entered into between Galileo Global Technologies Ltd as issuer and Halliburton B.V. as noteholder in respect of certain zero coupon subordinated loan notes to be issued in connection with the conversion of Second Priority Secured Obligations outstanding under the Second Priority Loan Documents into such loan notes.]<sup>7</sup>

**"Second Priority Obligor"** means:

- (a) Galileo Global Technologies Ltd;
- (b) Galileo Technologies S.A.;
- (c) Galileo Holdco 2 Limited (to the extent providing any Second Priority Transaction Security); and
- (d) any other Group Company providing any Second Priority Transaction Security.

**"Second Priority Secured Obligations"** means all present and future Liabilities and obligations at any time due, owing or incurred by any Second Priority Obligor to any Second Priority Finance Party under the Second Priority Finance Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other

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<sup>4</sup> As above.

<sup>5</sup> NTD: As above.

<sup>6</sup> NTD: As above.

<sup>7</sup> NTD: if conversion of the Second Priority Loan Agreement into a Second Priority Note Instrument takes place before entry into the ICA, references to the loan note instrument at paragraph (b) to be updated accordingly and reference to the English law Side Letter dated 19 April 2024 to be included as this document governs the conversion process.

capacity, together with any of the following matters relating to or arising in respect of those Liabilities and obligations:

- (a) any refinancing, novation, deferral or extension and any Liability in respect of any further advances under the Second Priority Finance Documents;
- (b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other Liability or obligation falling within this definition;
- (c) any claim for damages or restitution; and
- (d) any claim as a result of any recovery by any Second Priority Obligor of a payment, prepayment, repayment, redemption, defeasance or discharge of those Liabilities or obligations on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings except for any Liabilities that, if secured under any Second Priority Transaction Security Document, would result in a contravention by the relevant Second Priority Obligor of any applicable law.

**"Second Priority Transaction Security"** means all Security granted or expressed to be granted by any Second Priority Obligor in favour of the Second Priority Pledgee (on behalf of any Second Priority Finance Party) pursuant to the Second Priority Transaction Security Documents, including the Halliburton-Only Security.

**"Second Priority Transaction Security Documents"** means:

- (a) each of the "Security Documents" (as defined in the Second Priority Loan Documents or any Second Priority Note Instrument) or any comparable term;
- (b) any other document entered into at any time by any of the Second Priority Obligors creating any guarantee, indemnity, Security or other assurance against financial loss in favour of the Second Priority Pledgee (on behalf of the Second Priority Finance Parties) as security for any of the Second Priority Secured Obligations; and
- (c) any Security granted under any covenant for further assurance in any of the documents referred to in paragraphs (a) and (b) above.

**"Security"** means a mortgage, charge, pledge, lien, hypothecation, assignment or deposit by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having the effect of providing or giving security or preferential ranking to a creditor (including set-off and title retention arrangements).

**"TMF Sub-Agent"** means:

- (a) TMF Trust Company (Argentina) S.A.;
- (b) TMF Brasil Administração e Gestão de Ativos Ltda.;
- (c) TMF Trustee Limited; and

- (d) any other affiliate of the Second Priority Pledgee appointed by the Second Priority Pledgee to act as Second Priority Local Pledgee from time to time pursuant to section 8.22 (*Appointment of Second Lien Collateral Agent*) and exhibit C (*Appointment of Second Lien Collateral Agent*) of the Existing ICA.<sup>8</sup>

"**UCC**" means the Uniform Commercial Code as from time to time in effect in the State of New York, unless otherwise provided herein.

## 1.2 Construction

Unless a contrary indication appears, a reference in this Agreement to:

- (a) the "**First Priority Pledgee**", the "**Second Priority Pledgee**" or any "**Party**" shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) the "**Bond Terms**", the "**Second Priority Loan Agreement**", the "**Second Priority Loan Agreement Side Letter**", any "**Second Priority Loan Document**", any "**Second Priority Note Instrument**", any "**Second Priority Transaction Security Document**" or any other agreement or document is a reference to that document or other agreement or instrument as amended, restated, varied or supplemented but excluding any amendment, restatement, variation or supplement which is contrary to any provision of this Agreement;
- (c) "**assets**" includes present and future properties, revenues and rights of every description;
- (d) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (e) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- (f) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and
- (g) a provision of law is a reference to that provision as amended or re-enacted from time to time.

## 2 CONSENT

- (a) Subject to the terms of this Agreement, and without prejudice to paragraph (c) of Clause 4 (*Undertakings of the Second Priority Pledgee*), the First Priority Pledgee (on behalf of the First Priority Finance Parties) consents to the granting by each Second Priority Obligor of all the Second Priority Transaction Security and the entering into of each of the Second Priority Transaction Security Documents to which it is a party.

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<sup>8</sup> NTD: Subject to change to the extent the TMF appointment provisions currently included in the Existing ICA are included in a standalone document.

- (b) The Second Priority Pledgee (on behalf of the Second Priority Finance Parties) agrees that the Second Priority Transaction Security Documents shall be subject to the terms of this Agreement.

### **3 RANKING**

- (a) Each of the Parties agrees that (i) the Security constituted by the First Priority Transaction Security shall have first priority, (ii) the Security constituted by the Second Priority Transaction Security shall have second priority and (iii) in any event, the Security constituted by the Second Priority Transaction Security shall in all respects be deemed to rank junior to the First Priority Transaction Security.
- (b) The ranking set out in paragraph (a) above applies regardless of the date on which the Security was created.

### **4 SUBORDINATION**

- (a) All the Second Priority Secured Obligations shall be subordinated in all respects to all the First Priority Secured Obligations.
- (b) Until the First Priority Pledgee confirms that all of the First Priority Secured Obligations have been fully and finally discharged to the satisfaction of the First Priority Pledgee:
  - (i) no Obligor may make any payment in respect of any Second Priority Secured Obligations and no Second Priority Creditor may receive, recover or retain any such payment;
  - (ii) no part of the Second Priority Secured Obligations shall be capable of becoming subject to any right of set-off or counterclaim; and
  - (iii) no Obligor may purchase or otherwise acquire any part of the Second Priority Secured Obligations,

other than any such payment, set-off, counterclaim, purchase or acquisition which:

- (A) is expressly permitted by the terms of the Bond Terms; or
- (B) is made to facilitate a payment which immediately thereafter is made to the First Priority Finance Parties under and pursuant to the terms of the First Priority Finance Documents.

### **5 UNDERTAKINGS OF THE SECOND PRIORITY PLEDGEE**

The Second Priority Pledgee hereby agrees with and undertakes to the First Priority Pledgee that:

- (a) the rights of the Second Priority Pledgee under each Second Priority Transaction Security Document shall in all respects be subject to, and rank second in priority to, the rights of the First Priority Pledgee under each First Priority Transaction Security Document;

- (b) the Second Priority Pledgee and any Second Priority Creditor holding the Halliburton-Only Security shall be deemed to also hold and have held such Security for the benefit of the First Priority Pledgee as security for the First Priority Secured Obligations;
- (c) other than the Halliburton-Only Security, no Obligor shall grant, and neither the Second Priority Pledgee nor any Second Priority Creditor shall acquire or hold any Security over any assets of any Obligor securing any Second Priority Secured Obligations that is not also subject to first priority Security securing the First Priority Secured Obligations, and:
  - (i) if the Second Priority Pledgee or any Second Priority Creditor should acquire or hold Security in breach of this paragraph (c), it shall be deemed to also hold and have held such Security for the benefit of the First Priority Pledgee as security for the First Priority Secured Obligations and shall promptly notify the First Priority Pledgee in writing of the existence of such Security (if and to the extent the applicable Second Priority Pledgee or any Second Priority Creditor has actual knowledge of the existence of such Security); and
  - (ii) any amounts received by or distributed to the Second Priority Pledgee or any Second Priority Creditor pursuant to or as a result of Security granted in contravention of this paragraph (c) shall be subject to turnover in accordance with paragraph (g) below;
- (d) except as provided below, the Second Priority Pledgee will not:
  - (i) make a demand under any guarantee, indemnity or other assurance given by any Second Priority Obligor under or in relation to the Second Priority Loan Documents or any Second Priority Note Instrument;
  - (ii) enforce, or take any action to enforce, any of its rights or claims under any Second Priority Transaction Security;
  - (iii) initiate any bankruptcy or other insolvency proceedings in respect of any Second Priority Obligor; or
  - (iv) take any action against any of the assets of any Second Priority Obligor,

in each case, unless:

- (A) it has received written confirmation from the First Priority Pledgee that all of the First Priority Secured Obligations have been fully and finally discharged;
- (B) such action is necessary to preserve the validity, existence or priority of the Second Priority Secured Obligations, including but not limited to the filing or registration of such claims before any court or governmental authority, and the bringing, supporting or joining of proceedings to prevent the loss of the right to bring, support or join proceedings by reason of applicable limitation periods;
- (C) a payment default exists with respect to any Second Priority Secured Obligations following the final maturity or acceleration of such Second Priority Secured Obligations, and in either case so long as (1) 120 calendar days have elapsed after notice thereof (and requesting that enforcement action be taken with respect to the Second Priority Transaction Security)

has been received by the First Priority Pledgee, (2) the respective payment default has not been cured or waived (or the acceleration rescinded) and (3) the First Priority Pledgee or the First Priority Bondholders are not pursuing enforcement proceedings in a commercially reasonable manner;

- (D) the prior consent of the First Priority Pledgee is obtained; and
  - (E) any proceeds received by the Second Priority Pledgee in connection with the steps outlined at paragraphs (i) to (iv) above are distributed in accordance with paragraph (n) below to first satisfy the First Priority Secured Obligations;
- (e) in the event of any bankruptcy proceedings or similar proceedings being opened in respect of any Second Priority Obligor before all of the First Priority Secured Obligations have been fully and finally discharged, the Second Priority Pledgee shall, if so requested by the First Priority Pledgee in writing, prove its claim in respect of any Second Priority Secured Obligations owing by such Second Priority Obligor in such proceedings, and any payment received by the Second Priority Pledgee in respect of such proceedings shall, until all of the First Priority Secured Obligations have been fully and finally discharged, promptly be paid to the First Priority Pledgee (on behalf of the First Priority Finance Parties), and pending such payment, be held by the Second Priority Pledgee on behalf of the First Priority Finance Parties;
- (f) the Second Priority Pledgee will notify the First Priority Pledgee promptly after becoming aware of an Event of Default under, and as defined in, the Second Priority Loan Documents or any Second Priority Note Instrument or any other circumstance which (or which with the expiry of any grace period, the giving of notice, the lapse of time and/or the making of any determination) would, but for the provisions of this Agreement, entitle the Second Priority Pledgee to enforce any of its rights under the Second Priority Transaction Security Documents;
- (g) if:
- (i) any sums are outstanding under the First Priority Finance Documents, any moneys received by the Second Priority Pledgee under a Second Priority Transaction Security Document shall, after receipt by the Second Priority Pledgee of written notice from the First Priority Pledgee specifying the amount of the overdue sum, promptly be paid to the First Priority Pledgee until such overdue sum has been duly paid (up to a maximum amount equal to the amount of the First Priority Secured Obligations); and
  - (ii) any payment is received or recovered by any Second Priority Finance Party from any person in contravention of this Agreement, such Second Priority Finance Party shall immediately pay that sum to the First Priority Pledgee (on behalf of the First Priority Finance Parties) (up to a maximum amount equal to the amount of the First Priority Secured Obligations), and pending such payment, hold that sum separated from its other assets on behalf of the First Priority Finance Parties;
- (h) the Second Priority Pledgee shall not in any way hinder the First Priority Pledgee in exercising the First Priority Pledgee's rights under any First Priority Transaction Security Document;

- (i) the First Priority Pledgee, the First Priority Finance Parties and the First Priority Obligors may at any time amend, vary, supplement, supersede, waive or terminate any term of any First Priority Finance Document without prior consent of the Second Priority Pledgee, provided that such action could not be reasonably expected to materially and adversely affect the interests of the Second Priority Pledgee or the Second Priority Finance Parties under this Agreement;
- (j) subject to the terms of this Agreement, the First Priority Pledgee may at any time, in its absolute discretion, enforce or make any claims, or exercise any of its rights and powers under each First Priority Transaction Security Document and each First Priority Finance Document or exercise any rights which it has or may have against any First Priority Obligor;
- (k) the Second Priority Pledgee, the Second Priority Finance Parties and the Second Priority Obligors shall not at any time amend, vary, supplement, supersede, waive or terminate any term of any Second Priority Finance Document without prior consent of the First Priority Pledgee (such consent not to be unreasonably withheld or delayed), unless such action could not reasonably be expected to materially adversely affect the interests of the First Priority Pledgee or the First Priority Finance Parties under this Agreement;
- (l) the Second Priority Pledgee shall not assign, transfer or otherwise dispose of any of its rights and/or obligations under any Second Priority Transaction Security Document to any other party unless such party has first entered into an agreement with the First Priority Pledgee (in a form satisfactory to the First Priority Pledgee, acting reasonably) whereby such party agrees to be bound by similar terms as set out in this Agreement;
- (m) subject to the terms of this Agreement, the First Priority Pledgee shall be entitled to exercise any rights available to it under each First Priority Transaction Security Document and/or any of the other First Priority Finance Documents on such conditions and in such manner as the First Priority Pledgee shall determine, without any responsibility or duty on the part of the First Priority Pledgee to protect the rights and privileges of the Second Priority Pledgee (except as set out in this Agreement), and for this purpose the Second Priority Pledgee undertakes with the First Priority Pledgee that it shall if so required in writing by the First Priority Pledgee, in accordance with paragraph (n) below, discharge the Second Priority Transaction Security and, so far as is reasonably practicable, co-operate fully with the First Priority Pledgee in the enforcement by the First Priority Pledgee of a First Priority Transaction Security Document or any part thereof whether such enforcement is voluntary or involuntary, provided that the First Priority Pledgee shall, unless considered by the First Priority Pledgee (acting reasonably) due to time constraints or other reasons to prejudice the exercise of its rights under any First Priority Transaction Security Document and/or any of the other First Priority Finance Documents, consult with the Second Priority Pledgee in connection with any such enforcement, and comply with all laws and regulations applicable thereto, as well as the obligations of the First Priority Pledgee to the Second Priority Pledgee under this Agreement;
- (n) if instructed by the First Priority Pledgee, the Second Priority Pledgee shall in connection with any disposal of any asset being subject to Second Priority Transaction Security (being effected as part of, or in connection with, any enforcement or similar action) execute and deliver to the First Priority Pledgee, or to its order, all such documents required in order to discharge each Second Priority Transaction Security Document, provided that the disposal proceeds from such transaction shall be applied as follows:

- (i) firstly, in respect of all costs and expenses incurred by the First Priority Pledgee or any of its agents in connection with disposal;
  - (ii) secondly, in or towards satisfaction of all claims having priority prior to the First Priority Transaction Security under any relevant applicable law;
  - (iii) thirdly, in or towards payment of all First Priority Secured Obligations;
  - (iv) fourthly, in respect of all costs and expenses incurred by the Second Priority Pledgee or any of its agents in connection with such disposal;
  - (v) fifthly, in or towards payment of all of all Second Priority Secured Obligations; and
  - (vi) sixthly, the balance, if any, shall be paid to the Obligors or whomsoever shall be entitled thereto; and
- (o) the rights of the First Priority Pledgee under each First Priority Transaction Security Document shall be in addition to the rights of the First Priority Pledgee under all other First Priority Finance Documents provided that, in the event of any conflict between the provisions of this Agreement and the provisions of any First Priority Transaction Security Document, the provisions of this Agreement shall prevail.
- (p) Except as otherwise set forth in this Agreement, the Second Priority Pledgee or any other Second Priority Finance Party may exercise rights and remedies as an unsecured creditor against any Second Priority Obligor that has guaranteed the Second Priority Secured Obligations in accordance with the terms of the applicable Second Priority Finance Documents and applicable law (including the bankruptcy laws of any applicable jurisdiction), in each case to the extent not inconsistent with or prohibited by the provisions of this Agreement.
- (q) In the event that any Second Priority Finance Party becomes a judgment lien creditor or other secured creditor in respect of any assets securing any Second Priority Secured Obligations as a result of its enforcement of its rights as an unsecured creditor in respect of any Second Priority Secured Obligations or otherwise, such judgment or other security shall be subordinated to the Security securing the First Priority Secured Obligations on the same basis as the other Security securing the Second Priority Secured Obligations are so subordinated to such Security securing the First Priority Secured Obligations under this Agreement. Nothing in this Agreement impairs or otherwise adversely affects any rights or remedies that any First Priority Finance Party may have with respect to the assets securing any First Priority Secured Obligations.

## **6 UNDERTAKINGS OF THE FIRST PRIORITY PLEDGEE**

The First Priority Pledgee hereby agrees and undertakes with the Second Priority Pledgee that:

- (a) the First Priority Transaction Security shall not secure any indebtedness other than the First Priority Secured Obligations (as the same may be amended, supplemented, refinanced and/or replaced from time to time, in each case, subject to paragraph (i) of Clause 4 (*Undertakings of the Second Priority Pledgee*) above);
- (b) the First Priority Pledgee will promptly notify the Second Priority Pledgee if it intends to exercise any of its rights under a First Priority Transaction Security Document (except

in circumstances in which the First Priority Pledgee reasonably considers in its absolute discretion that it is necessary or desirable to act immediately, in which case the First Priority Pledgee will give notice to the Second Priority Pledgee as soon as possible after taking such action), whereupon the Second Priority Pledgee shall have the option, to be exercised within 30 calendar days from receipt of such notification, to pay to the First Priority Pledgee within 30 calendar days from receipt of such notification, all First Priority Secured Obligations, such amount to be certified by the First Priority Pledgee at the relevant time and to be conclusive of the amounts owing at that time, against an assignment and transfer, at the Second Priority Pledgee's expense, of the rights established pursuant to a First Priority Transaction Security and the other First Priority Finance Documents to the Second Priority Pledgee (but on a non-recourse basis and without any express or implied warranty or representation by the First Priority Pledgee as to the validity or enforceability of any of the First Priority Transaction Security and/or any of the other First Priority Finance Documents or as to the recoverability of any moneys thereunder), provided that the First Priority Pledgee shall not be liable to the Second Priority Pledgee for any failure or delay in giving notice of the happening of such an event or circumstance and shall not be liable to the Second Priority Pledgee in respect of any loss, damage or liability incurred by the Second Priority Pledgee arising out of or in connection with the First Priority Pledgee's failure or delay in giving such notice (other than by reason of the First Priority Pledgee's gross negligence or wilful misconduct);

- (c) the First Priority Pledgee shall not assign, transfer or otherwise dispose of its rights or obligations under any First Priority Transaction Security Document to any other party unless such party has first entered into an agreement with the Second Priority Pledgee (in a form satisfactory to the Second Priority Pledgee) whereby such party agrees to be bound by similar terms as set out in this Agreement;
- (d) the First Priority Pledgee will notify the Second Priority Pledgee as soon as possible after becoming aware of an Event of Default under, and as defined in, the Bond Terms or any other circumstance which (or which with the expiry of any grace period, the giving of notice, the lapse of time and/or the making of any determination) would, but for the provisions of this Agreement, entitle the First Priority Pledgee to enforce any of its rights under the First Priority Transaction Security Documents, provided that the First Priority Pledgee shall not be liable to the Second Priority Pledgee for any failure or delay in giving notice of the happening of such an event or circumstance and shall not be liable to the Second Priority Pledgee in respect of any loss, damage or liability incurred by the Second Priority Pledgee arising out of or in connection with the First Priority Pledgee's failure or delay in giving such notice;
- (e) nothing in Clauses 3 (*Ranking*) or 4 (*Undertakings of the Second Priority Pledgee*) shall be construed to prevent or impair the rights of the Second Priority Finance Parties to receive payments in connection with the Second Priority Secured Obligations not otherwise in contravention of this Agreement or the Bond Terms, or otherwise upon the discharge of the First Priority Secured Obligations;
- (f) the rights of the Second Priority Pledgee under each Second Priority Transaction Security Document have the full right of succession (*Nw. opptrinnsrett*) as and when any First Priority Transaction Security Document is released and discharged and the First Priority Secured Obligations have been fully and finally discharged;
- (g) no Obligor shall grant, and neither the First Priority Pledgee nor any First Priority Finance Party shall acquire or hold, any Security over any assets of any Obligor

securing any First Priority Secured Obligations that is not also subject to second priority Security securing the Second Priority Secured Obligations; and

- (h) if the First Priority Pledgee or any First Priority Finance Party should acquire or hold any Security over any assets securing any First Priority Secured Obligations that are not also subject to second priority Security in favour of the Second Priority Pledgee or Second Priority Finance Parties to secure the Second Priority Secured Obligations, the First Priority Pledgee or such First Priority Finance Party shall be deemed to hold such Security for the benefit of the Second Priority Pledgee as security for the Second Priority Secured Obligations and shall promptly notify the Second Priority Pledgee in writing of the existence of such Security, and such deemed security shall be subordinated to the Security securing the First Priority Secured Obligations on the same basis as the other Security securing the Second Priority Secured Obligations are so subordinated to such Security securing the First Priority Secured Obligations under this Agreement.

## **7 PRESERVATION OF SUBORDINATED DEBT**

Notwithstanding any term of this Agreement postponing, subordinating or preventing payment in connection with the Second Priority Secured Obligations:

- (a) the Second Priority Secured Obligations will, solely as between each Second Priority Obligor and each Second Priority Finance Party, remain owing or due and payable in accordance with the terms of the relevant Second Priority Finance Documents; and
- (b) interest and default interest will accrue on any unpaid amounts following such non-payment accordingly.

## **8 DETERMINATION OF PROCEEDS**

- (a) For the purpose of the waterfall set out in paragraph (n) of Clause 4 (*Undertakings of the Second Priority Pledgee*), the term "disposal proceeds" shall, if the First Priority Pledgee exercises its rights under the any First Priority Transaction Security Document to take over ownership of any assets subject to the First Priority Transaction Security, be the market value of such assets.
- (b) The market value of such assets shall be determined in accordance with the provisions of the relevant First Priority Transaction Security Document and such market value shall be set-off against the First Priority Secured Obligations in accordance with the terms of this Agreement.
- (c) If the market value exceeds the amount required to discharge the First Priority Secured Obligations in full, the First Priority Pledgee shall make such excess amount available to the Second Priority Pledgee in cash to be distributed towards payment to the other relevant creditors in accordance with paragraph (n) of Clause 4 (*Undertakings of the Second Priority Pledgee*).

## **9 ACKNOWLEDGEMENT AND AGREEMENT**

The First Priority Bond Trustee (on behalf of itself and the First Priority Bondholders) and the Second Priority Creditors hereby acknowledge and agree to the terms set out in this Agreement.

**10 THE OBLIGORS AS PARTY**

- (a) Each Obligor hereby acknowledges and agrees to the terms of this Agreement and their implementation and undertakes to the First Priority Pledgee and the Second Priority Pledgee to do all such things and execute all such documents whatsoever as the First Priority Pledgee or the Second Priority Pledgee (as applicable) may reasonably require from time to time in order to implement such terms.
- (b) Nothing contained in this Agreement shall, as between the First Priority Obligors and the First Priority Pledgee or the Second Priority Obligors and the Second Priority Pledgee, affect or prejudice any rights or remedies of the First Priority Pledgee or the Second Priority Pledgee, respectively, under any First Priority Transaction Security Document or any Second Priority Transaction Security Document, each of which shall remain in full force and effect in accordance with its terms, subject only to the ranking of each First Priority Transaction Security Document and each Second Priority Transaction Security Document as set out herein.

**11 [AGENCY PROVISIONS]<sup>9</sup>**

[Agency provisions for First Priority Pledgee and Second Priority Pledgee to be included.]

**12 FIRST PRIORITY PLEDGEE AS GRATUITOUS BAILEE/GRATUITOUS AGENT FOR PERFECTION**

- (a) The First Priority Pledgee agrees to hold any pledged assets that are part of the Second Priority Transaction Security ("**Pledged Collateral**") that is in its possession or control (or in the possession or control of its agents or bailees) as gratuitous bailee and/or gratuitous agent for the benefit of and on behalf of the Second Priority Pledgee and the Second Priority Finance Parties and any assignee thereof solely for the purpose of perfecting the security interest granted in such Pledged Collateral, if any, pursuant to the Second Priority Finance Documents, subject to the terms and conditions of this Clause 11 (First Priority Pledgee as Gratuitous Bailee/Gratuitous Agent for Perfection) (such bailment and/or agency being intended, among other things, to satisfy the requirements of Sections 8-106(d)(3), 8-301(a)(2), 9-104(a)(2) and 9-313(c) of the UCC).
- (b) Until the First Priority Secured Obligations have been fully and finally discharged, the First Priority Pledgee shall be entitled to deal with any Pledged Collateral in accordance with the terms of the relevant First Priority Transaction Security Document as if the Security under the Second Priority Transaction Security Documents did not exist. The rights of the Second Priority Finance Parties with respect to such Pledged Collateral shall at all times be subject to the terms of this Agreement.
- (c) The First Priority Pledgee shall not have any obligation whatsoever to the Second Priority Finance Parties to assure that the Pledged Collateral is genuine or owned by the relevant Obligors or to protect or preserve rights or benefits of any person or any rights pertaining to the Pledged Collateral except as expressly set forth in this Clause 12 (*First Priority Pledgee as Gratuitous Bailee/Gratuitous Agent for Perfection*). The duties or responsibilities of the First Priority Pledgee under this Clause 12 (*First Priority*

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<sup>9</sup> NTD: ICA to be subject to such technical and administrative amendments as may be reasonably required by the First Priority Pledgee and the Second Priority Pledgee

*Pledgee as Gratuitous Bailee/Gratuitous Agent for Perfection*) shall be limited solely to holding the Pledged Collateral as gratuitous bailee and/or gratuitous agent for the Second Priority Finance Parties for purposes of perfecting the Security granted in respect of the Second Priority Secured Obligations.

- (d) The First Priority Pledgee shall not have by reason of any Second Priority Transaction Security Document, this Agreement or any other document, a fiduciary relationship in respect of the applicable Second Priority Finance Party. The Second Priority Finance Parties hereby waive and release the First Priority Pledgee from all claims and liabilities arising pursuant to the First Priority Pledgee's role as agent and gratuitous bailee and/or gratuitous agent with respect to any Pledged Collateral, under this Clause 12 (*First Priority Pledgee as Gratuitous Bailee/Gratuitous Agent for Perfection*), except for claims arising by reason of the First Priority Pledgee's gross negligence or wilful misconduct.
- (e) After the First Priority Secured Obligations have been fully and finally discharged, the First Priority Pledgee shall deliver, to the extent that it is legally permitted to do so, the remaining Pledged Collateral (if any) and to the extent that such Pledged Collateral is in the possession or control of the First Priority Pledgee (or its agents or bailees), together with any necessary endorsements (or otherwise allow the Second Priority Pledgee to obtain control of such Pledged Collateral), or as a court of competent jurisdiction may otherwise direct, to the Second Priority Pledgee, if any Second Priority Secured Obligations remain outstanding.

### 13 MISCELLANEOUS

- (a) No failure or delay on the part of the Parties hereto to exercise any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any power or right hereunder preclude any other or further exercise of that or any other such power or right.
- (b) If any provision of this Agreement is for any reason held invalid, illegal or unenforceable in any respect, such illegality, invalidity or unenforceability shall not affect any other provision of this Agreement.
- (c) Each of the First Priority Pledgee and the Second Priority Pledgee, agree that each of them shall take such further action and shall execute and deliver such additional documents and instruments (in recordable form, if requested) as the First Priority Pledgee and the Second Priority Pledgee may reasonably request to effectuate the terms of and the priorities contemplated by this Agreement.
- (d) This Agreement and the rights and benefits hereof shall inure to the benefit of, and be binding upon, each of the Parties hereto and their respective successors and assigns and shall inure to the benefit of each of, and be binding upon, the First Priority Finance Parties and the Second Priority Finance Parties. No other person shall have or be entitled to assert rights or benefits under this Agreement.
- (e) No First Priority Finance Party or Second Priority Finance Party shall have any duty to advise any other Party of information known to it or them regarding (x) the financial condition of any Obligor and all endorsers, pledgors and/or guarantors of the First Priority Secured Obligations or the Second Priority Secured Obligations and (y) all other circumstances bearing upon the risk of non-payment of the First Priority Secured Obligations or the Second Priority Secured Obligations or any other such

circumstances. In the event that any First Priority Finance Party or Second Priority Finance Party, in its or their sole discretion, undertakes at any time or from time to time to provide any such information to any other Party, it or they shall be under no obligation to:

- (i) make, and none of the First Priority Finance Parties or Second Priority Finance Parties shall make, any express or implied representation or warranty, including with respect to the accuracy, completeness, truthfulness or validity of any such information so provided;
- (ii) provide any additional information or to provide any such information on any subsequent occasion;
- (iii) undertake any investigation; or
- (iv) disclose any information that, pursuant to accepted or reasonable commercial finance practices that such Party wishes to maintain confidential or is otherwise required to maintain confidential.

## 14 NOTICES

Any notice, demand or other communication to be made or delivered by any Party pursuant to this Agreement shall be made or delivered:

- (a) if to the First Priority Pledgee:

Nordic Trustee AS  
Kronprinsesse Marthas plass 1  
0160 Oslo  
Norway

Email: mail@nordictrustee.com  
Attn.: Corporate Bonds & Loan Transactions

- (b) if to the Second Priority Pledgee:

TMF Group New York, LLC  
48 Wall Street, 27th Floor-27-New York, NY 10005

Email: Janice.Nelson@tmf-group.com / David.Johnson@tmf-group.com  
Attn.: Janice Nelson / David Johnson

- (c) if to the Obligors:

Av. Gral. Paz 265  
B1675 Villa Raffo  
San Martín  
Province of Buenos Aires  
Argentina

Email: ignacio.sorrosal@galileoar.com  
Attn.: Ignacio Sorrosal  
CC: legales@galileoar.com

Unless otherwise specified in the applicable First Priority Transaction Security Documents or the Second Priority Transaction Security Documents, to the extent any notice is required to be sent to a TMF Sub-Agent under this Agreement, the delivery of such notice shall be effective when sent to such TMF Sub-Agent "care of" as the First Priority Pledgee or the Second Priority Pledgee (as applicable) in accordance with this Clause 14.

## **15 COUNTERPARTS**

This Agreement may be signed in any number of counterparts and by the different Parties on separate counterparts, each of which when so signed shall be an original, but all counterparts shall together constitute one and the same instrument.

## **16 GOVERNING LAW – JURISDICTION**

- (a) This Agreement shall be governed by and construed in accordance with the laws of Norway.
- (b) The courts of Norway, with the Oslo district court (Nw. *Oslo tingrett*) as the court of first instance, have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement).

**SCHEDULE 1  
OBLIGORS<sup>10</sup>**

<b>Name of Obligor</b>	<b>Company registration number or equivalent</b>	<b>Jurisdiction</b>
Comusa, Inc.	3607418	California, USA
Galileo Global Technologies Ltd	09817636	England and Wales
Galileo Holdco 2 Limited	10138785	England and Wales
Galileo Technologies Corporation	3430776	California, USA
Galileo Technologies S.A.	800054	Argentina
Galileo Tecnologia para Gas Ltda	CNPJ 37.352.656/0001-83	Brazil
Gaz Naturel, Inc.	3607419	California, USA

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<sup>10</sup> NTD: TBD

**SIGNATURES<sup>11</sup>**

**The Obligors**

**COMUSA, INC.**

By: .....  
Name:  
Title:

**GALILEO GLOBAL TECHNOLOGIES LTD**

By: .....  
Name:  
Title:

**GALILEO HOLDCO 2 LIMITED**

By: .....  
Name:  
Title:

**GALILEO TECHNOLOGIES CORPORATION**

By: .....  
Name:  
Title:

**GALILEO TECHNOLOGIES S.A.**

By: .....  
Name:  
Title:

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<sup>11</sup> NTD: Original parties TBD

**GALILEO TECNOLOGIA PARA GAS LTDA**

By: .....  
Name:  
Title:

**GAZ NATUREL, INC.**

By: .....  
Name:  
Title:

**The Bond Trustee**

**NORDIC TRUSTEE AS**

By: .....  
Name:  
Title:

**The Second Priority Creditors**

**HALLIBURTON ARGENTINA S.R.L.**

By: .....  
Name:  
Title:

**HALLIBURTON B.V.**

By: .....  
Name:  
Title:

**The First Priority Pledgee**

**NORDIC TRUSTEE AS**

By: .....  
Name:  
Title:

**The Second Priority Pledgee**

**TMF GROUP NEW YORK, LLC**

By: .....

Name:

Title:

## APPENDIX B

Term sheet written in connection with application for registration on Euronext ABM

Date 02.09.2025

ISIN: NO 0013481242



### Galileo Global Technologies Ltd 13.75 % senior secured USD 75,000,000 bonds 2025/2028

#### Terms:

##### Documentation:

The Loan Agreement <sup>1)</sup> is described more closely in Standard Terms

Before investing in the bond, the investor is encouraged to become familiar with relevant documents such as this term sheet, the Loan Agreement and the Issuer's financial accounts and articles of association and if relevant, admission document, cf. ABM-rules section 2.7.2.3. The documents are available with the Issuer and in Relevant Places. In the case of any discrepancies between the Loan Agreement and this term sheet, the Loan Agreement will apply.

##### Relevant places:

[www.galileotechnologies.com](http://www.galileotechnologies.com) and [www.euronext.com/nb/markets/oslo](http://www.euronext.com/nb/markets/oslo)

##### Issuer:

Galileo Global Technologies Ltd

##### Borrowing Limit – Tap Issue:

USD 75,000,000

##### First Tranche / Loan Amount : <sup>2)</sup>

USD 55,000,000

##### Disbursement Date: <sup>3)</sup>

28 February 2025

##### Maturity Date: <sup>4)</sup>

4 March 2028

##### Interest Rate:

13.75 per cent. per annum.

##### Yield on Disbursement Date:

13.75 per cent. per annum.

##### Day Count Fraction– Interest rate:<sup>5)</sup>

30/360

##### Business Day Convention: <sup>6)</sup>

Unadjusted

##### Interest Payment Date(s): <sup>7)</sup>

4 March and 4 September.

##### Interest accrual date:

4 September 2025

##### Date until which interest accrues:

4 March 2028

##### Status of the loan: <sup>8)</sup>

Senior secured

##### Issue Price: <sup>9)</sup>

100 per cent. of the nominal amount

##### Denomination:

USD 125,000

##### Call: <sup>10)</sup>

##### Redemption Date(s):

04-03-2025 – 03-09-2026

04-09-2026 – 03-03-2027

04-03-2027 – 03-09-2027

04-09-2027 – 03-03-2028

##### Price:

Make whole

106.875 per cent

104.8125 per cent

102.0625 per cent

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##### Issuer's org. number/LEI number:

09817636 / 213800YIJLT8TLZHT73

##### Number / Codes:

Sector code: 9100/820

Geographic code:

United Kingdom

Industry (trade) Code: 09100

##### Usage of funds:

The Issuer will use the Net Proceeds from the Initial Bond Issue for refinancing of the Existing Debt and general corporate purposes of the Group. The Issuer will use the Net Proceeds from the issuance of any Additional Bonds for general corporate purposes of the Group, unless otherwise stated.

- Approvals / Permissions:**
- The issuance was approved by the board of directors on 28 February 2025
  - The admission document has been inspected by Oslo Børs, cf. ABM-rules sec 2.7

**Trustee:** Nordic Trustee AS, P.O. Box 1470 Vika N-0116 Oslo, Norway

**Arranger(s):** Artic Securities AS and Pareto Securities AS.

**Paying Agent:** Pareto Securities ASA

**Securities Depository:** Verdipapirsentralen ASA (VPS) (Euronext Securities Oslo).

**FISN- and CFI-code** Galileo/13.75 BD 20280304 / DBFGGR

**Market Making:** No market-maker agreement has been made for this Bond Issue.

**MiFID II target market of end clients:** Professional Clients  
None PRIIPS, No KID

**Withholding tax:** <sup>11)</sup> Gross up

**Special (distinct) conditions:** No special conditions.

**Supplementary information about status of the loan and collateral:** <sup>8)</sup> The Bonds shall constitute senior secured debt obligations of the Issuer, and will rank pari passu between themselves and at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

The Bonds will be secured on a first priority basis and will receive (i) the proceeds from any enforcement of the Transaction Security and certain distressed disposals and (ii) any payments following any other enforcement event prior to the Second Priority Creditors (as defined in the Intercreditor Agreement) in accordance with the waterfall provisions of the Intercreditor Agreement.

The Bonds will be secured by:

- a first priority pledge over all the shares in the Issuer;
- a first priority assignment of any Subordinated Loans (as defined in the Loan Agreement);
- a first priority assignment by the Issuer of Intercompany Loans (as defined in the Loan Agreement) granted by it;
- a first priority pledge over all of the shares in each of:
  - Galileo Technologies Corporation;
  - Comusa Inc.;
  - Gaz Naturel Inc.;
  - Galileo Technologies S.A.; and
  - Galileo Tecnologia para Gas Ltda;
- a first priority assignment of Intercompany Loans granted by the Issuer or any of the companies listed above in litra d at any time; and
- Guarantees (as defined in the Loan Agreement) from each of the companies as listed above in litra d.

**Standard terms:** *If any discrepancy should occur between this Loan description and the Loan Agreement, then the Loan Agreement should apply.*

<b>Loan Agreement:</b> <sup>1)</sup>	The Loan Agreement will be entered into between the Issuer and the Trustee prior to Disbursement Date. The Loan Agreement regulates the Bondholder's rights and obligations in relations with the Issue. The Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Loan Agreement.  When bonds are subscribed/purchased, the Bondholder has accepted the Loan Agreement and is bound by the terms of the Loan Agreement. For tap issues, the Loan Agreement will apply for later issues made within the Borrowing Limit. The parties' rights and obligations are also valid for subsequent issued bonds within the Borrowing Limit.
<b>Open / Close:</b> <sup>3) 4)</sup>	Tap Issues will be opened on Disbursement Date and closed no later than five bank days before Maturity Date.
<b>Disbursement date:</b> <sup>3)</sup>	Payment of the First Tranche / Loan Amount takes place on the banking date ahead of Disbursement Date as agreed with the Manager(s). In case of late payment, the applicable default interest rate according to "lov 17. desember 1976 nr 100 om renter ved forsinket betaling m.m." will accrue.
<b>Expansions – Tap Issues:</b> <sup>2)</sup>	For Tap Issues the Issuer can increase the loan above the First Tranche/Loan Amount. For taps not falling on Interest Payment Dates, Accrued Interest will be calculated using standard market practice in the secondary bond market. The Issuer may apply for an increase in the Borrowing Limit.

<b>Issue price – Tap Issues:</b> <sup>9)</sup>	Any taps under the Tap Issue will be made at market prices.
<b>Interest Period:</b> <sup>7)</sup>	The interest rate is due in arrears on the Interest Payment Date. The first Interest Rate is paid on the first Interest Payment Date after Disbursement Date. The subsequent period runs from this date until the next Interest Payment Date. Last Interest Payment Date corresponds to Maturity Date.
<b>Day Count Fraction– Interest rate:</b> <sup>5)</sup>	Interest shall be calculated on the basis of a 360 day year consisting of 12 months of 30 days, in case of a non-finished month the actual number of calendar days (30/360-basis), with the exception of periods where <ul style="list-style-type: none"> <li>a) the last day in the period is the 31<sup>st</sup> calendar day, and the first day of the period is neither the 30<sup>th</sup> nor the 31<sup>st</sup> of the month, in which the month containing the period shall not be reduced to 30 days; or</li> <li>b) the last day of the period is the last calendar day in February, in which February shall not be extended to a 30-day month.</li> </ul>
<b>Standard Business Day Convention</b> <sup>6)</sup>	Interest Payment Date will not be moved even if it is on a day that is not a banking day. If Interest Payment Date is not a banking day, payments will be made on the following banking day.
<b>Accrued interest:</b>	Accrued Interest rates for trades in the secondary bond market are calculated on the basis of current recommendations of Norske Finansanalytikerers Forening ( <i>The Norwegian Society of Financial Analysts</i> ).
<b>Condition – Call:</b> <sup>10)</sup>	Exercise of Call shall be notified by the Issuer to the Bondholders and the Bond Trustee at least ten Business Days prior to the relevant Call Date. Partial exercise of Call shall be carried out pro rata between the Bonds (according to the procedures in the Securities Register).
<b>Registration:</b>	The loan must prior to disbursement be registered in the Securities Depository. The bonds are being registered on each Bondholders account or nominee account in the Securities Depository.
<b>Issuer's acquisition of bonds:</b>	The Issuer has the right to acquire Bonds and to retain, sell or discharge such Bonds in the Securities Depository. Subordinated bonds may not be purchased, sold or discharged by the Issuer without the consent of Finanstilsynet, provided that such consent is required.
<b>Amortisation:</b> <sup>4)</sup>	The bonds will run without instalments and be repaid in full on Maturity Date at par, provided the Issuer has not called the bonds.
<b>Redemption:</b>	Matured interest rate and matured principal will be credit each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.
<b>Sale:</b>	Tranche 1/ Loan amount has been sold by the Arranger. Later taps can also take place by other authorized investment firms.
<b>Legislation:</b>	Disputes arising from or in connection with, the Loan Agreement which are not resolved amicably, shall be resolved in accordance with Norwegian law and the Norwegian courts. Legal suits shall be served at the Trustee's competent legal venue.
<b>Fees and expenses:</b>	Any public fees payable in connection with the Bond Agreement and fulfilling of the obligations pursuant to the Bond Agreement shall be covered by the Issuer. The Issuer is not responsible for reimbursing any public fees levied on the trading of Bonds.
<b>Withholding tax:</b> <sup>11)</sup>	The issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the bonds. In case of Gross up, the issuer shall be liable to gross up any payments in relation to the bonds by virtue of withholding tax, public levy or similar taxes. In case of No gross up, the issuer shall not be liable to gross up any payments in relation to the bonds by virtue of withholding tax, public levy or similar taxes.

Oslo, 2 September 2025





**CERTIFICATE OF INCORPORATION  
OF A  
PRIVATE LIMITED COMPANY**

Company Number **9817636**

The Registrar of Companies for England and Wales, hereby certifies that

**GALILEO GLOBAL TECHNOLOGIES LTD**

is this day incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales

Given at Companies House, Cardiff, on **9th October 2015**



\*N09817636R\*

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES



Companies House

# IN01(ef)

**Application to register a company**

*Received for filing in Electronic Format on the: 09/10/2015*



X4HOOZ29

*Company Name  
in full:*

**GALILEO GLOBAL TECHNOLOGIES LTD**

*Company Type:*

**Private limited by shares**

*Situation of Registered  
Office:*

**England and Wales**

*Proposed Register  
Office Address:*

**C/O SKADDEN, ARPS, SLATE, MEAGHER & FLOM (UK) LLP 40 BANK  
STREET  
CANARY WHARF  
LONDON  
UNITED KINGDOM  
E14 5DS**

*I wish to adopt entirely bespoke articles*

*Company Director* 1

*Type:* **Person**  
*Full forename(s):* **OSVALDO CLAUDIO**

*Surname:* **DEL CAMPO**

*Former names:*

*Service Address:* **AVENIDA GENERAL PAZ 265 SAENZ PE?A  
PARTIDO DE TRES DE FEBRERO  
BUENOS AIRES  
ARGENTINA  
B1674AOA**

*Country/State Usually Resident:* **ARGENTINA**

*Date of Birth:* **19/07/1964** *Nationality:* **ARGENTINIAN**

*Occupation:* **ENTREPRENEUR**

*Consented to Act:* **Y** *Date authorised:* **09/10/2015** *Authenticated:* **YES**

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*Company Director* 2

*Type:* **Person**

*Full forename(s):* **ULISES**

*Surname:* **DE LA ORDEN**

*Former names:*

*Service Address:* **AVENIDA GENERAL PAZ 265 SAENZ PE?A  
PARTIDO DE TRES DE FEBRERO  
BUENOS AIRES  
ARGENTINA  
B1674AOA**

*Country/State Usually Resident:* **ARGENTINA**

*Date of Birth:* **13/05/1945**

*Nationality:* **ARGENTINIAN**

*Occupation:* **ENGINEER**

*Consented to Act:* **Y**

*Date authorised:* **09/10/2015**

*Authenticated:* **YES**

## Statement of Capital (Share Capital)

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<b>Class of shares</b>	<b>ORDINARY</b>	<i>Number allotted</i>	<b>2</b>
		<i>Aggregate nominal value</i>	<b>2</b>
<i>Currency</i>	<b>USD</b>	<i>Amount paid per share</i>	<b>1</b>
		<i>Amount unpaid per share</i>	<b>0</b>

### *Prescribed particulars*

THE ORDINARY SHARES SHALL BE NON REDEEMABLE BUT SHALL HOLD FULL RIGHTS IN RESPECT OF VOTING, AND SHALL ENTITLE THE HOLDER TO FULL PARTICIPATION IN RESPECT OF EQUITY AND IN THE EVENT OF A WINDING UP OF THE COMPANY. THE SHARES MAY BE CONSIDERED BY THE DIRECTORS WHEN CONSIDERING DIVIDENDS FROM TIME TO TIME.

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## Statement of Capital (Totals)

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<i>Currency</i>	<b>USD</b>	<i>Total number of shares</i>	<b>2</b>
		<i>Total aggregate nominal value</i>	<b>2</b>

# Initial Shareholdings

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*Name:* ULISES DE LA ORDEN

*Address:* AVENIDA GENERAL PAZ 265 SAENZ *Class of share:* ORDINARY  
PE?A  
PARTIDO DE TRES DE FEBRERO  
BUENOS AIRES  
ARGENTINA  
B1674AOA

*Number of shares:* 1  
*Currency:* USD  
*Nominal value of each share:* 1  
*Amount unpaid:* 0  
*Amount paid:* 1

*Name:* OSVALDO CLAUDIO DEL CAMPO

*Address:* AVENIDA GENERAL PAZ 265 SAENZ *Class of share:* ORDINARY  
PE?A  
PARTIDO DE TRES DE FEBRERO  
BUENOS AIRES  
ARGENTINA  
B1674AOA

*Number of shares:* 1  
*Currency:* USD  
*Nominal value of each share:* 1  
*Amount unpaid:* 0  
*Amount paid:* 1

## Statement of Compliance

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*I confirm the requirements of the Companies Act 2006 as to registration have been complied with.*

*memorandum delivered by an agent for the subscriber(s): Yes*

*Agent's Name:*                   **LEGALINX LIMITED**

*Agent's Address:*               **14 - 18 CITY ROAD  
CARDIFF  
UNITED KINGDOM  
CF24 3DL**

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### *Authorisation*

*Authoriser Designation:* **agent**

*Authenticated:* **Yes**

*Agent's Name:*                   **LEGALINX LIMITED**

*Agent's Address:*               **14 - 18 CITY ROAD  
CARDIFF  
UNITED KINGDOM  
CF24 3DL**

**COMPANY HAVING A SHARE CAPITAL**

**MEMORANDUM OF ASSOCIATION**

**OF**

**GALILEO GLOBAL TECHNOLOGIES LTD**

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company and to take at least one share.

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**Name of each subscriber**

**Authentication by each subscriber**

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OSVALDO CLAUDIO DEL CAMPO

ULISES DE LA ORDEN

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Dated: 09 October 2015

**The Companies Act 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

of

**GALILEO GLOBAL TECHNOLOGIES LTD (the “Company”)**

**1. PRELIMINARY**

- 1.1 The articles constituting Schedule 1 to the Companies (Model Articles) Regulations 2008 (the “**Model Articles**”) and attached hereto as an Annex apply to the Company except in so far as they are excluded or varied by these Articles. References herein to Model Articles are to articles in the said Model Articles unless otherwise stated.
- 1.2 Words and expressions defined in Part 1 of the Model Articles have the same meanings in these Articles where the context admits. References to the “**Companies Act 2006**” shall include any statutory modification or re-enactment thereof for the time being in force.
- 1.3 Model Articles 4, 8(2), 8(3), 10(3), 11(2), 14, 17(1)(a), 17(2), 21(1), 24(2)(c), 36(4), 45(1)(d), 52 and 53 do not apply to the Company.
- 1.4 The Company is a private company and no shares or debentures of the Company may be offered to the public.

**2. SHARE CAPITAL**

- 2.1 Without prejudice to section 550 of the Companies Act 2006, any offer or agreement made by the directors in respect of any shares in the Company, which is made prior to the expiration of the directors’ authority (to exercise any power of the Company to offer, allot or otherwise dispose of any shares in the Company (or grant any right to subscribe for shares or to convert any security into shares in the Company), to such persons, at such times and generally on such terms and conditions as they think proper (in so far as the Company by ordinary resolution has not varied, renewed or revoked the said authority)) and which is in all other respects within the terms of such authority, shall be authorised to be made, notwithstanding that such offer or agreement would or might require relevant shares to be allotted after the expiration of such authority and, accordingly, the directors may at any time allot any relevant shares in pursuance of such offer or agreement.

**3. FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS**

- 3.1 If the Company proposes to issue or allot any equity securities (as defined in section 560(1) of the Companies Act 2006) at a certain price and on certain terms and those equity securities are accepted in their entirety by all existing shareholders of the Company on a pro rata basis to the number of shares held by those shareholders (as nearly as possible without involving fractions), the Company shall not be obliged to conduct any formal pre-emption offer in relation to those equity securities and accordingly pursuant to section 567(1) of the Companies Act 2006, sections 561 and 562 of the Companies Act 2006 shall not apply in such circumstances.

**4. TRANSFER OF SHARES**

- 4.1 Model Article 26 shall be amended by the insertion of:
  - (a) the words “and, unless the share is fully paid, the transferee” at the end of Model Article 26(1); and
  - (b) a new paragraph (6) which shall read as follows:

“(6) The Company must observe the applicable procedures in section 771 of the Companies Act 2006 in relation to any refusal to register the transfer of any share.”

## 5. LIEN

### 5.1 Company's lien over shares

- (a) The Company has a lien (the "**Company's Lien**") over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- (b) The Company's Lien over a share:
  - (i) takes priority over any third party's interest in that share; and
  - (ii) extends to any dividend or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.
- (c) The directors may at any time decide that a share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

### 5.2 Enforcement of the Company's Lien

- (a) Subject to the provisions of this Article, if:
  - (i) a Lien Enforcement Notice (as defined in Article 5.2(b) below) has been given in respect of a share; and
  - (ii) the person to whom the notice was given has failed to comply with it,the Company may sell that share in such manner as the directors decide.
- (b) A "**Lien Enforcement Notice**":
  - (i) may only be given in respect of a share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
  - (ii) must specify the share concerned;
  - (iii) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
  - (iv) must be addressed either to the holder of the share or to a transmittee of that holder; and
  - (v) must state the Company's intention to sell the share if the notice is not complied with.
- (c) Where shares are sold under this Article:
  - (i) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser; and
  - (ii) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- (d) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
  - (i) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and

- (ii) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien for any money payable (whether payable immediately or at some time in the future) as existed upon the shares before the sale in respect of all shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.
- (e) A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the Company's Lien on a specified date:
  - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
  - (ii) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share.

### 5.3 Call Notices

- (a) Subject to these Articles and the terms on which shares are allotted, the directors may send a notice (a "Call Notice") to a shareholder requiring the shareholder to pay the Company a specified sum of money (a "Call") which is payable to the Company at the date when the directors decide to send the Call Notice.
- (b) A Call Notice:
  - (i) may not require a shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company;
  - (ii) must state when and how any Call to which it relates is to be paid; and
  - (iii) may permit or require the Call to be made in instalments.
- (c) A shareholder must comply with the requirements of a Call Notice, but no shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.
- (d) Before the Company has received any Call due under a Call Notice the directors may:
  - (i) revoke it wholly or in part; or
  - (ii) specify a later time for payment than is specified in the notice,
 by a further notice in writing to the shareholder in respect of whose shares the Call is made.

### 5.4 Liability to pay Calls

- (a) Liability to pay a Call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- (b) Joint holders of a share are jointly and severally liable to pay all Calls in respect of that share.
- (c) Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that Call Notices sent to the holders of those shares may require them:
  - (i) to pay Calls which are not the same; or
  - (ii) to pay Calls at different times.

## 5.5 When Call Notice need not be issued

- (a) A Call Notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share:
  - (i) on allotment;
  - (ii) on the occurrence of a particular event; or
  - (iii) on a date fixed by or in accordance with the terms of issue.
- (b) But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

## 5.6 Failure to comply with Call Notice: automatic consequences

- (a) If a person is liable to pay a Call and fails to do so by the Call Payment Date:
  - (i) the directors may issue a notice of intended forfeiture to that person; and
  - (ii) until the Call is paid, that person must pay the Company interest on the Call from the Call Payment Date at the Relevant Rate.
- (b) For the purposes of this Article:
  - (i) the “**Call Payment Date**” is the time when the Call Notice states that a Call is payable, unless the directors give a notice specifying a later date, in which case the “**Call Payment Date**” is that later date; and
  - (ii) the “**Relevant Rate**” is:
    - (1) the rate fixed by the terms on which the share in respect of which the Call is due was allotted;
    - (2) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the directors; or
    - (3) if no rate is fixed in either of these ways, 5 per cent per annum.
- (c) The Relevant Rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.
- (d) The directors may waive any obligation to pay interest on a Call wholly or in part.

## 5.7 Notice of intended forfeiture

- (a) A notice of intended forfeiture:
  - (i) may be sent in respect of any share in respect of which a Call has not been paid as required by a Call Notice;
  - (ii) must be sent to the holder of that share (or all the joint holders of that share) or to a transmittee of that holder;
  - (iii) must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
  - (iv) must state how the payment is to be made; and
  - (v) must state that if the notice is not complied with, the shares in respect of which the Call is payable will be liable to be forfeited.

## 5.8 Directors' power to forfeit shares

If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

## 5.9 Effect of forfeiture

- (a) Subject to the Articles, the forfeiture of a share extinguishes:
  - (i) all interests in that share, and all claims and demands against the Company in respect of it; and
  - (ii) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.
- (b) Any share which is forfeited in accordance with the Articles:
  - (i) is deemed to have been forfeited when the directors decide that it is forfeited;
  - (ii) is deemed to be the property of the Company; and
  - (iii) may be sold, re-allotted or otherwise disposed of as the directors think fit.
- (c) If a person's shares have been forfeited:
  - (i) the Company must send that person notice that forfeiture has occurred and record it in the register of members;
  - (ii) that person ceases to be a shareholder in respect of those shares;
  - (iii) that person must surrender the certificate for the shares forfeited to the Company for cancellation;
  - (iv) that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and
  - (v) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- (d) At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all Calls, interest and expenses due in respect of it and on such other terms as they think fit.

## 5.10 Procedure following forfeiture

- (a) If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.
- (b) A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date:
  - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
  - (ii) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.
- (c) A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.

- (d) If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:
  - (i) was, or would have become, payable; and
  - (ii) had not, when that share was forfeited, been paid by that person in respect of that share,but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

#### 5.11 Surrender of shares

- (a) A shareholder may surrender any share:
  - (i) in respect of which the directors may issue a notice of intended forfeiture;
  - (ii) which the directors may forfeit; or
  - (iii) which has been forfeited.
- (b) The directors may accept the surrender of any such share.
- (c) The effect of surrender on a share is the same as the effect of forfeiture on that share.

A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

### 6. DIVIDENDS

#### 6.1 Calculation of dividends

- (a) Except as otherwise provided by these Articles or the rights attached to shares, all dividends must be:
  - (i) declared and paid according to the amounts paid up on the shares on which the dividend is paid, and
  - (ii) apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- (b) If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.
- (c) For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.

#### 6.2 Deductions from distributions in respect of sums owed to the Company

- (a) If—
  - (i) a share is subject to the Company's Lien, and
  - (ii) the directors are entitled to issue a Lien Enforcement Notice in respect of it,they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the Company in respect of that share to the extent that they are entitled to require payment under a Lien Enforcement Notice.
- (b) Money so deducted must be used to pay any of the sums payable in respect of that share.
- (c) The Company must notify the distribution recipient (as defined in Model Article 31) in writing of—
  - (i) the fact and amount of any such deduction;

- (ii) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and
- (iii) how the money deducted has been applied.

## **7. CAPITALISATION OF PROFITS**

7.1 Model Article 36(4) shall be deleted and replaced with the words:

“A capitalised sum which was appropriated from profits available for distribution may be applied:

- (a) in or towards paying up any amounts unpaid on existing shares held by the persons entitled; or
- (b) in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.”

## **8. PROCEEDINGS AT GENERAL MEETINGS**

8.1 Model Article 41(1) shall be construed by the addition at the end thereof of the words “and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall be dissolved.”

8.2 Notwithstanding any provision of Model Article 37, the chairman of the meeting shall have the power to control the conduct of the meeting but such power shall be subject to any directions given to the chairman of the meeting by a majority of the holders of ordinary shares present at such meeting in person or by proxy or (being a corporation) by a duly authorised representative.

## **9. PROXY NOTICES**

9.1 Model Article 45(1)(d) shall be deleted and replaced with the words:

“is delivered to the Company in accordance with the Articles and the following provisions:

- (i) The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:
  - (1) in the case of an instrument in writing be deposited at the registered office of the Company or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) before the time for the taking of the poll at which it is to be used, or be delivered to the Secretary (if any) or the chairman of the meeting on the day and at the place of, but in any event before the time appointed for holding, the meeting or adjourned meeting or poll; or
  - (2) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:
    - (A) in the notice convening the meeting; or
    - (B) in any instrument of proxy sent out by the Company in relation to the meeting; or
    - (C) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting,

be received at such address before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote,

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.

In this Article, “**address**”, in relation to electronic communications, includes any number or address used for the purposes of such communications.”

- 9.2 There shall be deemed to be included in Model Article 45(1) a new paragraph (e) which shall read as follows: “may be in the form of a facsimile or other machine-made copy and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. An instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.”

#### **10. POLL VOTES**

- 10.1 Model Article 44(2)(d) shall be deleted and replaced with the words “by a person or persons holding shares conferring a right to vote on a resolution being shares on which an aggregate sum has been paid equal to not less than one-tenth of the total sum paid up on all the shares conferring that right”.
- 10.2 Model Article 44(3) shall be amended by the insertion of the words “A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made” as a new paragraph at the end of that article.

#### **11. NO VOTING ON SHARES ON WHICH MONEY OWED TO COMPANY**

- 11.1 No voting rights attached to a share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the Company in respect of that share have been paid.

#### **12. NUMBER OF DIRECTORS AND QUORUM**

- 12.1 The directors shall not be less than one in number.
- 12.2 Model Article 7 shall be amended by:
- (a) the insertion of the words “for the time being” at the end of Model Article 7(2)(a); and
  - (b) the insertion in Model Article 7(2) of the words “(for so long as he remains the sole director)” after the words “and the director may”.
- 12.3 The quorum for a directors’ meeting shall be at least two eligible directors (as defined in Article 17.2 below). Notwithstanding the previous sentence, whenever there is only one director appointed, a sole director shall form a quorum. For the purposes of any meeting (or part of a meeting) held pursuant to Article 16 to authorise a director’s conflict, if there is only one eligible director in office other than the Conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.

#### **13. BORROWING POWERS**

- 13.1 The directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property, or any part thereof, and, subject to sections 549, 551 and 559 of the Companies Act 2006, to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

#### **14. APPOINTMENT AND REMOVAL OF DIRECTORS**

- 14.1 Subject to the provisions of Model Article 17, a person may be appointed as a director either to fill a vacancy or as an additional director.

- 14.2 Model Article 17(2) shall be deleted and replaced with the words: “In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.”
- 14.3 Model Article 27(3) shall be amended by the insertion of the words “, subject to Article 14.2,” after the word “But”.
- 14.4 Notwithstanding any other provision of these Articles, at any time the holders of shares entitled to 75 per cent or more of the votes which may be cast at general meetings of the Company may appoint or remove any director by notice in writing to the Company.

## **15. ALTERNATE DIRECTORS**

### **15.1 Appointment and removal of alternate directors**

- (a) Any director (appointor) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
- (i) exercise that director’s powers; and
  - (ii) carry out that director’s responsibilities,
- in relation to the taking of decisions by the directors, in the absence of the alternate’s appointor.
- (b) Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.
- (c) The notice must:
- (i) identify the proposed alternate; and
  - (ii) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

### **15.2 Rights and responsibilities of alternate directors**

- (a) An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate’s appointor.
- (b) Except as the Articles specify otherwise, alternate directors:
- (i) are deemed for all purposes to be directors;
  - (ii) are liable for their own acts and omissions;
  - (iii) are subject to the same restrictions as their appointors; and
  - (iv) are not deemed to be agents of or for their appointors
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.
- (c) A person who is an alternate director but not a director:
- (i) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person’s appointor is not participating);
  - (ii) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and

- (iii) shall not be counted as more than one director for the purposes of paragraphs (i) and (ii) above.
- (d) A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.
- (e) An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

### 15.3 Termination of alternate directorship

An alternate director's appointment as an alternate terminates:

- (a) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
- (c) on the death of the alternate's appointor; or
- (d) when the alternate's appointor's appointment as a director terminates.

## 16. DIRECTORS' INTERESTS

### 16.1 Permitted Interests and Voting

- (a) Subject to the provisions of the Companies Act 2006, a director may, notwithstanding his office, be a party to or otherwise directly or indirectly interested in any transaction or arrangement with the Company, any subsidiary of the Company or a company in which the Company is interested. Subject to the Companies Act 2006 and these Articles, a director may vote on and (whether or not he shall vote) be counted in the quorum in relation to any such transaction or arrangement.
- (b) Subject to the provisions of the Companies Act 2006, a director may hold any other office in conjunction with his office of director for such period and upon such other terms as the directors may decide, and may, if a director is not an employee and does not otherwise hold executive office, be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the directors or any committee authorised by the directors may decide, and either in addition to or in lieu of any remuneration provided for by or pursuant to any other Article.
- (c) Subject to the provisions of the Companies Act 2006, a director may be or become a director or other officer of, or otherwise directly or indirectly interested in, or contract with, any subsidiary of the Company or a company in which the Company is interested or as regards which the Company has any power of appointment. Subject to the Companies Act 2006 and these Articles, the directors may also cause any voting power conferred by the shares in any subsidiary of the Company or any power of appointment to be exercised in such manner in all respects as they think fit, including (i) the exercise of the voting power or power of appointment in favour of the appointment of the directors or any of them as directors or officers of the subsidiary or company to which the power of appointment relates, and (ii) in favour of the payment of remuneration to the directors or officers of the subsidiary or company to which the power of appointment relates. Subject to the Companies Act 2006 and these Articles, a director may also vote on and (whether or not he shall vote) be counted in the quorum in relation to any of such matters.

- (d) A director may act by himself or his firm in a professional capacity for the Company or its subsidiaries (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director.
- (e) A director shall not vote on or be counted in the quorum in relation to any resolution of the directors or of a committee of the directors concerning his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or position of profit with the Company or any company in which the Company is interested but, where proposals are under consideration concerning the appointment, or the settlement or variation of the terms or the termination of the appointment, of two or more directors to an office or position of profit with the Company or any company in which the Company is interested, a separate resolution may be put in relation to each director and in that case each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution unless it concerns his own such appointment or the settlement or variation of the terms or the termination of his own such appointment.
- (f) A director must promptly disclose to the Board the nature and extent of any direct or indirect interest of his to which Article 16.1(a), (b) or (c) relates.
- (g) For the purposes of this Article 16, in relation to an alternate director, the interest of his appointor is treated as the interest of the alternate director in addition to any interest of the alternate director. This Article 16 applies to an alternate director as if he were a director otherwise appointed.

16.2 Directors' interests other than in relation to transactions or arrangements with the Company

- (a) If a situation (a “**Relevant Situation**”) arises in which a director (a “**Conflicted Director**”) has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it, but excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest) the following provisions shall apply if the conflict of interest does not arise in relation to a transaction or arrangement with the Company:
  - (i) If a Relevant Situation arises from the appointment or proposed appointment of a person as a director of the Company, the directors (other than the Conflicted Director, and any other director with a similar interest, who shall not be counted in the quorum at the meeting and shall not vote on the resolution) may resolve to authorise the appointment of the Conflicted Director and the Relevant Situation on such terms as they may determine; and
  - (ii) If the Relevant Situation arises in circumstances other than in Article 16.2(a)(i), the directors (other than the Conflicted Director, and any other director with a similar interest, who shall not be counted in the quorum at the meeting and shall not vote on the resolution) may resolve to authorise the Relevant Situation and the continuing performance by the Conflicted Director of his duties on such terms as they may determine.
- (b) Any reference in Article 16.2(a) to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- (c) Any terms determined by the directors under Article 16.2(a) may be imposed at the time of authorisation or may be imposed or varied subsequently and may include (without limitation):

- (i) whether the Conflicted Director(s) may vote (or be counted in the quorum at a meeting) in relation to any resolution relating to the Relevant Situation;
  - (ii) the exclusion of the Conflicted Director(s) from all information and discussion by the Company of the Relevant Situation; and
  - (iii) (without prejudice to the general obligations of confidentiality) the application to the Conflicted Director(s) of a strict duty of confidentiality to the Company for any confidential information of the Company in relation to the Relevant Situation.
- (d) A Conflicted Director must act in accordance with any terms determined by the directors under Article 16.2(a).
- (e) Subject to the final sentence of Article 12.3, for the purposes of any meeting referred to in Article 16.2(a) (for the purposes only of the consideration of, and voting upon, any resolution referred to in Article 16.2(a)) a quorum necessary for the transaction of the business of the board shall require the presence of at least two directors.
- (f) Except as specified in Article 16.2(a) and in Article 16.2(e), any proposal made to the directors and any authorisation by the directors in relation to a Relevant Situation shall be dealt with in the same way as any other matter may be proposed to and resolved upon by the directors in accordance with the provisions of these Articles.
- (g) Any authorisation of a Relevant Situation given by the directors under Article 16.2(a) may provide that, where the Conflicted Director obtains (other than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence.
- (h) Subject to the Companies Act 2006 (including for the avoidance of doubt any provision relating to the consequences of breach of the Companies Act 2006), a director shall not, by reason of his holding an office as a director (or of the fiduciary relationship established by holding that office), be liable to account to the Company for any remuneration, profit or other benefit resulting from:
- (i) any Relevant Situation authorised under Article 16.2(a) (subject, in any such case, to any terms upon which such authorisation was given); or
  - (ii) any interest permitted under Article 16,
- and no contract shall be liable to be avoided on the grounds of any director having any type of interest authorised under Article 16.2(a) or permitted under Article 16.

## 17. PROCEEDINGS OF DIRECTORS

- 17.1 Model Article 8(2) shall be deleted and replaced with the words: "A unanimous decision of eligible directors may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing."
- 17.2 Model Article 8(3) shall be deleted and replaced with the words: "In these Articles, the term **"eligible director"** means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter)."
- 17.3 Model Article 9(3) shall be deleted and replaced with the following: "Subject to paragraph (5), notice of a directors' meeting must be given to each director, but need not be in writing."
- 17.4 Model Article 9(4) shall be amended as follows:

- (a) In the first sentence, the words “not more than 7 days after the date on which the meeting is held” shall be replaced with the words “not more than 14 days before or after the date on which the meeting is held”; and
  - (b) The second sentence shall be deleted and replaced with the following: “Where such notice is given before or (as the case may be) after the meeting is held, the validity of the meeting, or of any business conducted at it shall not be affected.”
- 17.5 A new paragraph (5) shall be added at the end of Model Article 9 which states that: “If notice of a directors’ meeting is not received by any director due to no fault of the director giving such notice, the validity of the meeting shall not be affected, and the validity of any business conducted at such meeting shall not be affected provided that such matters were approved by a majority of directors who attended that meeting.”
- 17.6 Model Article 10(3) shall be deleted and replaced with the words: “If all the directors participating in a meeting are not in the same place, such a meeting shall be deemed to take place where the largest group of directors is assembled or, if there is no such group, where the chairman of the meeting then is or determines.”
- 18. SECRETARY**
- 18.1 The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.
- 19. INDEMNITY**
- 19.1 Subject to the provisions of, and so far as may be permitted by and consistent with, any statute for the time being in force concerning companies and affecting the Company and subject as mentioned below, every director and officer of the Company shall be indemnified by the Company out of its own funds against (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company to the extent permitted by any of sections 233, 234 or 235 of the Companies Act 2006 and (b) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office, whenever arising whether during office as a director or officer or after he ceased to be a director or officer in respect of acts or omissions while he was a director or officer. Such indemnity shall not, however, extend to any liability incurred by or attaching to a director or officer as a result of his own fraud or wilful default. Where a director or officer is indemnified against any liability in accordance with this Article 19, such indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.
- 20. INSURANCE**
- 20.1 Without prejudice to Article 19, the directors shall have power to purchase and maintain insurance for or for the benefit of (i) any person who is or was at any time a director or officer of any Relevant Company (as defined in Article 20.2), or (ii) any person who is or was at any time a trustee of any pension fund or employees’ share scheme in which employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by or attaching to him in respect of any act or omission in the actual or purported execution and/or discharge of his duties and/or in the exercise or purported exercise of his powers and/or otherwise in relation to his duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees’ share scheme (and all costs, charges, losses, expenses and liabilities incurred by him in relation thereto).
- 20.2 For the purpose of this Article 20, “**Relevant Company**” shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company

or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of such other body.

**21. MEANS OF COMMUNICATION TO BE USED**

21.1 Model Article 48 shall be amended by:

(a) the insertion of the following words at the end of Model Article 48(1):

“save that:

(a) where the document or other information is delivered by hand, and the sender of the document or other information is able to show that it was properly addressed, it is deemed to have been received by the intended recipient when it was given or left at the appropriate address; and

(b) where the document or other information is sent or supplied by electronic means and the sender of the document or other information is able to show that it was properly addressed, it is deemed to have been received by the intended recipient one hour after it was sent or supplied,

provided that for the purposes of this Article 48, no account shall be taken of any part of a day that is not a working day.”

(b) the insertion of the following words at the beginning of Model Article 48(3):

“Subject to paragraph (1),”.

## ANNEX

UK Parliament SIs 2000-Present/2008/3201-3250/Companies (Model Articles) Regulations  
2008 (SI 2008/3229)/SCHEDULE 1 Model Articles for Private Companies Limited by Shares

### SCHEDULE 1

#### MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES

#### Regulation 2

#### Index to the Articles

##### Part 1

##### Interpretation and Limitation of Liability

- 1 Defined terms
- 2 Liability of members

##### Part 2

##### Directors

##### Directors' Powers and Responsibilities

- 3 Directors' general authority
- 4 Shareholders' reserve power
- 5 Directors may delegate
- 6 Committees

##### Decision-Making by Directors

- 7 Directors to take decisions collectively
- 8 Unanimous decisions
- 9 Calling a directors' meeting
- 10 Participation in directors' meetings
- 11 Quorum for directors' meetings
- 12 Chairing of directors' meetings
- 13 Casting vote
- 14 Conflicts of interest
- 15 Records of decisions to be kept
- 16 Directors' discretion to make further rules

##### Appointment of Directors

- 17 Methods of appointing directors
- 18 Termination of director's appointment
- 19 Directors' remuneration
- 20 Directors' expenses

##### Part 3

##### Shares and Distributions

##### Shares

- 21 All shares to be fully paid up
- 22 Powers to issue different classes of share
- 23 Company not bound by less than absolute interests
- 24 Share certificates
- 25 Replacement share certificates
- 26 Share transfers
- 27 Transmission of shares

- 28 Exercise of transmitters' rights
- 29 Transmitters bound by prior notices

#### **Dividends and Other Distributions**

- 30 Procedure for declaring dividends
- 31 Payment of dividends and other distributions
- 32 No interest on distributions
- 33 Unclaimed distributions
- 34 Non-cash distributions
- 35 Waiver of distributions

#### **Capitalisation of Profits**

- 36 Authority to capitalise and appropriation of capitalised sums

### **Part 4**

#### **Decision-Making by Shareholders**

##### **Organisation of General Meetings**

- 37 Attendance and speaking at general meetings
- 38 Quorum for general meetings
- 39 Chairing general meetings
- 40 Attendance and speaking by directors and non-shareholders
- 41 Adjournment

##### **Voting at General Meetings**

- 42 Voting: general
- 43 Errors and disputes
- 44 Poll votes
- 45 Content of proxy notices
- 46 Delivery of proxy notices
- 47 Amendments to resolutions

### **Part 5**

#### **Administrative Arrangements**

- 48 Means of communication to be used
- 49 Company seals
- 50 No right to inspect accounts and other records
- 51 Provision for employees on cessation of business

#### **Directors' Indemnity and Insurance**

- 52 Indemnity
- 53 Insurance

## Part 1

### Interpretation and Limitation of Liability

#### 1 Defined terms

In the articles, unless the context requires otherwise--

“articles” means the company’s articles of association;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“chairman” has the meaning given in article 12;

“chairman of the meeting” has the meaning given in article 39;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

“director” means a director of the company, and includes any person occupying the position of director, by whatever name called;

“distribution recipient” has the meaning given in article 31;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

“fully paid” in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

“hard copy form” has the meaning given in section 1168 of the Companies Act 2006;

“holder” in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

“instrument” means a document in hard copy form;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“paid” means paid or credited as paid;

“participate”, in relation to a directors’ meeting, has the meaning given in article 10;

“proxy notice” has the meaning given in article 45;

“shareholder” means a person who is the holder of a share;

“shares” means shares in the company;

“special resolution” has the meaning given in section 283 of the Companies Act 2006;

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006;

“transmittee” means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

## 2 Liability of members

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

## Part 2

### Directors

#### *Directors’ Powers and Responsibilities*

## 3 Directors’ general authority

Subject to the articles, the directors are responsible for the management of the company’s business, for which purpose they may exercise all the powers of the company.

## 4 Shareholders’ reserve power

- (1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- (2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

## 5 Directors may delegate

- (1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles--
  - (a) to such person or committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters or territories; and
  - (e) on such terms and conditions;as they think fit.
- (2) If the directors so specify, any such delegation may authorise further delegation of the directors’ powers by any person to whom they are delegated.
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## 6 Committees

- (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.
- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

#### *Decision-Making by Directors*

- 7** Directors to take decisions collectively
- (1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.
  - (2) If--
    - (a) the company only has one director, and
    - (b) no provision of the articles requires it to have more than one director, the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.
- 8** Unanimous decisions
- (1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
  - (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
  - (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
  - (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.
- 9** Calling a directors' meeting
- (1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
  - (2) Notice of any directors' meeting must indicate--
    - (a) its proposed date and time;
    - (b) where it is to take place; and
    - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
  - (3) Notice of a directors' meeting must be given to each director, but need not be in writing.
  - (4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 10** Participation in directors' meetings
- (1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when--
    - (a) the meeting has been called and takes place in accordance with the articles, and

- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- (3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

**11** Quorum for directors' meetings

- (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision--
  - (a) to appoint further directors, or
  - (b) to call a general meeting so as to enable the shareholders to appoint further directors.

**12** Chairing of directors' meetings

- (1) The directors may appoint a director to chair their meetings.
- (2) The person so appointed for the time being is known as the chairman.
- (3) The directors may terminate the chairman's appointment at any time.
- (4) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

**13** Casting vote

- (1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- (2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

**14** Conflicts of interest

- (1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
- (3) This paragraph applies when--

the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;

- (a) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - (b) the director's conflict of interest arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes--
- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
  - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
  - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

**15** Records of decisions to be kept

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

**16** Directors' discretion to make further rules

Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

***Appointment of Directors***

**17** Methods of appointing directors

- (1) Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director--
  - (a) by ordinary resolution, or
  - (b) by a decision of the directors.
- (2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

- (3) For the purposes of paragraph (2), where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

**18 Termination of director's appointment**

A person ceases to be a director as soon as--

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

**19 Directors' remuneration**

- (1) Directors may undertake any services for the company that the directors decide.
- (2) Directors are entitled to such remuneration as the directors determine--
  - (a) for their services to the company as directors, and
  - (b) for any other service which they undertake for the company.
- (3) Subject to the articles, a director's remuneration may--
  - (a) take any form, and
  - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- (4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- (5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

**20 Directors' expenses**

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at--

- (a) meetings of directors or committees of directors,
- (b) general meetings, or

- (c) separate meetings of the holders of any class of shares or of debentures of the company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

### **Part 3**

#### **Shares and Distributions**

##### *Shares*

#### **21 All shares to be fully paid up**

- (1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- (2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

#### **22 Powers to issue different classes of share**

- (1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- (2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

#### **23 Company not bound by less than absolute interests**

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

#### **24 Share certificates**

- (1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- (2) Every certificate must specify--
  - (a) in respect of how many shares, of what class, it is issued;
  - (b) the nominal value of those shares;
  - (c) that the shares are fully paid; and
  - (d) any distinguishing numbers assigned to them.
- (3) No certificate may be issued in respect of shares of more than one class.
- (4) If more than one person holds a share, only one certificate may be issued in respect of it.
- (5) Certificates must--
  - (a) have affixed to them the company's common seal, or
  - (b) be otherwise executed in accordance with the Companies Acts.

#### **25 Replacement share certificates**

- (1) If a certificate issued in respect of a shareholder's shares is--
  - (a) damaged or defaced, or

(b) said to be lost, stolen or destroyed,  
that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A shareholder exercising the right to be issued with such a replacement certificate--

(a) may at the same time exercise the right to be issued with a single certificate or separate certificates;

(b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and

(c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

## 26 Share transfers

(1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

(3) The company may retain any instrument of transfer which is registered.

(4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

(5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

## 27 Transmission of shares

(1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

(2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require--

(a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and

(b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

(3) But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

## 28 Exercise of transmittees' rights

(1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

(2) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

(3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

**29** Transmittees bound by prior notices

If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

***Dividends and Other Distributions***

**30** Procedure for declaring dividends

- (1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- (2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- (3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- (4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- (5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- (6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- (7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

**31** Payment of dividends and other distributions

Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means--

- (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
  - (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.
- (2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable--
- (a) the holder of the share; or

- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

**32** No interest on distributions

The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by--

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company.

**33** Unclaimed distributions

(1) All dividends or other sums which are--

- (a) payable in respect of shares, and
- (b) unclaimed after having been declared or become payable, may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

(3) If--

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

**34** Non-cash distributions

(1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

(2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution--

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

**35** Waiver of distributions

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if--

- (a) the share has more than one holder, or

- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

#### **Capitalisation of Profits**

#### **36 Authority to capitalise and appropriation of capitalised sums**

- (1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution--
  - (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
  - (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.
- (2) Capitalised sums must be applied--
  - (a) on behalf of the persons entitled, and
  - (b) in the same proportions as a dividend would have been distributed to them.
- (3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (5) Subject to the articles the directors may--
  - (a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another;
  - (b) make such arrangements as they think fit to deal with shares debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
  - (c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

#### **Part 4**

#### **Decision-Making by Shareholders**

##### ***Organisation of General Meetings***

#### **37 Attendance and speaking at general meetings**

- (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

- (2) A person is able to exercise the right to vote at a general meeting when--
  - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

**38** Quorum for general meetings

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

**39** Chairing general meetings

- (1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- (2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start--
  - (a) the directors present, or
  - (b) (if no directors are present), the meeting,
 must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

**40** Attendance and speaking by directors and non-shareholders

- (1) Directors may attend and speak at general meetings, whether or not they are shareholders.
- (2) The chairman of the meeting may permit other persons who are not--
  - (a) shareholders of the company, or
  - (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,
 to attend and speak at a general meeting.

**41** Adjournment

- (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if--
  - (a) the meeting consents to an adjournment, or
  - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairman of the meeting must--
  - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)-
  - (a) to the same persons to whom notice of the company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

### *Voting at General Meetings*

#### 42 Voting: general

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

#### 43 Errors and disputes

- (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- (2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

#### 44 Poll votes

- (1) A poll on a resolution may be demanded--
  - (a) in advance of the general meeting where it is to be put to the vote, or
  - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- (2) A poll may be demanded by--
  - (a) the chairman of the meeting;
  - (b) the directors;

- (c) two or more persons having the right to vote on the resolution; or
  - (d) a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.
- (3) A demand for a poll may be withdrawn if--
- (a) the poll has not yet been taken, and
  - (b) the chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

#### 45 Content of proxy notices

- (1) Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which--
- (a) states the name and address of the shareholder appointing the proxy;
  - (b) identifies the person appointed to be that shareholder’s proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as--
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

#### 46 Delivery of proxy notices

- (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor’s behalf.

#### 47 Amendments to resolutions

- (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if--
  - (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
  - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if--
  - (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## Part 5

### Administrative Arrangements

#### 48 Means of communication to be used

- (1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

#### 49 Company seals

- (1) Any common seal may only be used by the authority of the directors.
- (2) The directors may decide by what means and in what form any common seal is to be used.
- (3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this article, an authorised person is--
  - (a) any director of the company;
  - (b) the company secretary (if any); or
  - (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

**50 No right to inspect accounts and other records**

Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

**51 Provision for employees on cessation of business**

The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

***Directors' Indemnity and Insurance***

**52 Indemnity**

- (1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against--
  - (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
  - (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
  - (c) any other liability incurred by that director as an officer of the company or an associated company.
- (2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- (3) In this article--
  - (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
  - (b) a "relevant director" means any director or former director of the company or an associated company.

**53 Insurance**

- (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.
- (2) In this article--
  - (a) a "relevant director" means any director or former director of the company or an associated company,
  - (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and

companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

**APPENDIX D**



**Galileo Global Technologies Limited**

Annual report and financial statements

Year ended December 31, 2024

Registered number 9817636

## Contents

Strategic report	1
Directors' report	8
Statement of Directors' responsibilities	10
Independent auditor's report to members of Galileo Global Technologies Limited	11
Consolidated statement of comprehensive income	14
Consolidated statement of financial position	15
Consolidated statement of changes in equity	16
Consolidated statement of cash flows	17
Notes to the financial statements	18
Parent company financial statements	49
Company statement of financial position	49
Company statement of changes in equity	50
Notes to the company financial statements	51



## Strategic report

The Directors present their strategic report of Galileo Global Technologies Ltd (the “Company”) and its subsidiaries (the “Group” or “Galileo”) for the year ended on December 31, 2024.

### *Principal activities overview*

Galileo designs, manufactures and deploys a broad range of equipment for treating, compressing, liquefying and distributing natural gas and biogas and is a leading provider of modular Liquefied Natural Gas (“LNG”) and Compressed Natural Gas (“CNG”) equipment. With production and assembly facilities in Buenos Aires, Argentina and New Jersey, USA, Galileo serves customers across Latin America, North America, Europe, Africa and Asia.

To accommodate the requirements of its large and diverse customer base Galileo operates in two segments: i. Solutions segment where it addresses clients’ needs through operation and maintenance services and selling of spare parts and / or by owning and operating plants and equipment that are either rented or whose production is sold to customers; and ii. the Technologies segment where it addresses clients’ needs by combining standard modules and equipment to cover the specific needs of each client.

### *Directors’ section 172 statement*

The following disclosure describes how the Directors have had regard to the matters set out in section 172(1) (a) to (f) and forms the directors’ statement required under section 414CZA of Companies Act 2006. This reporting requirement is presented in accordance with the corporate governance requirements identified in The Companies (Miscellaneous Reporting) Regulations 2018, which apply to large companies reporting on financial years starting on or after January 1, 2019.

The following sections of this strategic report set out Galileo’s short to long-term strategic objectives and provide an overview of the plans to reach them.

The Company considers its interaction with relevant key stakeholders is successful. Galileo’s objective is to engage constructively and collaboratively with its stakeholders. Below we list what we consider Galileo’s key stakeholders and describe: i. **who** each these stakeholders are; ii. **why** is it relevant for Galileo to engage with them; iii. **how** does Galileo engage the stakeholders; and iv. **what** is the outcome of the engagement.

#### *a. Shareholders, investors and financial markets*

- Who:** Existing and prospective investors and financing providers.
- Why:** Galileo might require incremental equity, quasi-equity or debt funding to support its growth plan.
- How:** Regular financial reporting and meetings.
- What:** Obtain financing for growth and maintain access to current and potential sources of funding when and if required.

#### *b. Customers and business partners*

- Who:** Buyers of equipment produced (referred as Technologies) and services provided (referred as Solutions) by Galileo.
- Why:** Galileo strives to develop long-term relationships with its customers.
- How:** Galileo engages with customers and potential partners all over the world through its salesforce, sales representatives, its business development team and its operations and maintenance team.
- What:** Develop long lasting relationships with customers and partners that result in recurrent sales and opportunities to invest in development of new projects that benefit from and are enabled by the use of Galileo’s technology.



**Directors' section 172 statement (continued)**

**c. Employees**

- Who:** Employees, contractors and trade unions.
- Why:** Galileo's workforce is key to achieving its strategic objectives and its long-term success.
- How:** Galileo strives to provide a safe and professional working environment where all employees share a common purpose by encouraging a culture of open communication. To achieve this, Galileo's human resources department provides guidance through an employee handbook and recurrent internal communication and maintains constant dialogue with employees and, where applicable, their union representatives.
- What:** Galileo retention rates are high. Most of Galileo key managers and employees have worked at Galileo for over 10 years.

**d. Key suppliers**

- Who:** Suppliers and service providers.
- Why:** Galileo's production relies on parts and components supplied by key suppliers around the world.
- How:** Galileo engages with suppliers through its global purchasing department under an existing purchasing policy.
- What:** Galileo has developed long-term strategic relationships with key suppliers that allow to optimize its supply chain and reduce cost.

**e. Regulators and governmental authorities**

- Who:** Governmental authorities and entities regulating the sectors and geographies in which Galileo operates.
- Why:** Galileo operates in sectors like natural gas that tend to have sector specific regulation and is committed to comply with all necessary requirements in the multiple jurisdictions where its equipment is used.
- How:** Galileo has a dedicated team to engage with regulators and dedicates resources to comply with regulatory requirements. Additionally, Galileo actively seeks to obtain industry recognized certifications.
- What:** Galileo has actively contributed to the development of the LNG and CNG regulatory frameworks in Argentina. Galileo operations are ISO9001, ISO14001 and ISO45001 certified.

Galileo's key driver for growth is the adoption of its innovative liquefaction and its biogas treatment technologies. As a result, in the year ended December 31, 2024 the Group has focused on:

- i. expanding the pipeline of Technologies projects and converting that pipeline into backlog by securing firm orders;
- ii. focusing on the execution of orders in backlog and striving to meet delivery times and improve production efficiency;
- iii. investing in improving and expanding its product offering for both natural gas and renewable natural gas or biomethane solutions which will allow it to maintain its competitive positioning and expand its backlog;

Please refer to business review and performance for detail on key strategic decisions made during 2024.

To make these key strategic decisions the Group engaged with key stakeholders. For example, key suppliers were engaged to evaluate the impact expanding and improving its product offering with focus on ensuring the availability of key components. Similarly, Galileo engaged with local authorities to secure all necessary authorizations for its equipment to operate under new local jurisdictions such as Canada, Indonesia and Jordan. Galileo also engaged with its shareholders to seek their input on a number of strategic decisions that were relevant to the future of the business.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

### ***Background of the Group***

Galileo Global Technologies Limited was formed on October 9, 2015. The Company is a limited company registered in the United Kingdom. The Company's registered company number is 9817636 and registered address is c/o Aztec Financial Services (UK) Limited Forum 4, Solent Business Park, Parkway South, Whiteley, Fareham, England, PO15 7AD.

In April 2016, the 'Galileo Group' formed a strategic partnership with Blue Water Energy Fund I, LP and Blue Water Energy Fund I and IA, LP (the "BWE Funds"), a private equity energy specialist based in London. The objective of this strategic partnership was to drive the growth of the business and the adoption of Galileo's technology. This strategic partnership was implemented through a number of transactions that resulted in the BWE Funds controlling 50% of the ordinary shares of Galileo Holdco 1 Limited, the ultimate controlling party, held indirectly via Galileo Guernsey Limited. The remaining 50% was held by Boson Holdings Corporation and is controlled by a group of managers and directors of the Company.

In August 2024, Boson Holdings Corporation sold its participation in Galileo to Galileo Guernsey Limited and investors in the BWE Funds. Through a number of transactions these parties acquired 100% of the equity stake of the company, which is now held indirectly through Galileo Guernsey Limited, Viridis Guernsey Limited, Galileo Guernsey II Limited, Makena Traditional Natural Resource Master Fund B, L.P., and Northwestern University.

As of December 31, 2024, the Group operates five trading companies, Galileo Technologies S.A. (an Argentinian registered statutory entity), Galileo Technologies Corporation (an entity registered in the United States of America), Galileo Tecnologias para Gas Limited (an entity registered in Brazil), Galileo Technologies Corporation Suc. Peru (an entity registered in Peru), a branch of Galileo Technologies Corporation, and Galileo Technologies SAS (an entity registered in France).

Galileo Technologies S.A. and Galileo Technologies Corporation, sell equipment to both clients and to other Galileo entities to be used in projects built to address client needs. Additionally, they provide installation, operation and maintenance services and spare parts to clients. They also provide compression services to clients.

Galileo Technologies S.A. built and operates a 40 MW power generation plant in Mendoza, Argentina (the "Anchors Power Plant") and supplies electricity under a 10 year's power purchase agreement (PPA) to Cammesa, the administrator of the wholesale power system in Argentina. This plant operates using LNG produced by Galileo Technologies S.A. in Mendoza, Argentina (the "La Mora Plant").

Galileo Tecnologias para Gas Limited sells and rents equipment, sells spare parts, offers liquefaction services and installation, operation and maintenance services to Brazilian clients.

Galileo Technologies Corporation Suc. Peru sells LNG through a contract signed with a Peruvian fuel distributor for a period of 10 years.

Galileo Technologies SAS is in the process of winding down and has no operating activity.

The consolidated financial statements of Galileo Global Technologies are presented for the year starting on January 1, 2024 and ending on December 31, 2024. The consolidated and Group financial statements are presented in thousands of US dollars unless otherwise noted.

### ***Business review and performance***

The results for the financial year are set out on the statement of comprehensive income of consolidated financial statements.

Development of small and very small scale LNG projects continued to grow in 2024 as demand for flexible, decentralized energy solutions continued to materialize. The key drivers for this increase in activity included the rising need for cleaner alternatives to diesel and coal in remote industrial operations, mining, and small power generation facilities and the need to reduce flaring and methane emissions from boil off gas. Development of bio-gas projects also continue to increase driven by stricter emissions regulations, rising carbon pricing, the push to decarbonize sectors like agriculture, waste management, and transport, and supportive government policies promoting sustainable energy solutions.

In this environment, Galileo Technologies continued expanding its market presence and expanding its backlog by securing orders for its two flagship products, the Cryobox and the Biobox.

Galileo Group's revenue increased 33.17% year on year. This growth was driven by:

- i. a 63.5% increase in the sales of goods and construction contracts' revenue, which grew from US\$65,697 in 2023 to US\$94,672 in 2024 driven by increasing activity levels that resulted in higher Cryobox and Biobox sales; and
- ii. a 38.2% increase in revenue arising from the rendering of services, which grew from \$12,069 in 2023 to \$16,674 in 2024; a 6.7% increase on sales of energy revenue, which grew from \$ 17,519 in 2023 to \$ 18,686 in 2024; and a 2.6% increase in the revenue arising from rentals, which grew from \$ 10,256 in 2023 to \$ 10,516 in 2024. These increases were driven by growing revenue from aftermarket and maintenance services, and an improvement in the revenue generated by reoccurring revenue investments.

Gross margin increased substantially from (2.0%) in 2023 to 13.4% in 2024, driven by: i. an improvement in revenue mix with larger participation of higher margin LNG projects; ii. an improvement in macroeconomic conditions in Argentina that positively impacted the cost of operating there; and iii. the implementation of cost reduction initiatives across the Company.



**Business review and performance (continued)**

Galileo Group's net finance loss for the year increased by US\$1,930 to US\$28,359 compared to 2023 (loss US\$26,429), mainly due to the increase in financing costs during the year, including interest accrued on funding provided by its direct shareholder, Galileo Holdco 2, Ltd, and the decrease in proceeds from the sales of government bonds.

Additionally, Galileo Group's selling, general and administrative expenses for the year decreased by US\$6,174 from US\$28,966 in 2023 to US\$22,792 in 2024. This decrease is primarily attributable to: (a) the reduction of operating and non-recurring expenses (b) the adjustments resulting from the separation agreement - for further information on this transaction, see note 37 - ; and (c) the reduction on trade receivable impairment provision.

Total net liabilities of the Group increased to US\$76,815 as of December 31, 2024 (2023: net liability of US\$23,784). This increase is mainly explained by the financial results of the Group, which reflect the capitalization of interest in some of the financing provided by its related parties.

Total comprehensive loss for the year decreased by 25.3% to US\$53,031 as of December 31, 2024 (2023: US\$71,017 loss). The reduction in total comprehensive loss is primarily attributed to a combination of the factors outlined above, which can be summarized as follows: (i) an improvement in revenue mix with higher margins, particularly driven by the Technologies segment; (ii) the implementation of cost-reduction initiatives across the Company; and (iii) a decrease in selling, general, and administrative expenses. These improvements enabled the Group to absorb a non-recurring loss arising from the disposal of an associate. For further information on this transaction see note 34.

The Group's cash and cash equivalents balance decreased by US\$2,742 to US\$6,904 as of December 31, 2024 (2023: US\$9,646).

As of December 31, 2023, the Group held a 28.07% ownership stake in Edge Gathering Virtual Pipelines II LLC ("EDGE"). On November 4, 2024, the Group sold its participation in EDGE. The sale agreement contains a buyback provision that allows the Group a 12-month option to repurchase its participation in EDGE for an amount comparable to the consideration received. For further information on this transaction see note 34.

**Highlights**

The key operating and financial highlights are as follows:

	<b>Year ended December 31, 2024</b>	<b>Year ended December 31, 2023</b>
<i>a. Non-financial - Operatings</i>		
<i>Technologies</i>		
Total Cryoboxes / Cryotrucks produced (1)	20	11
Total compression HPs produced (2)	536	6,760
Total CNG units produced	6	4
Total BIO CNG / LNG units produced	1	3
<i>Solutions</i>		
Total compression installed (HPs)	35,410	34,636
Total power generation capacity installed (MW)	40	40
Power generation average availability (%)	83.5	75.4
Power generation dispatch level (%)	28.6	40.0
<i>b. Financial</i>		
	<b>US\$</b>	<b>US\$</b>
Total revenue	140,548	105,541
Gross margin	18,825	(2,161)
Gross margin (%)	13.4	(2.0)
EBITDA <sup>(*3)</sup> <sup>(*4)</sup>	16,597	(8,443)
EBITDA margin (%)	11.8	(8.0)
<i>Technologies <sup>(*1)</sup></i>		
Revenue Technologies	83,701	55,436
<i>Solutions</i>		
Revenue Solutions	56,847	50,105

(1) Cryobox / cryotrucks produced in this year mainly corresponds to customers A, H, K, L, and M's orders (see note 18).

(2) Compression HP produced in this year mainly corresponds to sales to third parties. There were no additions to property, plant and equipment in 2024.

(3) Earnings before interest, tax, depreciation and amortisation calculated as operating loss for the year plus depreciation and amortisation. In 2024, there was no capitalisation of depreciation and amortisation charges related to developments to be considered when calculating EBITDA for the year (2023: US\$48).

(4) Please refer to previous paragraphs regarding revenue and cost variations explaining the main variation in EBITDA.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

### ***Business outlook***

The Group expects demand for its LNG and Biogas equipment to continue to improve driven by:

- i. the growth expected in global energy demand, the expected increase in participation of LNG, CNG and Biogas in global energy supply, and the capital investment associated to this expected growth;
- ii. the availability of stranded and flared natural gas which provide a cheap, abundant and clean energy source that can be monetized through projects using Galileo's products;
- iii. the growth momentum behind the development of Biogas, particularly in Europe and the US;
- iv. Galileo's technology providing alternatives to: i. enabling monetization of both flared and stranded gas; ii. develop quick-to-market, modular gas liquefaction capacity; and iii. implement a fully integrated solution for renewable Biogas.

Total revenue backlog as of December 31, 2024, is \$95,423 and its broken down as follows:

### ***Technologies***

<b>Country</b>	<b>Revenue 2025</b>
Canada	22,919
USA	15,682
South-Africa	5,605
Brazil	2,299
Jordan	653
Argentina	200
<b>Total Technologies</b>	<b>47,358</b>

### ***Solutions***

<b>Country</b>	<b>Revenue 2025</b>
Argentina	32,589
USA	8,824
Brazil	3,981
Peru	2,561
UK	110
<b>Total Solutions</b>	<b>48,065</b>
<b>Total Backlog</b>	<b>95,423</b>



**Principal risks and uncertainties**

The principal risks and uncertainties affecting the business include the following:

Risk	Description	Management strategy	Change from prior year
<b>Country risk</b>	A significant portion of Galileo’s production facilities are in Argentina, which has a history of political and macroeconomic instability.	Galileo’s management has successfully operated in this environment for over 30 years and the Directors are confident that they will continue to manage the exposure of the business to Argentine risk in the future.	No change
<b>Currency risk</b>	Galileo operates mainly in US Dollars and Argentinean Pesos, which exposes the business to fluctuations in the US\$ / AR\$ exchange rate.	Galileo’s functional and reporting currency is the US Dollar, which limits the impact of large fluctuations in US\$ / AR\$ exchange rate on its performance, as most of the revenue and cost of sales are denominated in US Dollars.	Decrease
<b>Inflationary environment</b>	Throughout 2024, Argentina continued to face high inflation. According to data from the National Institute of Statistics and Censuses (INDEC), annual inflation reached 117.8% by year-end, a notable decrease compared to 211.4% in 2023.	As previously explained, Galileo’s functional currency is the US Dollar, which reduces its direct exposure to inflation in Argentina. Additionally, periodic adjustments in peso denominated costs are typically offset by the depreciation of the local currency.	Decrease
<b>Competitive risk</b>	Galileo operates in a highly competitive market. Product innovation and technical advances by competitors could adversely affect its performance.	The Directors are confident that the track record of Galileo’s innovation will enable it to succeed in a rapidly changing competitive landscape.	No change
<b>Liquidity risks</b>	Galileo relies on operating cash flow generation and financing from its shareholders and other financing providers to meet its financial commitments.	Galileo identifies and manages liquidity risk across the following categories: i. short-term liquidity management covering the next 13 weeks on a rolling basis with continuous monitoring of forecast and actual cash flows. The Group’s operations in Argentina rely on post-dated cheques to pay its suppliers. These type of instruments are commonly used in the Argentine marketplace and allow the Group to manage short-term liquidity while retaining a high degree of certainty when forecasting cash outflows; ii. medium-term liquidity management of liquid assets, working capital and bank facilities to cover medium term cash requirements in excess of operating cash flow generation; and. iii. long-term liquidity management ensuring an adequate spread of maturities of borrowing facilities to avoid refinancing risk concentration. The Group relies on renewable credit lines for a material portion of its financing needs.	No change



**Principal risks and uncertainties (continued)**

Risk	Description	Management strategy	Change from prior year
<b>Credit risk</b>	Galileo relies on third party financing to finance its operations and to refinance existing facilities. A material event affecting the availability of third-party financing globally could impact Galileo’s ability to refinance existing facilities when required.	Galileo continuously monitors credit conditions and maintains an active dialogue with institutions that provide financing.	No change
<b>Geopolitical risk</b>	Geopolitical risks refer to uncertainties and potential disruptions arising from political instability, armed conflicts and changes in international relations. While Galileo does not operate directly in conflict zones, its clients investment decisions are impacted by these factors.	Galileo continuously monitor the impact of geopolitical developments on its operations. Where appropriate, the Group diversifies suppliers, builds inventory buffers, and maintains close relationships with logistics partners to mitigate disruptions.	No change

**Capital risk management**

Galileo manages its capital to ensure that all entities within the Group are able to continue as a going concern while maximising returns to shareholders by optimizing its capital structure. Galileo’s capital structure currently consists of cash and cash equivalents, third party debt and equity attributable to the shareholders. Galileo continuously monitors its capital structure and manages it considering the following factors:

- a. the cost of capital and the financial risks associated with each class of capital;
- b. gearing levels;
- c. potential impact of changes to the capital structure on net tangible assets and shareholders’ equity; and
- d. market conditions and availability of capital.

**Going concern**

The Company is a holding entity and as such the going concern is dependent on the Group. Therefore, the going concern assessment was performed as part of the Group’s assessment.

The directors have considered the factors that impact the Group’s future development, performance, cash flows and financial position, for a period of at least 12 months from the date of approval of the financial statements, along with the Group’s current liquidity in forming their opinion on the going concern basis.

As part of the analysis performed by the Group, several scenarios were considered, including i. the impact of delays in securing and commencing new orders; and ii. a decrease in the profitability of the orders produced. As part of the analysis, the directors have considered the level of on-going contracts, further secured orders and the conversion of opportunities within the existing sales pipeline. Based on this review, the directors have a reasonable expectation that the Group will be able to continue in operation for the next 12 months from the date of approval of the financial statements and the foreseeable future.

The Directors will continue to closely monitor the financial and operational performance of the business, including the broader macroeconomic environment, to ensure that the interests of the Company and its stakeholders are appropriately considered in all decision-making.

By order of the board

Signed by:  
  
 A00F1AC59134406...  
 Salil Oberoi  
 Director  
 April 29, 2025



## Directors' report

The Directors present their directors' report for the year from January 1, 2024 to December 31, 2024.

### *Directors*

The Directors who held office as of the date of this report are as follows:

	Date of appointment	Date of resignation (*)
Ulises de la Orden	October 9, 2015	August 15, 2024
Osvaldo del Campo	October 9, 2015	August 15, 2024
Thomas Sikorski	April 29, 2016	-
Salil Oberoi	December 6, 2018	-

(\*) For further details on the changes in the directory of the Group, please refer to subsequent events informed on note 37.

### *Indemnity provision for Directors*

The Directors have the benefit of the indemnity provisions contained in the Group's Articles of Association, and the Group has maintained throughout the year directors' and officers' liability insurance for the benefit of the Group, the Directors and its officers. The Group has entered into qualifying third party indemnity arrangements for the benefit of all its Directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in force throughout the year and remain in force.

### *Results and dividends*

The Group loss for the year is US\$53,031 (2023: loss US\$71,017). The directors do not recommend payment of an ordinary dividend (2023: nil).

### *Disclosure of information to auditor*

The Directors who held office at the date of approval of this directors' report confirm that so far as they are each aware, there is no relevant audit information of which the Galileo's auditor is unaware and each director has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Galileo's auditor is aware of that information.

### *Post balance sheet events*

Please refer to the strategic report and note 38 in the consolidated financial statements for a detailed discussion on events that occurred subsequent to December 31, 2024.

### *Financial risks*

Please refer to note 27 in the consolidated financial statements for a detailed discussion on financial risk.

### *Research and development*

Please refer to note 1.12 in the consolidated financial statements for accounting policy on research and development.

### *Future developments*

Please refer to the strategic report for detailed discussion on future developments.

### *Streamlined energy and carbon reporting*

The company consumed less than 40,000 kWh of energy in the UK during the year, so it qualifies as a low energy user and are exempt from further Streamlined Energy and Carbon reporting issues.

### *Employee benefits*

Employee benefits provided by the Group to its personnel include medical insurance and, annual bonuses and gratifications. Benefits to employees incurred during the year are recognized as expenses in the consolidated statement of comprehensive income.

### *Statement of business relationships*

During the year, the Directors of the Group have actively fostered the company's business relationships with its key suppliers and clients. Directors recognize the importance of these relationships in achieving the Company's strategic objectives and enhancing long-term value for shareholders.

The Company acknowledges the significant role of its suppliers in ensuring the availability of high-quality materials and services necessary for its operations. Throughout the year, the Group has maintained open and constructive communication with its suppliers, emphasizing mutual respect, fairness, and transparency in all dealings. The directors have overseen efforts to strengthen supplier relationships through regular performance reviews, timely payments, and collaboration on initiatives to improve efficiency and reduce costs.

As a result of these efforts, the Group has been able to secure favourable terms with its suppliers, including extended credit arrangements and preferential pricing, contributing to improved profitability and operational resilience.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

***Statement of business relationships (continued)***

Furthermore, the Group values its relationships with customers as essential to its success. The directors have prioritized customer satisfaction by delivering exceptional products and services, addressing feedback promptly, and adapting to changing customer needs and preferences; and

Directors have monitored customer relationships closely, assessing customer satisfaction levels, and identifying areas for improvement.

***Auditor***

Moore Kingston Smith LLP have expressed their willingness to continue in office and resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board

Signed by:

A handwritten signature in black ink that reads "Salil Oberoi". The signature is enclosed in a blue rounded rectangular box.

A00F1AC59134406...

*Salil Oberoi*

*Director*

April 29, 2025



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

### **Statement of Directors' responsibilities**

The Directors are responsible for preparing the strategic report, the directors' report and the 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 elected to prepare the Group financial statements in accordance with United Kingdom adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and the Company financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). 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 Group and Company and of the profit or loss of the Group for that year.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with UK adopted international accounting standards in conformity with the requirements of the companies Act 2006, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company and Group's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and Group's hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditor's report to members of Galileo Global Technologies Limited**

### **Opinion**

We have audited the financial statements of Galileo Global Technologies Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation of the Group financial statements is applicable law and United Kingdom adopted International Accounting Standards. The financial reporting framework has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

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;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **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 are independent of the group 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **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.

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 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.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 there is 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where 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.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 10, 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

### **Explanation as to what extent the audit was considered 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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management whether the company is in compliance with these laws and regulations and inspected legal costs, board minutes, and other relevant sources for evidence of undisclosed issues.
- The audit engagement team identified the risk of management override of controls and management bias in accounting estimates relating to revenue recognition on long term contracts as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. We evaluated whether there was evidence of bias by management in accounting estimates relating to revenue recognition on long term contracts by challenging assumptions and judgements made by management in relation to contract accounting, including the expected margin through assessment of post year end performance and stage of completion, through discussions with the relevant individuals and inspection of year end and post year end valuations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

### **Use of our report**

This report is made solely to the 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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
9A89987FE0E440A...

Collin Turnbull (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor  
6<sup>th</sup> Floor  
9 Appold Street  
London EC2A 2AP  
29/4/2025



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

**Consolidated statement of comprehensive income**  
*For the year ended December 31, 2024 and 2023*  
*In thousands of US Dollars*

	<i>Note</i>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Revenue	3	140,548	105,541
Cost of sales		<u>(121,723)</u>	<u>(107,702)</u>
<b>Gross margin</b>		<b><u>18,825</u></b>	<b><u>(2,161)</u></b>
Selling, general and administrative expenses	4	<u>(22,792)</u>	<u>(28,966)</u>
<b>Operating loss</b>		<b><u>(3,967)</u></b>	<b><u>(31,127)</u></b>
Other (expenses) / income	5	(1,106)	2,760
Net share of loss in associate	34	(14,925)	(6,223)
Disposal of Subsidiary	35	(1,316)	-
Finance income	8	8,629	8,575
Finance expenses	8	<u>(36,988)</u>	<u>(35,004)</u>
<b>Loss for the year before tax</b>		<b><u>(49,673)</u></b>	<b><u>(61,019)</u></b>
Taxation	9	<u>(3,358)</u>	<u>(9,998)</u>
<b>Loss for the year</b>		<b><u>(53,031)</u></b>	<b><u>(71,017)</u></b>
<b>Total comprehensive loss for the year</b>		<b><u>(53,031)</u></b>	<b><u>(71,017)</u></b>
<b>Loss attributable to:</b>			
Equity holders of the parent		<u>(53,031)</u>	<u>(71,017)</u>
<b>Loss for the year</b>		<b><u>(53,031)</u></b>	<b><u>(71,017)</u></b>
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the parent		<u>(53,031)</u>	<u>(71,017)</u>
<b>Total comprehensive loss for the year</b>		<b><u>(53,031)</u></b>	<b><u>(71,017)</u></b>

The accompanying notes are an integral part of these consolidated financial statements.



Galileo Global Technologies Limited  
 Annual report and financial statements ended December 31, 2024  
 In thousands of US Dollars

**Consolidated statement of financial position**  
*As of December 31, 2024 and 2023*  
*In thousands of US Dollars*

	Note	December 31, 2024	December 31, 2023
<b>Non-current assets</b>			
Goodwill	12	28,768	28,768
Property, plant and equipment	11	56,458	83,662
Intangible assets	12	17,576	23,426
Deferred tax	10	582	3,826
Investments in associates	34	-	18,491
Income tax receivables		170	10
Tax receivables	19	580	290
Other receivables	16	21,916	12,576
<b>Total non-current assets</b>		<b>126,050</b>	<b>171,049</b>
<b>Current assets</b>			
Assets classified as held for sale	14	2,833	-
Inventories	15	70,807	59,127
Investments and other financial assets	26	14	-
Tax receivables	19	22,107	13,807
Trade receivables	17	24,616	19,077
Contract assets	18	12,058	2,239
Other receivables	16	5,286	7,425
Cash and cash equivalents	20	6,904	9,646
<b>Total current assets</b>		<b>144,625</b>	<b>111,321</b>
<b>Total assets</b>		<b>270,675</b>	<b>282,370</b>
<b>Current liabilities</b>			
Trade and other liabilities	22	42,890	48,314
Payroll and social security liabilities	23	9,349	7,906
Contract liabilities	18	2,264	4,423
Income tax payables		1,725	3,345
Tax payables	24	1,545	389
Loans and borrowings	21	23,387	13,307
Provisions	25	986	978
<b>Total current liabilities</b>		<b>82,146</b>	<b>78,662</b>
<b>Non-current liabilities</b>			
Loans and borrowings	21	255,455	216,715
Deferred tax	10	3,879	4,695
Income tax payables		664	-
Trade and other liabilities	22	5,041	5,834
Payroll and social security liabilities	23	115	-
Provisions	25	190	248
<b>Total non-current liabilities</b>		<b>265,344</b>	<b>227,492</b>
<b>Total liabilities</b>		<b>347,490</b>	<b>306,154</b>
<b>Net liability</b>		<b>(76,815)</b>	<b>(23,784)</b>
<b>Shareholder's equity</b> (according to corresponding statement)		<b>(76,815)</b>	<b>(23,784)</b>
<b>Total shareholder's equity and liabilities</b>		<b>270,675</b>	<b>282,370</b>

The accompanying notes are an integral part of these consolidated financial statements.

These financial statements were approved and authorised for issue by the board of directors on April 29, 2025 and were signed on its behalf by:

Signed by:  
  
 A00F1AC59134406...  
 Salil Oberoi  
 Director  
 April 29, 2025

Company registered number: 9817636



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

**Consolidated statement of changes in equity**  
*For the year ended December 31, 2024 and 2023*  
*In thousands of US Dollars*

	Share capital	Share premium	Other components of equity	Retained earnings	Total parent equity	Total equity
<b>Balance as of December 31, 2022</b>	<b>56,672</b>	<b>21,789</b>	<b>(485)</b>	<b>(82,403)</b>	<b>(4,427)</b>	<b>(4,427)</b>
Share capital contribution from controlling parties	51,660	-	-	-	51,660	51,660
Total comprehensive loss	-	-	-	(71,017)	(71,017)	(71,017)
<b>Balance as of December 31, 2023</b>	<b>108,332</b>	<b>21,789</b>	<b>(485)</b>	<b>(153,420)</b>	<b>(23,784)</b>	<b>(23,784)</b>
Total comprehensive loss	-	-	-	(53,031)	(53,031)	(53,031)
<b>Balance as of December 31, 2024</b>	<b>108,332</b>	<b>21,789</b>	<b>(485)</b>	<b>(206,451)</b>	<b>(76,815)</b>	<b>(76,815)</b>

The accompanying notes are an integral part of these consolidated financial statements.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

**Consolidated statement of cash flows**  
*for the year ended December 31, 2024 and 2023*  
*In thousands of US Dollars*

	Note	December 31, 2024	December 31, 2023
<b>Cash flow from operating activities</b>			
Loss for the year		<u>(53,031)</u>	<u>(71,017)</u>
Adjustments for:			
Depreciation and amortization		20,563	22,725
Release of deferred income		-	(1,829)
Net share of loss in associate	34	4,322	6,223
Loss arising from the disposal of subsidiaries	35	1,316	-
Loss arising from the disposal of associates	34	10,603	-
Other income		(597)	(2,501)
Finance results - net		26,007	23,748
Loss on disposal of fixed assets		1,855	-
Others		1,149	(2,191)
Taxation		3,358	9,998
Changes in:			
Contract assets		(9,819)	5,732
Trade receivables		(5,524)	(791)
Other receivables		(1,500)	(2,287)
Inventories net of provision		(3,488)	(9,897)
Trade and other liabilities		(920)	(14,734)
Payroll and social security liabilities		423	(3,178)
Contract liabilities		(2,159)	3,747
Other tax receivables		(8,881)	7,764
Other tax payables		(16)	(1,091)
Net cash used in operations		<u>(16,339)</u>	<u>(29,579)</u>
Taxation paid		<u>(1,568)</u>	<u>(1,227)</u>
Net cash used in operating activities		<u>(17,907)</u>	<u>(30,806)</u>
<b>Cash flow from investing activities</b>			
Investments and other financial assets		591	2,714
Gain from purchase and sale of government bonds		1,550	3,800
Acquisition of property, plant and equipment		(5,143)	(13,668)
Acquisition of intangibles		(6,069)	(5,949)
Disposal of associates		3,566	-
Proceeds from sale of property, plant and equipment		119	-
Payments in advance for fixed assets		(84)	(105)
Net cash used in investing activities		<u>(5,470)</u>	<u>(13,208)</u>
<b>Cash flow from financing activities</b>			
Loans received net of transactions costs	21	49,521	59,177
Loans paid	21	(22,357)	(26,061)
Gain from foreign exchange from financial liabilities		2,665	1,881
Repayment of lease liability	28	(1,341)	(1,425)
Interest payment	21	(9,180)	(9,955)
Realized gain arising from special export regime		1,327	-
Net cash from financing activities		<u>20,635</u>	<u>23,617</u>
Net decrease in cash and cash equivalents		<u>(2,742)</u>	<u>(20,397)</u>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>9,646</b>	<b>30,043</b>
Net decrease in cash and cash equivalents		<u>(2,742)</u>	<u>(20,397)</u>
<b>Cash and cash equivalents at the end of the year</b>	20	<u><b>6,904</b></u>	<u><b>9,646</b></u>

The accompanying notes are an integral part of these consolidated financial statements.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

## Notes to the financial statements

### *1 Accounting policies*

#### *1.1 General information*

Galileo Global Technologies Limited (the “Company”) is a private company limited by share, incorporated, domiciled and registered in the UK. The registered number is 9817636 and the registered address is c/o Aztec Financial Services (UK) Ltd, Forum 4, Solent Business Park, Parkway South, Whiteley, Fareham, England, PO15 7AD.

The group financial statements consolidate those of the Company and its subsidiaries (together referred to as the “Group”). The parent company financial statements present information about the Company as a separate entity.

The consolidated financial statement of Galileo Global Technologies Ltd. have been prepared according to UK adopted international accounting standards in conformity with the requirements of the companies Act 2006.

The financial statements of Galileo Global Technologies Ltd. have been prepared in accordance with Financial Reporting Standard 101, ‘Reduced Disclosure Framework’ (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with UK adopted international accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

The group financial statements present the financial position and financial results of the year from January 1, 2024 until December 31, 2024, in comparative form with the previous year.

The accounting policies set out below have, unless otherwise stated, been applied consistently to the period presented in these group financial statements.

The group financial statements are presented in thousands of US dollars, unless otherwise noted.

The GBP/USD exchange rate applied to GBP balances at the balance sheet date December 31, 2024 was 1.2511 (2023: 1.2789).

#### *1.2 Functional and presentation 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’s consolidated financial statements are presented in US Dollar, being the functional and reporting currency of the Company and subsidiaries within the Group and the primary economic environment in which the Group operates.

#### *1.3 Going concern*

The Company is a holding entity and as such the going concern is dependent on the Group. Therefore, the going concern assessment was performed as part of the Group’s assessment.

The directors have considered the factors that impact the Group’s future development, performance, cash flows and financial position, for a period of at least 12 months from the date of approval of the financial statements, along with the Group’s current liquidity in forming their opinion on the going concern basis.

As part of the analysis performed by the Group, several scenarios were considered, including i. the impact of delays in securing and commencing new orders; and ii. a decrease in the profitability of the orders produced. As part of the analysis, the directors have considered the level of on-going contracts, further secured orders and the conversion of opportunities within the existing sales pipeline.

Based on this review, the directors have a reasonable expectation that the Group will be able to continue in operation for the next 12 months from the date of approval of the financial statements and the foreseeable future.

The Directors will continue to closely monitor the financial and operational performance of the business, including the broader macroeconomic environment, to ensure that the interests of the Company and its stakeholders are appropriately considered in all decision-making.

#### *1.4 Basis of consolidation*

##### *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. Investments in subsidiaries are held at cost less accumulated impairment losses.



#### **1.4 Basis of consolidation (continued)**

##### *Change in subsidiary ownership and loss of control*

Changes in the group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Where the group loses control of a subsidiary, the assets and liabilities are derecognised along with any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

##### *Transactions eliminated on consolidation*

Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

##### *Associates*

Associates are entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

##### *Derecognition of an associate*

A gain or loss on disposal is recognised in profit or loss when the Group loses significant influence over an associate. This gain or loss is calculated as the difference between:

- the aggregate of the fair value of any retained interest and the proceeds from disposal; and
- the carrying amount of the investment at the date significant influence is lost.

From that date, the equity method is discontinued. Any retained interest is measured at fair value and is subsequently accounted for as a financial asset in accordance with the relevant accounting policies.

##### *Equity method of accounting*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity-accounted investments is tested for impairment.

Gains and losses resulting from upstream or downstream transactions between an entity (including its consolidated subsidiaries) and its associate or joint venture are recognised in the entity's financial statements only to the extent of unrelated investors' interests in the associate or joint venture. The entity's share in the associate's or the joint venture's gains or losses resulting from these transactions is eliminated.

Downstream transactions (sale of assets from the investor to its associate or its joint venture) are eliminated in consolidation to the extent of the share in the associate. The profit eliminated is released back once the equipment is depreciated in line with the associate or joint venture's accounting policy.

If an associate or a joint venture uses accounting policies other than those of the entity for like transactions and events in similar circumstances, adjustments shall be made to make the associate's or joint venture's accounting policies conform to those of the entity when the associate's or joint venture's financial statements are used by the entity in applying the equity method.

Proceeds from the disposal of an investment in an associate are recognised in the statement of comprehensive income, and they are determined as the difference between (i) the carrying amount of the investment, accounted for using the equity method as described below, up to the date of the transaction, and (ii) the consideration to which the Group is entitled for the sale.

##### *Acquisitions and disposals of non-controlling interests*

Acquisitions and disposals of non-controlling interests that do not result in a change of control are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. Any difference between the price paid or received and the amount by which non-controlling interests are adjusted is recognised directly in equity and attributed to the owners of the parent.



#### **1.4 Basis of consolidation (continued)**

##### *Impairment of investment in associate*

The carrying amount of the investment in an associate is tested for impairment whenever there is an indication that the investment may be impaired. Indicators of impairment may include, but are not limited to:

- Significant financial difficulty of the associate
- A prolonged decline in the fair value of the investment below its carrying amount
- Evidence of a loss event that has an impact on the estimated future cash flows of the associate.

If there is objective evidence that an impairment loss has occurred, the amount of the loss is measured as the difference between the carrying amount of the investment and its recoverable amount. The recoverable amount is the higher of the investment's fair value less costs to sell and its value in use. Impairment losses are recognized in the income statement. If, in a subsequent period, the recoverable amount of the investment increases, the previously recognized impairment loss is reversed to the extent that the carrying amount of the investment does not exceed the carrying amount that would have been determined had no impairment loss been recognized.

##### **1.5 Foreign currency**

Transactions in foreign currency are translated to the respective functional currency of the Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the consolidated statement of comprehensive income.

##### **1.6 Classification of financial instruments issued**

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and
- b) where the instrument will or may be settled in the Group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the Group's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy.

##### **1.7 Financial instruments**

Non-derivative financial instruments comprise trade receivables, contract assets, other receivables, cash and cash equivalents, loans and borrowings and trade and other liabilities.

##### *Trade receivables and other receivables*

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. The Group applies the expected credit loss model (ECL) in respect of trade receivables. The Group tracks changes in credit risk and recognise a loss allowance based on lifetime ECLs at each reporting date.

##### *Contract assets*

Contract assets are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. The Group applies the expected credit loss model (ECL) in respect of contract assets. The Group tracks changes in credit risk and recognise a loss allowance based on lifetime ECLs at each reporting date.

##### *Trade receivables and contracts assets impairment*

The Group applies the IFRS 9 simplified approach to measure expected credit losses (ECL), which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected loss rates are based on the payment profiles of sales over a period of 24 months before December 31, 2024 or January 1, 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.



### **1.7 Financial instruments (continued)**

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 180 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit in the consolidated statement of comprehensive income. Subsequent recoveries of amounts previously written off are credited against the same line item.

#### *Cash and cash equivalents*

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less

Mutual fund investments are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, the investment is stated at fair value through profit or loss.

#### *Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

#### *Securitisation liabilities*

Securitisation liabilities are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

#### *Trade and other liabilities*

Trade and other liabilities are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

### **1.8 Net investment in foreign operation.**

In the second half of fiscal year 2019, the Argentine government reinstated exchange controls restricting the purchase of foreign currencies. As a result of these exchange controls, many Argentine entities use a trading mechanism commonly known as the Blue Chip Swap, in which an entity buys US Dollar denominated securities outside Argentina using US Dollars, transfers the securities to Argentina and sells the securities for Argentine pesos. The Blue Chip Swap Rate is the implicit exchange rate resulting from the Blue Chip Swap transaction. The Blue Chip Swap rate has diverged significantly from Argentina's official exchange rate.

In 2024, the exchange control mechanism established by the Government was kept in place, and the Group continued operating using mechanism explained on above paragraph.

Accordingly, these outstanding securities are recognised at fair value, and changes in fair value from these contracts are recorded in finance income (expense), net in the consolidated statement of comprehensive income.

### **1.9 Lease contracts**

#### *Leases as lessor*

##### *a) Lease classification*

The lease classification is determined on a contract-by-contract basis, taking into consideration the substance of the transaction and the specific details of each leasing contract. The key factor is whether or not substantially all the risks and rewards incidental to ownership are transferred and various criteria are used to determine the lease classification including:

- whether the lease term is for the major part the economic life of the asset; and
- whether the present value of minimum lease payments amounts to at least substantially all the fair value of the asset.

##### *b) Operating lease portfolio*

An operating lease is different from a finance lease and is classified as such if it does not transfer substantially all the risk and rewards of ownership. The Group as a lessor presents the assets subject to operating leases in the consolidated statement of financial position according to the nature of the asset.

The operating lease instalments are recognised in their entirety on a straight-line basis over the lease term, with the exception of that portion considered to be service income. The instalments are classified and presented in the consolidated statement of comprehensive income as lease revenues.

The Group leases assets to its clients for durations that normally range between three to five years. Currently the Group only provides closed calculation contract to customers whereby the client is charged a fixed fee for the use of the asset over a period of time. At the end of the lease term, the asset is normally returned to the Group for refurbishment and then re-rental to another third party. In all cases, the overall risk on the result of the contract, both positive and negative, is borne by the Group.



### **1.9 Lease contracts (continued)**

#### *Leases as lessee*

In leases where the Group is a lessee, a right-of-use asset and a lease liability are recognized on the date on which the underlying asset is available for use by the Group.

At the commencement date the lease liability is measured at the present value of the payments that are not paid that date, including:

- Fixed payments, less any lease incentive receivable
- Variable lease payments depending on an index or rate
- Amounts that the Group expects to pay under residual value guarantee
- Exercise price of a purchase option (if the Group is reasonably certain to exercise that option), and
- Penalty payments for terminating the lease, if the lease term reflects the Group exercising that option.

To calculate the present value of lease payments, bank loan rates effective at the initial measurement date were used, or by using the interest rate implicit in the lease, if that rate can be readily determined.

All relevant information related to lease liability is disclosed on note 28 lease liability. Each lease payment is apportioned between the principal and the financial cost. The financial cost is charged to finance expenses in the consolidated statement of comprehensive income; over the term of the lease to produce a constant periodic interest rate on the remaining liability balance for each period.

Right-of-use assets are measured at cost, which comprises:

- the amount of the initial measurement of the lease liability
- any lease payment made at or before the commencement date, less any lease incentive received
- any initial direct cost

Right-of-use assets are depreciated using the straight-line method over the asset's useful life.

The Group recognizes short-term leases (up to twelve months) as an expense in the consolidated statement of comprehensive income using the straight-line method over the lease term.

Leases for which the underlying asset is of low value were not identified.

#### *Lease modifications*

When the group renegotiates the contractual terms of a lease with the lessor, the accounting will depend on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is re-measured using the discount rate applicable.

### **1.10 Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land and assets under construction are not depreciated. The estimated useful lives are as follows:

- Buildings 50 years
- Plant and equipment 3-10 years
- Fixtures and fittings 3-10 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Depreciation charge of fixed assets assigned to production or in the performance of services or rentals are recognise in the cost of sales line item in the consolidated statement of comprehensive income statement and the remaining balance was included in the selling, general and administrative expenses line item.



### **1.11 Business combinations**

All business combinations are accounted for by applying the acquisition method. Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquire; plus
- the fair value of the existing equity interest in the acquire; less
- the net recognised amount of the identifiable assets acquired, and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

On a transaction-by-transaction basis, the Group elects to measure non-controlling interests, which have both present ownership interests and are entitled to a proportionate share of net assets of the acquire in the event of liquidation, either at its fair value or at its proportionate interest in the recognised amount of the identifiable net assets of the acquire at the acquisition date. All other non-controlling interests are measured at their fair value at the acquisition date.

### **1.12 Intangible assets and goodwill**

#### *Goodwill*

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment in the investee.

#### *Intellectual property and technology development*

Expenditure on research activities is recognised in the consolidated statement of comprehensive income as an expense as incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group intends to and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Group can measure reliably the expenditure attributable to the intangible asset during its development.

Development activities involve a plan or design to produce new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the consolidated statement of comprehensive income as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses; this capitalised development expenditure is accounted in intellectual property. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

#### *Other intangible assets*

Expenditure on internally generated goodwill and brands is recognised in the consolidated statement of comprehensive income as an expense as incurred.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

#### *Amortisation*

Amortisation is charged to consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life such as goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Intellectual Property                      5 - 10 years
- Software                                      5 years

Amortisation charge of intangible assets assigned to production or in the performance of services or rentals are recognise in the cost of sales line item in the consolidated statement of comprehensive income and the remaining balance was included in the selling, general and administrative expenses line item.



### **1.13 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first in first out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. At each reporting date, inventories are assessed for impairment. If inventories are impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the consolidated statement of comprehensive income.

### **1.14 Assets classified as held for sale**

Non-current assets are classified as held for sale if it is considered highly probable that their amount will be recovered through a sale transaction. They are measured at the lower of their carrying amount and fair value less costs to sell, except deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights from insurance contracts, which are specifically exempt from this requirement.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets or group of assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet. These assets and liabilities are not offset.

### **1.15 Impairment excluding inventories and deferred tax assets**

#### *Financial assets*

A financial asset not carried at fair value through profit and loss is assessed at each reporting date to determine a loss allowance for expected credit losses. If the credit risk on a financial instrument has increased significantly since initial recognition, the loss allowance is equal to the lifetime expected credit losses. If the credit risk has not increased significantly, the loss allowance is equal to the twelve month expected credit losses.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### *Non-financial assets*

The carrying amount of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit or CGU). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

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



### **1.16 Employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **1.17 Provisions**

A provision is recognised in the consolidated statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Provisions are reviewed at each reporting date to reflect the current best estimate of the cost at present value. The increase in the provision resulting from the passage of time is recognised as a finance expense in the consolidated statement of comprehensive income.

Provision for decommissioning is recognised in full when the related facilities are installed, subject to the analysis that Management makes about the feasibility of the Group having to incur on expenses related to decommissioning activities when retiring from a location. This analysis is made to ensure that when provision is made, it reflects an obligation that is highly probable to cause cash outflows in the future. A corresponding amount equivalent to the provision is also recognised as part of the cost of the related asset.

### **1.17 Provisions (continued)**

The amount recognised is the estimate costs of decommissioning, discounted to its net present value, and is reassessed each year in accordance with local conditions and requirements. Changes in the estimated timing of decommissioning or decommissioning costs estimates are dealt with prospectively by recording an adjustment to the provision, and the corresponding adjustment to property, plant and equipment. The unwinding of the discount on the decommissioning provision is included as a finance expense in the consolidated statement of comprehensive income.

### **1.18 Revenue**

Revenue is recognised as performance obligations are satisfied as control of the goods and services is transferred to the customer.

#### *a) Sale of goods (Construction contract) - Recognition over time*

For each performance obligation within a contract, the Group determines whether it is satisfied over time or at a point in time. Performance obligations are satisfied over time if one of the following criteria is satisfied: the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs; the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or the Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date.

The Group has determined that some of its contracts satisfy the over time criteria, either because the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs (typically services or support contracts) or the Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date (typically development or production contracts).

For each performance obligation to be recognised over time, the Group recognises revenue using an input method, based on costs incurred in the period. Revenue and attributable margin are calculated by reference to reliable estimates of transaction price and total expected costs, after making suitable allowances for technical and other risks. Revenue and associated margin are therefore recognised progressively as costs are incurred, and as risks have been mitigated or retired. The Group has determined that this method appropriately depicts the Group's performance in transferring control of the goods and services to the customer.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately as an expense in the consolidated statement of comprehensive income.

#### *b) Sale of goods - Recognition at a point in time*

If the over time criteria for revenue recognition are not met, revenue is recognised at the point in time that control is transferred to the customer, when legal title passes in accordance with the terms of the contract and the business has the right to payment, for example, upon delivery or when the contract terms indicate the customer should collect the goods.

#### *c) Contract assets and contract liabilities - Recognised from sales contracts with customer*

Unlike the method used to recognised contract revenue, the amounts billed to the customer are based on achievement of the various milestones established in the contracts and on acknowledgement thereof by the customers. Thus, the amounts recognised as revenue for a given year do not necessarily coincide with the amounts billed. In the case of contracts in which goods transferred to the customer exceed the related amount billed the difference is recognised as a "contract asset", whereas in contracts in which goods transferred are lower than the amount billed to the customers, the difference is recognised as a "contract liability".



### **1.18 Revenue (continued)**

#### *d) Lease revenues*

Revenues from operating lease instalments are recognised on a straight-line basis over the lease term except for those portions of the lease instalment that are considered to be service income. The service income is recognised and presented based on the percentage of completion method. Service income discussion is further expanded in e) below.

Some of the Group's leases provide for a lease-end adjustment payment to be made by the lessee at the end of the lease term based on usage and the condition of the asset upon return. Lease-end contingent rental payments are included in rental revenue when the amount receivable is known with certainty.

#### *e) Service income*

Services revenue is derived from providing maintenance and repair services for Galileo equipment.

For monthly maintenance contracts, income is recognized on a monthly-basis.

In the case of repair or maintenance services requested by customers that do not correspond to monthly maintenance contract, revenue from these services is recognised using an input method, based on costs incurred in the period. The Group has determined that this method appropriately depicts the Group's performance in transferring control of the services to the customer.

#### *f) Electricity sales*

Revenues from the sale of electricity are recognised as the electricity is generated and transferred into the distribution network.

#### *g) Liquefied Natural Gas (LNG) sales*

Revenue from the sale of LNG products is recognised at a point in time when control of the product is transferred to the customer, which is generally when the product is physically transferred into a vessel, pipe or tanker and the customer accepts the product. Consequently, the Group's performance obligations are considered to relate only to the sale of LNG product. The transportation and shipping cost associated with the transfer of the product to the point of sale is recognised as a selling cost.

Revenue from contracts with customers is recognised when control of the goods is 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. The Group has concluded that it is the principal in all of its revenue arrangements since it controls the goods or services before transferring them to the customer.

### **1.19 Expenses**

#### *Financing income and expenses*

Financing expenses comprise interest payable, finance charges on shares classified as liabilities and finance leases recognised in Statement of Comprehensive Income using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the consolidated statement of financial position (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Financing income comprise interest receivable on funds invested, dividend income, and net foreign exchange gains.

Interest income and interest payable is recognised in statement of comprehensive income as it accrues, using the effective interest method. Dividend income is recognised in the consolidated statement of comprehensive income on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

#### **1.20 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised in respect of tax losses and other temporary differences giving rise to deferred tax assets where the Group believe it is probable that these assets will be recovered.



### 1.21 Government grants and rebates

The Argentine government incentivises domestic production of capital goods through rebates to the sale of those goods in Argentina. The Group produces and sells capital goods in Argentina, has received these rebates in the past and expects to continue receiving them in the future. These rebates are included in selling, general and administrative expenses, in the consolidated statement of comprehensive income

Galileo has applied and received other government grants for investments in fixed assets. These grants are initially accounted for as a liability in other liabilities in the statement of financial position and subsequently recognized as a gain in the consolidated statement of comprehensive income over the useful life of the asset.

### 1.22 New standards, amendments, IFRIC interpretations and new relevant disclosure requirements

#### a) Adoption of new and revised standards

The company has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants - Amendments to IAS 1,
- Lease Liability in Sale and Leaseback - Amendments to IFRS 16,
- Supplier Finance Agreements - Amendments to IAS 7 and IFRS 7, and
- International Tax Reform - Pillar Two Model Rules - amendments to IAS 12.

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### b) New standards, interpretations and amendments not yet effective

Below is a list of new and revised IFRSs that are not yet mandatorily effective (but allow early application) for the year ended as of December 31, 2024; and have not been early adopted by the Group. The Group is analysing whether these standards will have a material impact in the future.

	Effective for annual periods beginning on or after
Liability in a sale and leaseback (Amendments to IFRS16 Leases)	January 1, 2025
Classification of liabilities as current or non-current (Amendments to IAS 1 presentation of financial statements)	January 1, 2025
Non-current liabilities with covenants (Amendments to IAS 1 Presentation of financial statements)	January 1, 2025
Supplier finance arrangements (Amendments to IAS 7 statement of cash flows and IFRS 7 financial instruments: disclosures)	January 1, 2025
Lack of Exchangeability (Amendments to IAS 21)	January 1, 2025
Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
Subsidiaries without Public Accountability: Disclosures IFRS 19	January 1, 2027
Presentation and Disclosure in Financial Statements (IFRS 18)	January 1, 2027

## 2. Significant accounting estimates and judgements

The preparation of financial statements requires the Group to make estimates and assumptions regarding the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

#### a) Leases as lessor: Classification of leases

The company leases equipment under operating lease arrangements to third party customers. Management evaluates in accordance with IFRS 16 the following elements for classification to assess whether or not substantially all the risk and rewards of ownership are transferred to clients:

- The substance of the transaction and the specific details of each leasing contract; and
- Whether the lease term is for a major part of the economic life of the asset.



## 2. Significant accounting estimates and judgements (continued)

Leases were classified as operating because the substance of the transaction and the risks and rewards of ownership are not transferred due to the following:

- Contracts do not transfer ownership of the asset to the lessee by the end of the lease term;
- The lessee does not have the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it;
- The lease term is for the minor part of the economic life of the asset;
- At the inception of the lease the present value of the minimum lease payments amounts does not represent substantially the fair value of the leased asset; and
- The leased assets are not of such a specialised nature that only the lessee can use them without major modifications.

### b) Recovery of deferred tax assets

The recognition of deferred tax assets will depend on the ability of the Group to generate future taxable income. The methodology used in estimating deferred tax assets are detailed in 1.13 and 1.20.

The impairment test for the carrying value of deferred tax assets depends on the estimates of future taxable income to utilise the deferred tax assets which are in turn dependent on the assumptions in the Group's business plans', see note 13.

### c) Carrying value of goodwill and intangibles

The impairment test for the carrying value of goodwill and intangibles depends on the estimates of future cash flows and the discount rate, see note 13. The methodology used in estimating the valuation of goodwill and intangibles are detailed in 1.12.

### d) Revenue recognition

Judgement is required if revenue should be recognised over time or at a point in time.

Revenue is recognised as performance obligations are satisfied as control of the goods and services is transferred to the customer.

For each performance obligation within a contract, the Group determines whether it is satisfied over time or at a point in time. Performance obligations are satisfied over time if one of the following criteria is satisfied: the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs; the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or the Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date.

For each performance obligation on long-term contracts that are recognised over time, the Group recognises revenue using an input method, based on costs incurred in the period. Revenue and attributable margin are calculated by reference to reliable estimates of transaction price and total expected costs, after making suitable allowances for technical and other risks. Revenue and associated margin are therefore recognised progressively as costs are incurred, and as risks have been mitigated or retired. The costs incurred will include costs for uninstalled materials as long as these materials have been specifically produced for the contract and are not generic in nature. This may result in discrepancies between physical progress of the manufacturing process and the grade of completion, but the Group has determined that this method appropriately depicts the Group's performance in transferring control of the goods and services to the customer.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately as an expense.

### e) Development costs

The Group capitalises development costs provided the recognition conditions meet the criteria set out in IAS 38. During the year costs have been capitalised in relation to projects to enhance and develop the products. The capitalised costs relate to materials used in the development projects and employee costs. Management estimates the time spent by employee on development and allocates this each project. The costs capitalised in period have resulted in the development of new intellectual property and management has assessed that there is sufficient evidence to support that economic benefit will flow. Intangible assets are amortised over their expected or known useful lives on a straight-line basis beginning from the point they are available for use. The estimated useful lives of intangible assets are regularly reviewed. Management estimated useful life for intangible assets is currently five years. The useful economic life is based on management's estimate of the period of time over which the assets will generate future cash flows.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

## 2. Significant accounting estimates and judgements (continued)

### f) Disposal of associate

During the financial year ended on December 31, 2024, the Company disposed its investment in an associate, Edge Gathering Virtual Pipelines II LLC (EDGE), pursuant to a sale agreement entered into on November 4, 2024. This agreement contains a buyback provision, granting the Group a 12-month option to repurchase its participation at a price comparable to the original consideration received.

Investment in its associate was disposed as from the date the sales agreement was executed. The Group did not hold significant influence over the investee because it:

- Had no representation on EDGE's board of directors;
- Did not have the ability to participate in decisions regarding the associate's relevant activities;
- Ownership interest in EDGE was below the threshold required to establish significant influence, particularly considering that the remaining shareholders collectively held a majority stake.

## 3. Revenue

	2024	2023
Sales of goods – Construction contract (note 18)	75,505	47,177
Sales of goods	19,167	18,520
Sale of energy	18,686	17,519
Rendering of services	16,674	12,069
Rental income	10,516	10,256
	<b>140,548</b>	<b>105,541</b>

## 4. Selling, general and administrative expenses

	2024	2023
Staff costs	(6,231)	(7,899)
Depreciation and amortisation	(8,223)	(7,654)
Professional fees	(3,299)	(5,504)
Others selling and general expenses	(1,611)	(4,718)
Turnover and other taxes	(4,056)	(3,295)
Insurance	(221)	(371)
Export expenses	(259)	(235)
Transportation and freights	(347)	(609)
Export rebates and government grants	1,455	1,319
	<b>(22,792)</b>	<b>(28,966)</b>

### Auditor's remuneration:

	2024	2023
Audit of the Group and Company financial statements	(218)	(191)
Audit of overseas subsidiaries	(181)	(174)
	<b>(399)</b>	<b>(365)</b>

Moore Kingston Smith LLP were appointed as group auditor for the year ended 31 December 2024. The fees payable in respect of the audit of overseas subsidiaries is not payable to an associate of Moore Kingston Smith LLP.

## 5. Other (expenses) / income

	2024	2023
Gain on mutual fund investments	597	2,501
Loss on disposal of fixed assets	(1,855)	259
Others	152	-
	<b>(1,106)</b>	<b>2,760</b>



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

## 6. Staff numbers and costs

The average number of people employed by the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees 2024	Number of employees 2023
Management and administration	188	212
Production	468	458
Sales and marketing	21	39
	<u>677</u>	<u>709</u>

The aggregate payroll costs of these employees were as follows:

	2024	2023
Wages and salaries	(35,528)	(38,088)
Social security costs	(7,441)	(6,757)
Others	(1,087)	(1,256)
	<u>(44,056)</u>	<u>(46,101)</u>
Total amount capitalised (1)	<u>2,833</u>	<u>5,040</u>

(1) Included within total staff costs are US\$2,140 (2023: US\$2,719) which have been capitalised as part of intangible assets, US\$51 (2023: US\$1,777) capitalised in fixed assets and US\$642 (2023: US\$544) capitalised in inventories.

## 7. Directors' emoluments

	2024	2023
Emoluments for qualifying services	(1,461)	(1,026)
Social security cost for qualifying services	(92)	(59)
	<u>(1,553)</u>	<u>(1,085)</u>

The aggregate salary remuneration of the highest paid director was US\$557 (2023: US\$976).

## 8. Finance results

### Finance income

	2024	2023
Interest income	5,751	4,538
Gain from purchases and sales government bonds (1)	1,550	3,800
Realized gain arising from special export regime (2)	1,328	-
Other finance income	-	237
	<u>8,629</u>	<u>8,575</u>

(1) This gain was derived from the difference between the Argentina's official exchange rate and the Blue Chip Swap Rate at the moment of the government bonds purchase and resale transactions.

(2) Earning arising from exports settled at a preferential exchange rate in application of a temporary governmental special export regime policy.

### Finance expenses

	2024	2023
Interest and financial expenses	(32,801)	(31,319)
Net foreign exchange	(2,353)	(2,682)
Interest expenses on lease liabilities	(1,012)	(730)
Other financial expenses	(822)	(273)
	<u>(36,988)</u>	<u>(35,004)</u>

## 9. Taxation

### a) Recognised in the income statement

	2024	2023
Current tax expense		
Current year	(7,738)	(1,881)
Withholding tax	(4)	(104)
Prior period adjustment	2,292	109
Current tax expense	<u>(5,450)</u>	<u>(1,876)</u>
Deferred tax		
Origination and reversal of temporary differences	1,934	(8,689)
Prior period adjustment	158	567
Deferred tax charge	<u>2,092</u>	<u>(8,122)</u>
<b>Tax charge in income statement</b>	<u><b>(3,358)</b></u>	<u><b>(9,998)</b></u>



**9. Taxation (continued)**

*b) Reconciliation of effective tax rate*

The Company is treated as a tax resident of the UK and is subject to a tax rate of 25% (2023: 25%), Income taxes in the income statement are measured at 25% and deferred taxes at the balance sheet data are measured at 25%

The majority of the Group's profits subject to corporate income tax are generated from operations in Argentina and the US. On June 16, 2021, Law 27,630 was enacted and published in the Official Gazette. This law established corporate income tax rates for tax years beginning on or after January 1, 2021, replacing the fixed tax rate with a progressive tax scale ranging from 25% to 35%.

Therefore, as of December 31, 2024, the Company's net deferred assets will be measured using the estimated rate, according to the estimated taxable result for that period and beyond, and that it is expected that those temporary differences will be reversed or used.

The tax rates as of December 31, 2024 were: for US 21% (2023: 21%), France 25% (2023: 25%) and for Brazil 15% (2023: 15%).

The reconciliation of effective income tax rate has been performed using these rates.

	<b>2024</b>	<b>2023</b>
<b>Loss for the year before tax</b>	<b>49,673</b>	<b>(61,019)</b>
Tax using the corporation tax rate	12,418	15,255
Effect of tax rates in foreign jurisdictions	1,308	(1,583)
Non-taxable loss	(24,699)	1,565
Recognised temporary differences	3,902	(21,896)
Unrecognised temporary differences	1,116	(2,344)
Prior periods adjustment	1,743	676
Withholdings tax	(4)	(104)
Carry forward impairment	858	(1,567)
<b>Total (charge) - tax credit</b>	<b>(3,358)</b>	<b>(9,998)</b>

**10. Deferred tax assets and liabilities**

*a) Recognised deferred tax assets and liabilities*

Details of the deferred tax liability, amounts recognised in profit or loss and amounts recognised in other comprehensive income are as follows:

	Asset	Liability	Net	(Charge) / credited to profit or loss	Deferred tax utilization / disposals	Asset	Liability	Net	(Charge) / credited to profit or loss
	2024	2024	2024	2024	2024	2023	2023	2023	2023
Carry forward	582	17,358	17,940	(4,819)	(5,704)	5,088	23,375	28,463	(5,602)
Intercompany deductibility	-	1,836	1,836	157	(123)	1,328	474	1,802	(1,054)
Accrued deductibility	-	703	703	(860)	(35)	1,135	463	1,598	218
Investments in associates	-	-	-	(1,225)	-	1,225	-	1,225	6,595
Trade receivables impairment	-	379	379	(214)	-	-	593	593	(108)
Provision deductibility	-	206	206	(106)	-	172	140	312	(223)
Others	-	157	157	(815)	-	333	(625)	(292)	(445)
Adjustment for tax inflation (1)	-	(74)	(74)	220	-	-	(295)	(295)	1,960
Contract assets and contracts liabilities	-	(8,624)	(8,624)	(4,603)	-	(4,021)	-	(4,021)	(1,060)
Intangible assets	-	(5,837)	(5,837)	454	1,287	(279)	(7,299)	(7,578)	(501)
Inventories	-	(673)	(673)	7,491	27	2,740	(10,931)	(8,191)	(6,411)
Loans	-	(877)	(877)	390	-	-	-	-	-
Property, plant and equipment	-	(8,433)	(8,433)	6,022	30	(3,895)	(10,590)	(14,485)	(1,491)
<b>Total</b>	<b>582</b>	<b>(3,879)</b>	<b>(3,279)</b>	<b>2,092</b>	<b>(4,518)</b>	<b>3,826</b>	<b>(4,695)</b>	<b>(869)</b>	<b>(8,122)</b>

(1) Tax inflation adjustment: Argentinian Law No. 27,430 sets out the following rules for the application of the income tax inflation adjustment mechanism. The application of the adjustment provided for by Title VI of the Income Tax Law when variations in the above-mentioned index exceed 100% over the 36 months preceding the closing of the fiscal period to be settled; alternatively, for the first, second and third fiscal year as from its effective date, this proceeding will apply in case the accumulated variation in such price index, calculated from the beginning of the first fiscal year to the closing of each fiscal year, are higher than 55%, 30% and 15% for the years 2018, 2019 and 2020, respectively.

Law No. 27,541 provides that, as regards the positive or negative fiscal inflation adjustment determined as a result of the application of the adjustment provided for by Title VI of the Income Tax Law corresponding to the first and second fiscal year starting as from January 1, 2019, one-sixth (1/6) should be charged in that fiscal period and the remaining five sixths (5/6), in equal parts, in the five immediately following fiscal periods. As of the fiscal years beginning on January 1, 2021, the adjustment for tax inflation for the fiscal year is computed in its entirety.

As of December 31, 2019 and 2020, the cumulative variation in the IPC exceeds the 30% and 15% condition set for the third and second transition years, and, therefore, the Group has applied the tax inflation adjustment in the calculation of the current and deferred income tax provision starting on 2019 fiscal period.

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences. The directors believe it is probable that these assets will be recovered based on projections of the business .



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

### 10. Deferred tax assets and liabilities (continued)

b) The tax loss carry forward detail is as follows:

Expire	2024	2023
2025	174	795
2026	-	406
2027	428	4,126
2028	14,115	18,047
Unlimited	3,223	5,089
	<u>17,940</u>	<u>28,463</u>

### 11. Property, plant and equipment

	Freehold Land and buildings	Plant and Equipment (3)	Fixtures and fittings	Assets under construction	Right of use asset (4)	Total
<b>Cost</b>						
<b>Balance as of December 31, 2022</b>	<b>7,869</b>	<b>153,619</b>	<b>841</b>	<b>9,081</b>	<b>5,820</b>	<b>177,230</b>
Additions	2	9,386	91	4,613	1,083	15,175
Disposals	-	(2,661)	-	-	(950)	(3,611)
Transfers	-	3,492	-	(3,691)	-	(199)
Contract modifications	-	-	-	-	283	283
<b>Balance as of December 31, 2023</b>	<b>7,871</b>	<b>163,836</b>	<b>932</b>	<b>10,003</b>	<b>6,236</b>	<b>188,878</b>
Additions	-	2,833	72	2,467	252	5,624
Disposals	-	(9,667)	(30)	(1,358)	(2,001)	(13,056)
Transfers (2)	-	(4,525)	-	(6,942)	-	(11,467)
Contract modifications	-	-	-	-	(456)	(456)
<b>Balance as of December 31, 2024</b>	<b>7,871</b>	<b>152,477</b>	<b>974</b>	<b>4,170</b>	<b>4,031</b>	<b>169,523</b>
<b>Depreciation and impairment</b>						
<b>Balance as of December 31, 2022</b>	<b>(1,567)</b>	<b>(89,181)</b>	<b>(356)</b>	<b>-</b>	<b>(2,403)</b>	<b>(93,507)</b>
Depreciation charge for the year	(519)	(14,124)	(71)	-	(1,197)	(15,911)
Disposals	-	2,407	-	-	228	2,635
Contract modifications	-	-	-	-	1,567	1,567
<b>Balance as of December 31, 2023</b>	<b>(2,086)</b>	<b>(100,898)</b>	<b>(427)</b>	<b>-</b>	<b>(1,805)</b>	<b>(105,216)</b>
Depreciation charge for the year (1)	(336)	(11,404)	(76)	-	(894)	(12,710)
Disposals	-	2,050	3	-	1,168	3,221
Transfers (2)	-	1,168	-	-	-	1,168
Contract modifications	-	-	-	-	472	472
<b>Balance as of December 31, 2024</b>	<b>(2,422)</b>	<b>(109,084)</b>	<b>(500)</b>	<b>-</b>	<b>(1,059)</b>	<b>(113,065)</b>
<b>Net book value</b>						
<b>As of December 31, 2023</b>	<b>5,785</b>	<b>62,938</b>	<b>505</b>	<b>10,003</b>	<b>4,431</b>	<b>83,662</b>
<b>As of December 31, 2024</b>	<b>5,449</b>	<b>43,393</b>	<b>474</b>	<b>4,170</b>	<b>2,972</b>	<b>56,458</b>

(1) Depreciation charge was partially recognised in cost of sales amounting to US\$12,330 (2023: US\$15,034), in selling, general and administrative expenses US\$380 (2023: US\$877), in the consolidated statement of comprehensive income; and US\$ nil capitalised (2023: US\$48).

(2) Transfer disclosed in the amount of US\$ 10,299 are explained by equipment amounting US\$ 7,467 (2023: US\$ 199) whose intended utilisation in the organisation changed from plant and equipment to inventory according to business needs, and equipment that at the end of the year were reclassified held as classified for sale whose carrying amount is US\$ 2,832 (2023: nil).

(3) As of December 31, 2024, the net carrying amount of leased machinery was US\$9,027 US\$ (2023: US\$17,897).

(4) Please refer to note 28 for details on current and non-current lease liabilities.

#### Security

The loan agreement that had been entered between Karadeniz Powership Suheyla Sultan Company (as lender) and Galileo Global Technologies Ltd (as borrower) for US\$ 10,000 in 2023, and that had been partially guaranteed with a first ranking security interest over plant and equipment was settled in 2024, and therefore, as of December 31, 2024, there is not any guarantee over the property, plant and equipment (2023: US\$ 2,064).



**12. Goodwill and intangible assets**

	Goodwill	Intellectual property and technology developments	Software	Total intangible assets
<b>Cost</b>				
<b>Balance as of December 31, 2022</b>	<b>28,768</b>	<b>41,871</b>	<b>2,914</b>	<b>44,785</b>
Additions	-	6,571	115	6,686
<b>Balance as of December 31, 2023</b>	<b>28,768</b>	<b>48,442</b>	<b>3,029</b>	<b>51,471</b>
Additions	-	6,674	116	6,790
Disposals (1)	-	(4,781)	(30)	(4,811)
<b>Balance as of December 31, 2024</b>	<b>28,768</b>	<b>50,335</b>	<b>3,115</b>	<b>53,450</b>
<b>Amortisation and impairment</b>				
<b>Balance as of December 31, 2022</b>	-	<b>(19,591)</b>	<b>(1,688)</b>	<b>(21,279)</b>
Amortisation charge	-	(6,357)	(409)	(6,766)
<b>Balance as of December 31, 2023</b>	-	<b>(25,948)</b>	<b>(2,097)</b>	<b>(28,045)</b>
Amortisation charge	-	(7,259)	(595)	(7,854)
Disposals	-	-	25	25
<b>Balance as of December 31, 2024</b>	-	<b>(33,207)</b>	<b>(2,667)</b>	<b>(35,874)</b>
<b>Net book value</b>				
<b>As of December 31, 2023</b>	<b>28,768</b>	<b>22,494</b>	<b>932</b>	<b>23,426</b>
<b>As of December 31, 2024</b>	<b>28,768</b>	<b>17,128</b>	<b>448</b>	<b>17,576</b>

(1) Disposal amounting US\$4,811 is due mainly to the disposal of Enerbine S.A. in accordance with the separation and release agreement (see note 37).

**13. Impairment testing**

For the purpose of goodwill impairment testing, the Cash-Generating Unit (“CGU”) that we consider is the Galileo Global Technologies Limited CGU which is comprised of companies Galileo Technologies S.A., Galileo Rental S.A. (during 2021 Galileo Rental S.A was merged into Galileo Technologies S.A.), Galileo Technologies Corporation, Galileo Tecnologia para Gas Limited and Galileo Technologies Corporation Suc. Peru. These companies are considered as the goodwill arose upon their acquisition in April 2016. The carrying value of the GGT CGU is US\$148,358 (2023: US\$209,017).

The assessment of goodwill impairment primarily relies on Level 3 inputs, which are unobservable inputs related to the asset or liability. This impairment is evaluated using a discounted cash flow (DCF) valuation approach.

These techniques incorporate significant inputs and assumptions, including revenue growth rates and discount rates, which are derived from observable market data or are based on the best information available. Values assigned to the key assumptions represent management assessment of future trends in the relevant industries and have been based on historical data from internal sources.

The key assumptions used in the estimation of value in use are set out below:

The values assigned to the key assumptions represent management assessment of future trend in the relevant industries and have been based on historical data from internal sources.

	2024	2023
Discount rate	9.8%	9.9%
Perpetuity growth	2%	2%
Budgeted EBITDA growth rate (average of next four years)	15%	22%

The discount rate was calculated using a WACC rate based on a market participator rate calculated from comparable listed companies. Four years of cash flows were included in the discount cash flow model. The forecast assumes growth over that four-year period in line with historic levels and reflecting current forecast of future sales.

Budgeted EBITDA was based on expectations of future outcomes considering past experience, adjusted for anticipated revenue growth. Revenue growth was projected considering the average growth levels experienced over the past years and the estimated sales volume and price growth for the next four years. Beyond the next four years, we have assumed no further real growth and have assumed nominal growth of 2% in line with our long-term inflation expectations.

Management completed their impairment testing and the enterprise value exceeded the carrying value of the cash generating unit by US\$476,523 (2023: US\$554,771) leading to no impairment needing to be recognised.

A sensitivity test was undertaken identifying two key assumptions:

- i. discount rate; and
- ii. perpetuity growth.

Using a discount rate of 21% causes the carrying amount of the cash generating unit to exceed the enterprise value by \$108,946 (2023: US\$126,019).

Using a perpetuity growth rate of negative 5% results in a headroom of US\$247,548 (2023: US\$303,395).



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

#### 14. Assets classified as held for sale

	<b>2024</b>	<b>2023</b>
<b>Current</b>		
Assets classified as held for sale (*)	2,833	-
	<b>2,833</b>	<b>-</b>

(\*) By the end of the year 2024, management conducted negotiations to sell certain assets of property, plant and equipment to third parties. Therefore, this equipment was reclassified from property, plant and equipment to assets classified as held for sale in accordance to IFRS 5.

As of December 31, 2024, the net carrying amount of these assets amounted to US\$2,833. The net realizable value of this equipment is expected to exceed its carrying amount; therefore, no impairments are recognized. On February 2025, the equipment was sold to a certain client in Brazil.

#### 15. Inventories

	<b>2024</b>	<b>2023</b>
<b>Current</b>		
Raw materials (net of provision)	53,043	48,828
Work in progress	10,254	4,024
Finished goods (net of provision)	2,647	2,826
Goods for maintenance fixed assets	2,277	2,079
Goods in transit	2,586	1,370
	<b>70,807</b>	<b>59,127</b>

Raw materials, finished products, and work in progress sold during the year were included in the total cost of sales of the year, amounting to US\$121,723 (2023: US\$107,702) in the consolidated statement of comprehensive income.

Provision for obsolete inventories amounted to US\$1,816 as of December 31, 2024 (2023: US\$2,539).

#### 16. Other receivables

	<b>2024</b>	<b>2023</b>
<b>Non-current</b>		
Other receivables	148	123
Related parties receivables	21,768	12,453
	<b>21,916</b>	<b>12,576</b>
<b>Current</b>		
Other receivables	2,399	3,738
Prepayments	2,887	3,687
	<b>5,286</b>	<b>7,425</b>

#### 17. Trade receivables

	<b>2024</b>	<b>2023</b>
<b>Current</b>		
Trade receivables	25,725	17,945
Trade receivables associates	-	2,858
Impairment of accounts receivable (note 27)	(1,109)	(1,726)
	<b>24,616</b>	<b>19,077</b>

All trade receivables are due within twelve months.

The Group does not hold any collateral as security.

Trade receivables with associates are unsecured, interest-bearing and repayable on demand.

Based on the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. The Group determined a recovery of the allowance of US\$610 in 2024 (2023: US\$263 loss); included in the selling, general and administrative expenses on the consolidated statement of comprehensive income.

#### 18. Contract assets and contract liabilities

##### Contract assets

	<b>2024</b>	<b>2023</b>
<b>Current</b>		
Contract assets percentage of completion	12,058	2,239
	<b>12,058</b>	<b>2,239</b>

All contract assets are due within 12 months. There are no impairments to be recognised for the contract asset.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

### 18. Contract assets and contract liabilities (continued)

#### Contract liabilities

	2024	2023
<b>Current</b>		
Contract liabilities percentage of completion	(2,264)	(1,490)
Contract liabilities percentage of completion with associates	-	(2,933)
	<b>(2,264)</b>	<b>(4,423)</b>

All contract liabilities are due within twelve months.

The following table represents changes in our contract assets and contract liabilities balances as of December 31, 2024:

Customer	A (1)	D	H	I	J	K	L	M	N	O	Total
Unbilled contract revenue	-	-	1	36	323	605	4,649	6,444	-	-	12,058
Customer advances and billings in excess of contract revenue	-	-	-	-	-	-	-	-	(1,254)	(1,010)	(2,264)
Revenue recognised in the year (note 3)	4,544	(32)	4,435	-	4,059	21,469	10,209	30,481	340	-	75,505
Revenue recognised in the year %	6.02	(0.04)	5.87	-	5.38	28.43	13.52	40.37	0.45	-	100
Deferred revenue 2025	-	-	-	-	-	2,284	666	22,906	6,035	10,100	41,991

(1) Associate up until November 4, 2024.

(2) During the year 2024 new orders were received from customers M, N and O for a total amount of US\$ 69,862.

(3) There is no balance to report on clients B,C,F and G in 2024.

The following table represents changes in our contract assets and contract liabilities balances as of December 31, 2023:

Customer	A (1)	B	C (3)	D	F	G	H	I	J	K	L	Total
Unbilled contract revenue	-	-	-	586	-	-	35	39	-	1,579	-	2,239
Customer advances and billings in excess of contract revenue	(2,933)	-	-	-	-	-	-	-	(1,290)	-	(200)	(4,423)
Revenue recognised in the year (note 3)	22,456	840	(3,130)	1,619	1,971	4,130	2,635	3,821	1,221	11,614	-	47,177
Revenue recognised in the year %	47.59	1.78	(6.63)	3.43	4.18	8.75	5.59	8.10	2.59	24.62	-	100.00
Deferred revenue 2024 (2)	4,544	-	-	85	-	-	4,365	-	4,651	8,707	28,835	51,187

(1) Associate

(2) During the year 2023 new orders were received from customers I, J, K and L for a total amount of US\$58,850.

(3) Order cancelled during the year after long-term negotiations.

#### 19. Tax receivables

	2024	2023
<b>Non-current</b>		
Withholdings and surcharges	580	290
	<b>580</b>	<b>290</b>
<b>Current</b>		
Value added tax credits	14,877	7,656
Export rebates	6,891	5,799
Others tax credits	339	352
	<b>22,107</b>	<b>13,807</b>

#### 20. Cash and cash equivalents

	2024	2023
<b>Current</b>		
Cash at banks and on hand	5,371	9,136
Short-term investments	1,533	510
	<b>6,904</b>	<b>9,646</b>

As of December 31, 2024, a subsidiary of the Group had restricted cash of US\$72 related to operating balances (2023: US\$310).



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

## 21. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate and foreign currency risk, see note 27.

	2024	2023
<b>Current</b>		
Secured loan third parties	9,325	6,220
Bank loans	10,749	3,203
Related parties	302	1,985
Secured bank loans	1,937	1,816
Loan third parties	1,000	-
Government loan subsidy	74	83
	<u>23,387</u>	<u>13,307</u>
<b>Non-current</b>		
Related parties	216,114	185,763
Loan third parties	17,798	-
Secured loan third parties	19,607	29,265
Secured bank loans	1,862	1,629
Government loan subsidy	-	25
Bank loans	74	33
	<u>255,455</u>	<u>216,715</u>

### a) Terms and debt repayment schedule

The terms and debt repayment schedule as of December 31, 2024 were as follows:

Loan lender	Debt instrument	Interest rate	Maturity date	Currency	Carrying amount
Related parties loans	Loan	10%	2027	US\$	204,393
Related parties loans (1)	Loan	2.5% + SOFR 90	2027	US\$	10,801
Related parties loans	Loan	10%	2029	US\$	1,209
Related parties loans	Loan	10%	2028	US\$	13
Secured Loan third parties (2)	Secured borrowings	2.5% + SOFR 90	2027	US\$	28,623
Loan third parties (3)	Loan	5%	2027	US\$	17,798
Loan third parties (4)	Loan	-	2025	US\$	1,000
Bank loans	Unsecured loan	Average 5.14%	2025	US\$	5,055
Bank loans	Unsecured loan	Average 54.62%	2025	AR\$	3,768
Bank loans	Unsecured loan	Average 95.88%	2025 – 2027	AR\$	97
Bank loans	Unsecured loan	6 – 7%	2025	US\$	1,903
Secured bank loans (5)	Secured bank loans	5 – 7%	2025 - 2026	US\$	3,799
Secured Loan third parties (6)	Secured borrowings	8.49%	2025	US\$	309
Government loan subsidy	Government loan subsidy	1%	2025	US\$	74
					<u>278,842</u>

(1) Loan granted by Galileo Guernsey Ltd. to Galileo Global Technologies Ltd. for US\$ 10,500 in early August 2024, applied to repay the loan agreement originally entered into by the Group with Karadeniz Powership Suheyla Company.

(2) Secured loan agreement subscribed between Galileo Technologies Corporation and Morgan Stanley Senior Funding, Inc. For further information on the liens associated with this securities, see note 30.

(3) In 2024, Galileo Technologies S.A. (as "borrower") and Halliburton Argentina S.R.L. (as "lender") entered into a loan agreement in the amount of up to US\$ 15,000. These funds will be disbursed by the lender in three disbursements of US\$ 5,000 each, subject to the satisfaction of certain conditions set forth in the loan agreement. First two disbursements were received in April and September 2024. For further details on this loan, please refer to subsequent event note 37.

Furthermore, also on April 19, 2024, Galileo Technologies S.A. (as "borrower") and Helmerich & Payne (Argentina) Drilling Co., Sucursal Argentina, entered into a loan agreement in the amount of up to US\$ 10,000. These funds will be disbursed by the lender in two disbursements of US\$ 5,000 each, subject to the satisfaction of certain conditions set forth in the loan agreement. The first disbursement was received by Galileo Technologies S.A. on April 22, 2024, and the second disbursement was received on August 30, 2024.

Both loans will not accrue compensatory interests, and their repayment is subordinated to the Senior Loan Agreement entered between Galileo Technologies Corp. and Morgan Stanley Senior Funding whose maturity date operates in May 2027. Therefore, both loans are discounted at 5% rate representing the interest market rate.

(4) In accordance with Separation and Release Agreement subscribed in August 2024, a loan granted by Boson Holding Corporation to Galileo Global Technologies Ltd. in the amount of US\$ 1,000 shall be repaid on or before March 31, 2025. For further details, please see note 38.

(5) Rights of Galileo Technologies S.A. over agreement with CAMMESA are assigned in full to secure these secured loans up to an amount of US\$ 4,000.

(6) Secured borrowing guaranteed with certain raw materials acquired from third party suppliers.



**21. Loans and borrowings (continued)**

The terms and debt repayment schedule of as December 31, 2023, were as follows:

Loan lender	Debt instrument	Interest rate	Maturity date	Currency	Carrying amount
Related parties	Loan	10%	2027 (5)	US\$	175,806
Related parties (3)	Loan	2.5% + SOFR 90	2025	US\$	10,112
Related parties	Loan	10%	2022	US\$	1,820
Related parties	Loan	10%	2028	US\$	10
Loan third parties (1)	Secured borrowings	9.50% + 90-SOFR	2027	US\$	27,795
Loan third parties (2)	Secured borrowings	2.50% + SOFR 90	2025	US\$	7,099
Loan third parties	Secured borrowings	8.49%	2024 - 2025	US\$	591
Secured bank loans	Secured bank loan	14.84%	2024 – 2025	US\$	3,446
Bank loans (4)	Unsecured loans	Average 150.40%	2024	US\$	3,192
Bank loans (4)	Unsecured loans	Average 143.30%	2024 - 2026	US\$	32
Bank loans (5)	Government loan subsidy	1%	2024 – 2025	US\$	119
					<b>230,022</b>

(1) Secured loan agreement subscribed between Galileo Technologies Corporation (as borrower) and Morgan Stanley Senior Funding, Inc. (as lender and sole lead arranger) together with other lenders on May 2, 2022, that produced the receiving of a disbursement for a total amount of US\$37,500, less initial transactions costs, with a five-year maturity and quarterly principal and interest payments.

The loan agreement establishes covenants that must be fulfilled by the Group with certain financial and operation indicators, and the security package of the arrangement includes security interests, liens, pledges and other collaterals.

(2) Karadeniz Powership Suheyla Sultan Company entered into two separate US\$5,000 loan agreements each with the Company in September and December 2023. Principal is due to be repaid on the second anniversary of each loan utilisation date respectively, and interests are due to be paid annually.

This borrowing is secured by: (a) first ranking security interest pledge over plant and equipment items, whose carrying amount as of December 31, 2023 amounts to US\$ 2,064; and (b) an assignment in security (or equivalent) in favour of the lender in respect of the receivables owed to Galileo Technologias para Gas Ltda. in respect of rental of the equipment these plant and equipment items.

In regards to above mentioned loan agreement, the Group received disbursements in the amount of US\$7,000 in 2023. Remaining disbursement of US\$3,000 was received in 2024

(3) Furthermore, Galileo Guernsey Limited also entered into two separate US\$5,000 loan agreements each with the Company in September and December 2023. Principal is due to be repaid on the second anniversary of each loan utilisation date respectively, and interests are due to be paid annually.

(4) In regards to unsecured borrowings, the Group presents short-term bank loans and leaseings in Argentinian pesos. Average annual interest rate for bank loans is 150.40%, and the average annual interest rate for leasing related loans is around 143.40%.

(5) Government loan subsidy amount is composed by a loan received from U.S. Government through the Bank of the West as an aid for companies who paid salaries during the outbreak of Covid-19.

**b) Changes in Group financing liabilities as of December 31, 2024:**

	As of December 31, 2023	Foreing exchange (profits) /loss	Loans received	Loans payments	Reclassification (1)	(Interest and cost accrued)	Interest release (2)	Interest payment	As of December 31, 2024
Bank loans	3,236	2,599	15,640	(10,194)	-	3,388	-	(3,846)	10,823
Government loan subsidy	108	-	-	(34)	-	-	-	-	74
Secured bank loans	3,445	-	1,846	(1,812)	-	548	-	(228)	3,799
Secured loan third parties (1)	35,485	-	3,000	(10,317)	-	5,870	-	(5,106)	28,932
Loan – third parties	-	-	17,335	-	1,820	566	(923)	-	18,798
Loan - related parties	187,748	-	11,700	-	(1,820)	18,789	(1)	-	216,416
	230,022	2,599	49,521	(22,357)	-	29,161	(924)	(9,180)	278,842

(1) Reclassification of the initial balance of certain loans amounting to US\$1,820 from “loan – related parties” to “loan – third parties” category, due to certain loan note holder ceased to be a related party to the Group. See note 37.

(2) Release of unpaid interests as per agreement the Group entered with Boson Holding Corporation on Separation and Release Agreement signed in August 2024 (see note 37).

**Changes in Group financing liabilities as of December 31, 2023:**

	As of December 31, 2022	Foreing exchange (profits) /loss	Loans received	Loans payments	Capital contribution in subsidiaries (note 30)	(Interest and cost accrued)	Interest payment	As of December 31, 2023
Bank loans	10,879	(2,006)	13,000	(18,281)	-	4,548	(4,904)	3,236
Government loan subsidy	192	-	-	(81)	-	-	(3)	108
Secured bank loans	-	-	3,381	-	-	64	-	3,445
Secured loan third parties (1)	34,514	-	7,786	(7,699)	-	5,781	(4,897)	35,485
Loan – third parties	25,000	-	25,000	-	(51,660)	1,660	-	-
Loan - related parties	161,481	-	10,010	-	-	16,408	(151)	187,748
	232,066	(2,006)	59,177	(26,061)	(51,660)	28,461	(9,955)	230,022



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

## 22. Trade and other liabilities

	2024	2023
<b>Current</b>		
Trade payables due to third parties	33,941	33,009
Payments in advance from customers	8,059	12,357
Related parties	17	1,021
Lease liabilities	613	998
Other liabilities	260	544
Payments in advance from associates	-	385
	<u>42,890</u>	<u>48,314</u>
<b>Non-current</b>		
Lease liabilities	2,701	3,581
Other liabilities	503	613
Related parties	1,471	1,275
Trade payables due from third parties	366	365
	<u>5,041</u>	<u>5,834</u>

## 23. Payroll and social security liabilities

	2024	2023
<b>Current</b>		
Accrued bonus	1,848	2,431
Accrued bonus related parties	641	2,327
Salaries and social security contributions	5,268	2,227
Accrued vacations	1,575	909
Salaries and social security contributions related parties	17	12
	<u>9,349</u>	<u>7,906</u>
<b>Non-current</b>		
	<b>2024</b>	<b>2023</b>
Salaries and social security contributions	115	-
	<u>115</u>	<u>-</u>

## 24. Tax payables

	2024	2023
<b>Current</b>		
Other taxes payable	1,064	191
Tax withholdings to be deposited	415	150
Selling taxes	66	48
	<u>1,545</u>	<u>389</u>

## 25. Provisions

	2024	2023
<b>Current</b>		
Warranties	786	935
Labour and legal claims	200	43
	<u>986</u>	<u>978</u>
<b>Non-current</b>		
Asset retirement obligations	-	169
Labour and Legal claims	190	79
	<u>190</u>	<u>248</u>



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

## 25. Provisions (continued)

The movements for the provisions during the year was as follows:

	Warranties (1)	Labour and legal claims (2)	Asset retirement obligations (3)	Total
<b>Balance as of December 31, 2022</b>	<b>1,537</b>	<b>766</b>	<b>107</b>	<b>2,410</b>
Provisions made during the year	306	16	-	322
Provisions used during the year	(2)	(334)	-	(336)
Provisions reversed during the year	(906)	(261)	-	(1,167)
Unwinding of the discount	-	-	62	62
Foreign exchange	-	(65)	-	(65)
<b>Balance as of December 31, 2023</b>	<b>935</b>	<b>122</b>	<b>169</b>	<b>1,226</b>
Provisions made during the year	548	301	-	849
Provisions used during the year	(21)	(20)	-	(41)
Provisions reversed during the year	(676)	-	(169)	(845)
Unwinding of the discount	-	-	-	-
Foreign exchange	-	(13)	-	(13)
<b>Balance as of December 31, 2024</b>	<b>786</b>	<b>390</b>	<b>-</b>	<b>1,176</b>

(1) Warranty provisions are constituted with every sale to reflect expected future warranty claims from customers. The provision is determined based on sale price and historic claim information.

(2) Includes provisions for labour and commercial disputes. The increase observed in 2024 is mainly explained by ongoing litigations with a former employee of a subsidiary of the Group.

(3) In 2024, decommissioning provision that had been made according to estimated dismantling cost of the Anchoris Plant, owned by Galileo Technologies S.A. and that is located on a third-party group, was de-recognised.

## 26. Investments and other financial assets

	2024	2023
<b>Current</b>		
Investments	14	-
	<b>14</b>	<b>-</b>

## 27. Financial instruments

### a) Fair values of financial instruments

#### 1). Fair values

The different levels of fair value hierarchy have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values hierarchy of financial instruments measured at fair value is provided below:

	Amortised cost 2024	At fair value through profit or loss (1) 2024	Amortised cost 2023	At fair value through profit or loss 2023
<b>Financial assets</b>				
Cash and cash equivalents	5,371	1,533	9,136	510
Contract asset	12,058	-	-	-
Trade receivables	24,616	-	19,077	-
Other receivables	23,777	-	15,701	-
<b>Total financial assets</b>	<b>65,822</b>	<b>1,533</b>	<b>43,914</b>	<b>510</b>
<b>Financial liabilities</b>				
Trade and other liabilities	(39,319)	-	(40,803)	-
Payroll and social security liabilities	(5,947)	-	(6,631)	-
Loans and borrowings	(280,886)	-	(232,942)	-
<b>Total financial liabilities</b>	<b>(326,152)</b>	<b>-</b>	<b>(280,376)</b>	<b>-</b>
<b>Total financial instruments</b>	<b>(260,330)</b>	<b>1,533</b>	<b>(236,462)</b>	<b>510</b>

(1) Balance informed at column "fair value" relates to mutual funds whose market quotation is observable, classified as level 2.



## 27. Financial instruments (continued)

### Financial instruments not measured at fair value

Financial instruments not measured at fair value includes trade and other receivables, trade and other payables, and loans and borrowings. Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximates their fair value.

For details of the fair value hierarchy, valuation techniques, and significant unobservable inputs related to determining the fair value of loans and borrowings, see note 21. The carrying amount approximates the fair value.

#### b) Credit risk

##### I) Financial risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash balances and receivables from customers.

Trade receivables and contract assets are subject to credit limits, and control and approval procedures. For further information, please see note 1.7.

Credit risk associated with cash balances is managed by transacting with major financial institutions and periodically reviewing their credit worthiness.

##### II) Exposure to credit risk

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 27 (a).

##### III) Credit quality of financial assets and impairment losses

The lifetime expected credit loss provision for trade receivables is as follows:

December 31, 2024	Current	Past due 0-30 days	Past due 31-90 days	Past due 91-180 days	More than 180 days	Total
Gross carrying amount	10,858	1,074	808	1,623	11,362	25,725
Expected credit recovery provision	-	-	-	-	-	(128)
Impairment of trade receivables	-	-	-	-	-	(981)
<hr/>						
December 31, 2023	Current	Past due 0-30 days	Past due 31-90 days	Past due 91-180 days	More than 180 days	Total
Gross carrying amount	7,281	1,875	3,752	3,430	4,466	20,804
Expected credit recovery provision	-	-	-	-	-	(479)
Impairment of trade receivables	-	-	-	-	-	(1,248)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2024	2023
<b>Balance at the beginning of the year</b>	<b>(1,727)</b>	<b>(2,004)</b>
Impairment of trade receivables	610	(263)
Impairment used during the year	-	367
Foreign exchange	8	173
<b>Balance at the end of the year</b>	<b>(1,109)</b>	<b>(1,727)</b>

The allowance account for trade receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amounts considered irrecoverable are written off against the trade receivables.

##### IV) Default

The company considers the probability of default on initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

For further details on the default indicators considered by the Group for financial assets, please refer to note 1.7.



**27. Financial instruments (continued)**

*c) Liquidity risk*

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The following are the contractual maturities of financial liabilities, including estimated interest payments:

	Contractual cash flows	1 year or less	1 to <2years	2 to <5years	<5years	Contractual cash flows	1 year or less	1 to <2years	2 to <5years	<5years
	2024	2024	2024	2024	2024	2023	2023	2023	2023	2023
<b>Non-derivative financial liabilities</b>										
Loans and borrowings	(345,393)	(28,704)	(17,751)	(298,938)	-	(319,054)	(21,089)	(32,007)	(265,958)	-
Trade and other liabilities	(41,460)	(35,431)	(1,365)	(4,298)	(366)	(55,364)	(49,902)	(1,347)	(3,502)	(613)
Payroll and social security liabilities	(5,947)	(5,832)	(115)	-	-	(6,703)	(6,703)	-	-	-
<b>Total</b>	<b>(392,800)</b>	<b>(69,967)</b>	<b>(19,231)</b>	<b>(303,236)</b>	<b>(366)</b>	<b>(381,121)</b>	<b>(77,694)</b>	<b>(33,354)</b>	<b>(269,460)</b>	<b>(613)</b>

*d) Market risk*

*I) Financial risk management*

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group’s income or the value of its holdings of financial instruments.

At the financial statements date the Group’s interest-bearing financial instruments were shown in note 21.

*II) Foreign currency risk*

The Group’s exposure to foreign currency risk is as follows. This is based on the carrying amount for monetary financial instruments.

	US Dollar 2024	US Dollar 2023
<b>Financial Assets</b>		
Argentine Peso (ARS)	5,690	2,178
Euro (EUR)	891	4,448
Pound Sterling (GBP)	1	113
Brazilian Real (BRL)	4,965	8,332
Others	12	-
	<u>11,559</u>	<u>15,071</u>
	US Dollar 2024	US Dollar 2023
<b>Financial Liabilities</b>		
Argentine Peso (ARS)	(13,016)	(9,572)
Euro (EUR)	(492)	(844)
Pound Sterling (GBP)	(469)	(1,268)
Brazilian Real (BRL)	(451)	(91)
Others	(35)	(11)
	<u>(14,463)</u>	<u>(11,786)</u>
	US Dollar 2024	US Dollar 2023
<b>Net Financial Assets (Liabilities)</b>		
Argentine Peso (ARS)	(7,326)	(7,394)
Euro (EUR)	399	3,604
Pound Sterling (GBP)	(468)	(1,155)
Brazilian Real (BRL)	4,514	8,241
Others	(23)	(11)
	<u>(2,904)</u>	<u>3,285</u>

Galileo operates mainly in US Dollars and Argentinean Pesos, exposing the business to fluctuations in the US\$ / AR\$ exchange rate. Galileo’s functional currency is the US Dollar, which limits the impact of large fluctuations in US\$ / AR\$ exchange rate. A majority of revenue and cost of sales are denominated in US Dollars, so the majority of currency fluctuations occur in locally sourced costs in Argentina.

The Group considers 13.80% variation in the US\$ / AR\$ exchange rate to measure sensitivity because it considers it to be an appropriate percentage to cover the variation in the historical exchange rate of the Argentine Peso.

A 13.80% increase in the Argentinean Peso US Dollar exchange rate would have not had a material impact in the sales of the Group and would have an impact of decreasing the cost of sales of the Group of approximately 2.76% (2023: decreasing 2.86%). Out of the total cost incurred in the 2024 year, the cost incurred in AR\$ represents the 22.76% out of the total (2023: 23.56%).



## 27. Financial instruments (continued)

A 13.80% increase in the Argentinean Peso US Dollar exchange rate would have a decreasing impact in net liabilities of the group of approximately 0.34% (2023: 0.38% decreasing in net liabilities) for an approximate amount of US\$888 (2023: decreasing in net liabilities US\$897).

### e) Interest rate risk

The Group has borrowings that incur interest at fixed and floating rates. The Group's fixed rate borrowings comprise the borrowings as disclosed in note 21.a. Management constantly monitors the floating interest rates so that action can be taken should it be considered necessary. Management considered the impact of a change in the floating interest rate to the Group's financial results as the quantum of borrowings at floating rates is US\$40,500 (2023: US\$47,000). In the current year, the impact of a 100 basis point increase/decrease would result in a financial loss/gain of US\$405 (2023: US\$470).

### f) Reconciliation of loans and borrowings

Please see reconciliation of loans and borrowings at note 21 "Loans and borrowings", section b which describes the changes in group financing liabilities.

## 28. Lease liability

### a) Description of the main leases, terms and modifications

*United States of America:* Assembly plant located in New Jersey, USA: In March 2019, a contract was signed for the lease of a land and building that currently is being used as an assembly plant that is necessary for the manufacturing activities that the Group carries out in the USA.

*Peru:* Liquefied Natural Gas Processing Plant located in Paita, Perú.

*Brazil:* lease agreement signed for a property, composed by two (2) commercial complexes located in San Pablo, Brazil.

*Argentina:* Properties for operational activities: Main leases held by the Group consist of land and warehouses which are necessary for the provision of services.

*Vehicles:* As of December 31, 2024, the Group still had 28 vehicles for lease that are used by technical service personnel. Depending on operational needs, this fleet may increase. These lease contracts reviewed and renewed semi-annually.

The right-of-use assets recognised as of December 31, 2024 are disclosed in the note 11.

There are no leases not yet commenced to which the lessee is committed.

### b) Lease guarantees

As of December 31, 2024, the balance of guarantees for leasing is US\$138 (2023: US\$ 123). This balance is mainly composed by US\$126 which corresponds to the assembly plant located in USA.

### c) Lease liabilities

The evolution of the lease liability for the year is as follows:

	<u>2024</u>	<u>2023</u>
<b>Balance at the beginning of the year</b>	<b>4,579</b>	<b>3,803</b>
Additions	250	1,196
Contract modification	15	1,846
Disposals	(872)	(932)
Discounted value measurement (1)	1,012	729
Payments	(1,341)	(1,425)
Foreign exchange	(329)	(638)
<b>Balance at the end of the year</b>	<b>3,314</b>	<b>4,579</b>

(1) Included in other financial expenses, under finance expenses in the consolidated statement of comprehensive income.

(2) The total cash outflow for leases in 2024 was US\$1,341 (2023: US\$ 1,425).

This liability is disclosed under trade and other liabilities (see note 22).

	<u>2024</u>	<u>2023</u>
Current	611	998
Non-current	2,703	3,581
	<b>3,314</b>	<b>4,579</b>



## 28. Lease liability (continued)

The following table includes an analysis of the Group lease liabilities, according to their maturity dates. The amounts shown in the table are the contractual undiscounted cash flows:

	Total	1 year or less	1 to <2years	2 to <5years	5 years
Lease liabilities as of December 31, 2024	5,452	1,113	1,234	2,739	366
Lease liabilities as of December 31, 2023	6,349	1,323	1,129	3,291	606

### d) Short-term or low value leases

As of December 31, 2024, the Group has recognized in selling, general and administrative expenses for an amount US\$17 (2023: US\$234) on account of lease payments associated with short-term.

### e) Lease modification

*United States of America:* in regard to the lease agreement signed for the assembly plant located in New Jersey in 2019, this contract originally contemplated its finalisation on April 30, 2024, and provided the option to renew it until March 31, 2029.

As a result of the annual management evaluation, the estimated useful life of this lease was updated to reflect the Group's intention to renew the lease contract until March 2029. Consequently, the right-of-use asset and the related liabilities were re-estimated accordingly. No assets were added or removed.

*France:* Lease agreement for administrative, commercial and operational office located in Connerre, France, was signed on 2021, with a renewal option to 3/6/9 years.

In July 2024, an early termination agreement was reached with lessor, and the right of use asset and liability was re-estimated to reflect the lifetime of this lease which was shortened to December 2024. By the end 2024, right of use asset related to this asset is fully amortised, and liability related to the right of use of this asset had been fully settled.

### *Argentina:* Operating lease:

Lease of three plants of office building for administrative offices uses located in Buenos Aires, Argentina, was renewed for two of the original three plants in December 2024, to extend lease term for one (1) additional year.

However, according to evaluations carried out by Management, this lease will be treated as a short-term lease. Therefore, expense associated to this lease will be recognised in the consolidated statement of comprehensive income in straight-line onwards.

## 29. Leases as lessor

Machineries leased by the Group ("lessor") to its clients ("lessees") are operating leases where rentals are payable monthly. Lease income from operating leases, where the Group acts as lessor, is recognized on a straight-line basis over the lease term.

On these operating leases, lessor is often responsible for the delivery and commissioning of leased machinery, while lessee is responsible for its maintenance and safe keeping during the lease term. In addition, lessor may also quote on-demand activities such as technical support and training services, and the revenue associated to these services will be recognized when such services are rendered. However, title of the leased machinery is not transferred to lessees.

Although the group is exposed to changes in the residual value at the end of the current leases, the group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases.

Galileo Technologies S.A., indirectly held subsidiary, have equipment under operating lease arrangements to third party customers.

The future minimum lease payments under non-cancellable leases held by Galileo Technologies S.A. are as follows:

	2024	2023
Less than one year	6,660	11,591
Between one and five years	2,190	7,454

During the year ended December 31, 2024 US\$10,516 (2023: US\$10,256) was recognised as rental income by the Group.

## 30. Capital and reserves

### a) Share capital and share premium

	No. of shares 2024 (3)	Nominal value (1) 2024 US \$	Ordinary shares (1) 2024 US \$	Share premium 2024 US \$	No. of shares 2023 (3)	Nominal value (1) 2023 US \$	Ordinary shares (1) 2023 US \$	Share premium 2023 US \$
On issue at the beginning of the year	108,332,229	1	108,332,229	21,789,494	56,672,507	1	56,672,507	21,789,494
On issue on September 22, 2023 Issued as a result of assignment agreement (2)	-	-	-	-	51,659,722	1	51,659,722	-
On issue at the end of the year- fully paid	108,332,229	1	108,332,229	21,789,494	108,332,229	1	108,332,229	21,789,494



**30. Capital and reserves (continued)**

(1) These figures are not expressed in thousands of US dollars.

(2) In 2023, in consideration of the Assignee issuing 51,659,722 ordinary shares of USD\$1, Galileo Holdco 2 Limited (the Assignor) assigned and transferred to Galileo Global Technologies Limited (the Assignee) the benefit of all the Assignor's rights, benefits and interest in, and under, the Intra-Group Loan Agreement. There were no changes in the share composition in the year 2024.

(3) Shares serve as collateral for the loan agreement entered into the Group and Morgan Stanley Senior Funding. As of December 31, 2024, net carrying amount of this obligation is US\$ 28,623 (2023: US\$27,795). For further details, see note 38.

Ordinary shares hold full rights in respect of voting and are subject to be considered by the directors when considering dividends. Furthermore, ordinary shares shall be non-redeemable but shall entitle the holder to full participation in respect of equity and in the event of a winding up of the Company.

*b) Other components of equity*

Balance of US\$485 (2023: US\$485) relates to 2017 acquisition of ordinary shares. This amount is fully paid in prior years and there are no changes during 2024.

**31. Commitments**

There are no new commitments in the year to mention.

**32. Related parties**

Directors of the Company control indirectly 0 % of the voting shares of the Company (2023 47.7%).

*Transactions with key management personnel*

The compensation of key management personnel, including directors; is as follows, the remaining unpaid is within accounts payable as of December 31, 2024:

	<b>2024</b>	<b>2023</b>
Key management remuneration	1,618	1,570
Employer social security costs	108	133
	<b>1,726</b>	<b>1,703</b>

*Other related party transactions*

The significant balances with related parties were as follows:

		<b>Receivables outstanding 2024</b>	<b>Payables outstanding 2024</b>	<b>Receivables outstanding 2023</b>	<b>Payables outstanding 2023</b>
<b>Related party entities</b>					
Galileo Holdco 2 Limited	(1)	2,895	(206,548)	243	(176,697)
Galileo Holdco 1 Limited	(2)	9,668	(529)	3,808	(342)
Boson Holding Corporation	(3)	-	-	36	(1,818)
Edge Gathering Virtual Pipelines 2 LLC	(4)	-	-	2,857	(3,318)
Edge Holdco UK Ltd (UK)	(5)	37	-	37	-
Edge International Holdings 2 Inc (USA)	(6)	9,168	-	8,330	-
Galileo Guernsey Ltd.	(7)	-	(10,811)	-	(10,112)
<b>Directors</b>					
I. Sorrosal	(8)	-	(662)	-	-
J. Grande	(8)	-	(12)	-	-
U. de la Orden	-	-	-	-	(481)
O. del Campo	-	-	-	-	(2,468)
<b>People connected with Directors</b>					
P. del Campo	-	-	-	-	(448)
M. De la Orden	-	-	-	-	(17)
		<b>21,768</b>	<b>(218,562)</b>	<b>15,311</b>	<b>(195,701)</b>

- (1) Immediate holding entity of Galileo Global Technologies Ltd.
- (2) Holding entity of Galileo Holdco 2 Limited.
- (3) Formerly related parties to the Group. Ceased to be related parties to the Group in 2024.
- (4) Associate of Galileo Holdco 1 Limited. Edger Gathering Virtual Pipelines 2 LLC is no longer an associate party at the end of the year 2024. For further details, see note 34.
- (5) Subsidiary of Galileo Holdco 2 Limited.
- (6) Holding entity of Edge Holdco UK Ltd (UK).
- (7) Shareholder of the Group.
- (8) Directors and key management.

The remaining related party transactions is due to financing activities and corresponding interest on the borrowings.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

### 33. Investments in subsidiaries

The Group and Company have the following investment subsidiaries during the year 2024 Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Entity	Country of incorporation	Ownership interests %	No. of shares	Type	Registered address	Class of share held in subsidiary undertaking
Galileo Technologies S.A.(1)	Argentina	100	780,695,427	Subsidiary	Av. Rivadavia 986 P 7° C.A.B.A.	Ordinary shares
GNC Galileo Venezuela S.A.	Venezuela	100	500,000	Indirectly held subsidiary	Av. 97 Torre Cristal Nivel 4 Of. 4-7 Naguanagua, Estado de Carabobo.	Ordinary shares
Gaz Naturel Incorporated	United States of America	100	5,000	Subsidiary	333 Cedar Ave Building A., Suite 1, Middlesex, New Jersey	Ordinary shares
Comusa Incorporated	United States of America	100	5,000	Subsidiary	333 Cedar Ave Building A., Suite 1, Middlesex, New Jersey	Ordinary shares
Galileo Technologies Corporation	United States of America	100	10,000	Indirectly held subsidiary	333 Cedar Ave Building A., Suite 1, Middlesex, New Jersey	Ordinary shares
Methax UK Limited	United Kingdom	100	100	Subsidiary	Aztec Financial Services, Limited Forum 4, Solent Business Park, Parkway South, Whiteley, Fareham, PO15 7AD.	Ordinary shares
Galileo Technologies SAS	France	100	100,000	Indirectly held subsidiary	18 Rue de la Herse 72160 Connerre.	Ordinary shares
Edge Europe Holdco Limited	United Kingdom	100	1	Subsidiary	Aztec Financial Services, Limited Forum 4, Solent Business Park, Parkway South, Whiteley, Fareham, PO15 7AD.	Ordinary shares
Galileo Tecnología para Gas Limited	Brazil	100	1,220,000	Subsidiary	Rua Dr. Renato Paes de Barros, nº 750, Conj. 95 e 96, 9º andar, Edifício Lexngton, Itaim Bibi, São Paulo, CEP: 04.530-001.	Ordinary shares

In June 2023, the definitive merger agreement of the Argentine subsidiaries Galileo Energía S.A., Methax S.A., Compañía de Mandatos de la Región Austral S.A. and Galileo Argentina S.A. into Galileo Technologies S.A. was duly executed.

According to the Argentine Companies Law (No. 19,550), the incorporating company acquires ownership of the right and obligations of the dissolved companies and the transfer of its respective assets and liabilities with the registration of the definitive merger agreement with the Public Registry of Commerce. Also, in order to be considered as a tax-free reorganization pursuant to the Income Tax law (No. 20,628), the National Tax Authority (Administración Federal de Ingresos Públicos) must authorize the merge

On October 11, 2023, the merger was duly registered with the Public Registry of Commerce of the City of Buenos Aires (Inspección General de Justicia). As of the date of these interim consolidated financial statements, the company has made all relevant filings with the National Tax Authority, though authorization is still pending.

#### Participation before the merger

Entity	Country of incorporation	Ownership interests %	No. of shares	Type	Registered address	Class of share held in subsidiary undertaking
Comara Compañía de Mandatos de la Región Austral S.A.	Argentina	100	945,000	Indirectly held subsidiary	Av. Rivadavia 986 P 7° C.A.B.A.	Ordinary shares
Galileo Argentina S.A.	Argentina	100	29,300	Indirectly held subsidiary	Av. Rivadavia 986 P 7° C.A.B.A.	Ordinary shares
Methax S.A.	Argentina	100	19,619,929	Indirectly held subsidiary	Av. Rivadavia 986 P 7° C.A.B.A.	Ordinary shares
Galileo Energía S.A.	Argentina	100	100,000	Indirectly held subsidiary	Av. Rivadavia 986 P 7° C.A.B.A.	Ordinary shares

#### Non-Controlling Interests

At 31 December 2024 there is no non-controlling interest to report (2023: nil).



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

**34. Investments in associates**

	<b>2024</b>	<b>2023</b>
Edge Gathering Virtual Pipelines 2 LLC	-	18,491
	-	<b>18,491</b>

The evolution of investments in associates is as follows:

<b>Investment as of December 31, 2022</b>	<b>24,714</b>
Net loss of associates	(6,223)
<b>Investment as of December 31, 2023</b>	<b>18,491</b>
Loss of associates (1)	(4,322)
Loss arising from the disposal of associates (1)	(10,603)
Collection in disposal of investment on associates	(3,566)
<b>Investment as of December 31, 2024</b>	-

(1) These losses in associates for a total of US\$14,925 are included in net shares profit or loss of associates, in the consolidated statement of comprehensive income.

*Disposal of associate*

On August 30, 2022, Galileo Technologies Corporation (“GTC”) subscribed US\$1,445 on a new capital call issued by Edge Gathering Virtual Pipelines 2 LLC (“EDGE”) in 2022. As result of the amount subscribed on latest capital call, GTC’s participation on EDGE increased from 28.00% to 28.07%

During the financial year ended on December 31, 2024, the Company disposed its investment in an associate, Edge Gathering Virtual Pipelines II LLC (EDGE), pursuant to a sale agreement entered into on November 4, 2024. This agreement contains a buyback provision, granting the Group a 12-month option to repurchase its participation at a price comparable to the original consideration received.

Investment in its associate was disposed as from the date the sales agreement was executed. The Group did not hold significant influence over the investee because it:

- Had no representation on EDGE’s board of directors;
- Did not have the ability to participate in decisions regarding the associate’s relevant activities;
- Ownership interest in EDGE was below the threshold required to establish significant influence, particularly considering that the remaining shareholders collectively held a majority stake.

Investment in its associate was disposed as from the date the sales agreement was executed, as the Group no longer retained significant influence over its associate.

*Summarised financial information of Edge Gathering Virtual Pipelines 2 LLC (EDGE) as of October 31, 2024 and December 31, 2023:*

	<b>October 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
Revenues	10,853	13,757
Cost of sales	(6,001)	(20,861)
Operating expenses	(12,871)	(3,769)
Other income and expenses	(3,824)	(2,034)
Net loss	(11,843)	(12,907)
Current assets	6,668	16,827
Non-current assets	116,173	103,378
Current liabilities	(7,986)	(3,592)
Non-current liabilities	(40,900)	(30,815)
Net assets	73,955	85,798
Dividends received during the year	-	-

**35. Disposal of subsidiary**

	<b>2024</b>	<b>2023</b>
Loss arising from the disposal of subsidiaries (1)	1,316	-
	<b>1,316</b>	-

(1) Disposal of former subsidiary of the Group, Enerbine S.A., amounting US\$1,316.

As part of the Separation and Release Agreement signed in August 2024, 95% of the participation in Enerbine S.A. was transferred. As of December 2024, the company holds a 5% equity stake in Enerbine,S.A. compared to the 100% held as of December 31, 2023. See note 37.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

### **36. Ultimate controlling party**

The immediate parent company is Galileo Holdco 2, incorporated in England and Wales.

The ultimate parent company is Galileo Holdco 1, also incorporated in England and Wales. Galileo Holdco 1 is responsible for the top consolidation of the group.

The ultimate controlling party of the company is Blue Water Energy.

### **37. Separation agreement**

On August 08, 2024 Galileo Technologies Corporation (GTC), Galileo Holdco 1 Limited (GH1), Galileo Holdco 2 Limited (GH2), Galileo Guernsey Limited (GGL), Galileo Guernsey II Limited (GG2) and Galileo Global Technologies Limited (GGT) submitted an irrevocable offer (the Offer) to Osvaldo Claudio del Campo (ODC), Pablo del Campo (PDC), Ulises de la Orden (UDO) and Boson Holding Corporation (Boson) to enter into a Separation and Release Agreement (the Agreement). On the same date the offer was accepted.

The Agreement confirms and sets forth, among other things, (i) the terms under which Boson sells, transfers, redeems or cancels its equity and financial interests in Galileo Holdco 1 Limited as described further below; (ii) the terms and conditions under which GH1 shall issue warrants to Boson in consideration for; (iii) the terms of payment and cancellation of the loan made by Boson to GGT pursuant to a loan agreement dated 15 September 2017 (“Loan Agreement”); (iv) the terms and conditions of the transfer of all equity interest of the Galileo group companies in Enerbine S.A. (Enerbine) to Boson (the “Enerbine Transfer”); (v) ODC resignation as Chief Executive Officer of the company effective as of that date; and (vi) ODC, UDO and PDC resignations from their employment and director’s positions with the company as well as all companies owned or controlled directly or indirectly by GH1 as of that date, save for Enerbine S.A.

As part of the transaction, Boson: i. sold two hundred (200) ordinary shares in GH1 for an amount of US\$ 2 to Viridis Guernsey Limited (VGL), a Blue Water Energy (“BWE”) group company; ii. redeemed the senior loan notes constituted by the loan note instrument of Galileo Holdco 2 Limited in accordance with the process detailed below; and iii. redeemed Loan Agreement in exchange of a payment of US\$ 1,000.

Additionally, as consideration of the transfer described above, Boson received from GH1 warrants to subscribe at US\$0.01 per share ordinary shares in GH1 equivalent to 10% of the fully diluted share capital of GH1 exercisable only upon an exit event (as defined therein) and with no governance rights.

Also, the Galileo group companies (including GGT) transferred all their respective equity interests in Enerbine, as well as such other assets and rights. The Enerbine Transfer will be carried out in two stages: (a) 95% of the equity interests in Enerbine were transferred simultaneously with the execution of the Agreement; and (b) remaining 5% will be transferred to Boson on a date to be defined, subject to certain conditions. Notwithstanding the above, from the transfer of the 95% of the equity interests in Enerbine, Boson retains full governance and control over Enerbine.

In consideration for the Enerbine transfer GGT shall receive penny warrants, effective as of completion of the Enerbine Transfer, to subscribe (for US\$0.01 per share) ordinary shares in Enerbine equivalent to 5% of Enerbine S.A. exercisable only upon a liquidity event (as defined therein) and without any rights but except for economic rights. As the date of the issuance of this Financial Statements the transfer of the remaining 5% shares in Enerbine transfer had not been completed and the warrants had not been issued. The Company does not believe there is a material fair value associated with these.

On August 27, 2024 the Board of Directors of Galileo Holdco 2 held a meeting to consider the debt restructuring of the Group. As of that date, the Group had the following loan notes issued to certain related and third parties outstanding: (a) Series A 10% fixed rate unsecured Loan Notes 2024 of up to USD 200,000, issued on 29 April 2016 (the Series A Loan Notes) to GGL; (b) Series B 10% fixed rate unsecured Loan Notes 2024 of up to USD 20,000, issued on 19 April 2016 (the Series B Loan Notes) to Boson ; (c) Series C 25% fixed rate unsecured mezzanine Loan Notes 2024 of up to USD 100,000, issued on 29 December 2016 as amended on 27 June 2022 (the “Series C Loan Mezzanine Notes”) to each of: (i) GGL; (ii) GG2; (iii) Northwestern University (“Northwestern”); and (iv) Makena Traditional Natural Resource Master Fund B, L.P. (“Makena”); and (d) Series D 25% fixed rate unsecured Loan Notes 2023 of up to USD 30,000 (the “Series D Loan Notes”) issued to GGL.

At the meeting, the Board of Directors of Galileo Holdco 2 approved the following: (i) novate the Series A Loan Notes to GH1 by way of a deed of novation and issue 159,900,000 ordinary shares of US\$ \$1.00 each in the capital of the company to GH1 as consideration for such novation; (ii) novate the Series B Loan Notes to GH1 by way of a deed of novation and issue 18,300,000 ordinary shares of US\$ 1.00 each in the capital of the company to GH1 as consideration for such novation; (iii) novate the Series C Mezzanine Loan Notes held by GGL to GH1 by way of a deed of novation and issue 103,900,000 ordinary shares of US\$ 1.00 each to GH1 as consideration for such novation; (iv) novate the Series C Mezzanine Loan Notes held by GG2; Northwestern and Makena to GH1 by way of a deed of novation and issue 174,100,000 ordinary shares of US\$ 1.00 each in the capital of the company to GH1 as consideration for such novation; (v) novate the Series D Loan Notes to GH1 by way of a deed of novation and issue 20,000,000 ordinary shares of US\$ 1.00 each in the capital of the company to GH1 as consideration for such novation.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

### 37. Separation agreement (continued)

On the same date, the relevant lenders waived interest accrued on the Series A Loan Notes, the Series B Loan Notes, the Series C Mezzanine Notes, the Series D Loan Notes for the total amount of US\$ 7,887.

Simultaneously on the same date, Boson released the Series B Loan Notes of US\$ 18,300 in exchange for an issue of non-voting warrants by GH1 equivalent to 10% of the equity value on exit (as defined therein).

Also, GG2, Northwestern and Makena released their Series C Loan Notes of US\$ 174,100 in exchange for an issue of 174,100 ordinary shares of USD \$0.01 each in the capital of the company to GH1.

Pursuant to the deeds of release and subscription of shares all dated 29 August 2024, GH1 issued 84 ordinary shares to GG2; 34 shares to Makena and 34 shares to Northwestern for a nominal value of US\$ 0.01 each in exchange of the release of the debt under the loan note instrument.

GGL released the Series A Loan Notes, its Series C Loan Notes and Series D Loan Notes of US\$ 283,800 in exchange for an issue of non-voting warrants by GH1 equivalent to 10% of the equity value on exit (as defined therein).

Additionally, Helmerich & Payne International Drilling Co. (H&P) committed to lend US\$ 10,000 to Galileo Technologies S.A. (GTA) and received non-voting warrants equivalent to 5% of its equity at the time of a future exit event (as defined therein) from GH1.

The accounting impacts arising from the shareholder separation transaction on the Group's consolidated financial statements are as follows: (a) on profit and loss statement: US\$3,478 on selling, general and administrative expenses; US\$1,316 on disposal of subsidiary; US\$ 365 on finance income; and US\$792 on finance expenses; (b) Net asset increase US\$3,319.

### 38. Subsequent events

On January 20, 2025, Galileo Global Technologies Ltd (as borrower) and Galileo Guernsey Limited (as lender) entered into a certain loan agreement for a principal amount of US\$7,000, whose maturity date operates in 2028.

Additionally, on February 18<sup>th</sup> and March 10, 2025, Galileo Global Technologies Ltd (as borrower) and Galileo Guernsey Limited (as lender) entered into an additional loan agreement amounting US\$3,000 and US\$2,000, respectively, whose maturity date also operates in 2028.

These loans shall accrue interest at an annual interest rate of 15%. Payment of principal and interest is subordinated in right of payment and liquidation to the prior payment in full of the Nordic bonds in accordance with the bonds terms governing.

On February 12, 2025, Galileo Tecnologia para Gas Ltda. ("GTB") entered into an equipment sale agreement to sell the equipment classified as held for sale as of the end of year 2024.

On February 19, 2025, Galileo Technologies S.A. ("GTA") indebtedness with Halliburton Argentina S.R.L. ("HAL") amounting US\$ 10,000 was settled through zero coupon loan notes issued by Galileo Global Technologies Ltd. ("GGT") in favor of HAL.

The new loan notes issued by GGT are subordinated in right of payment and liquidation to the prior payment in full of the Nordic bonds in accordance with the bonds terms governing and carry a second lien over materially the same security package granted to the Nordic bond.

On February 25, 2025, Galileo Technologies S.A. ("GTA") indebtedness with Helmerich & Payne International Drilling Co. ("H&P") amounting US\$ 10,000 was settled through zero coupon loan notes issued by Galileo Holdco 2 Limited ("GH2") in favor of H&P. The new zero coupon loan notes shall be repaid in full at par on an Exit, or if earlier, the maturity date of the Convertible Loan Notes.

Simultaneously, GH2 and GGT entered into an intra-group loan agreement ("GGT") where: i. the collection rights held by GH2 against GTA, that arose from this transaction were transferred to GGT; and ii. GH2's investment in GGT increased by US\$ 10,000 and received 10,000,000 ordinary shares of US\$ 1 each.

On March 4, 2025, GGT issued senior secured bonds governed by Norwegian law and intended for listing on the Nordic ABM. The initial issuance amounted to USD 55,000, with an option to increase the total up to USD 75,000. A portion of the proceeds was used to fully repay the USD 30,000 senior loan dated May 2, 2022 (as amended from time to time), entered into among others by Galileo Technologies Corporation, as borrower, and Morgan Stanley Senior Funding, Inc., as sole lead arranger, together with the lenders listed therein. The remaining proceeds will be used for general corporate purposes of the group. Listing on Nordic ABM should take place on or before 4 September 2025.

Additionally, on March 7, 2025, Halliburton BV, requested the partial redemption of the convertible loan notes it had subscribed under the Convertible Loan Note Instrument agreement issued by Galileo Holdco 2 Ltd. Redemption was subscribed in the amount of US\$ 10,000, excluding unpaid interests that had been accrued on the principal being redeemed, and which continues to accrue interests, in exchange of Super Senior Loan Notes that were subscribed in the same amount of US\$ 10,000.

On March 31, 2025, the Company paid Boson Holding Corporation the bridge loan amounting US\$ 1,000 in accordance to the separation and release agreement.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

**Parent company financial statements**  
**Company statement of financial position**  
*As of December 31, 2024 and 2023*

	<i>Note</i>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>Non-current assets</b>			
Investments and other financial assets	2	110,808	105,808
Other receivables	3	156,687	154,340
<b>Total non-current assets</b>		<b>267,495</b>	<b>260,148</b>
<b>Current assets</b>			
Other receivables	3	90	64
Cash and cash equivalents		874	301
<b>Total current assets</b>		<b>964</b>	<b>365</b>
<b>Total assets</b>		<b>268,459</b>	<b>260,513</b>
<b>Current liabilities</b>			
Trade and other liabilities	4	325	584
Income tax payables		1	3,003
Loans and borrowings	5	1,000	1,919
<b>Total current liabilities</b>		<b>1,326</b>	<b>5,506</b>
<b>Non-current liabilities</b>			
Loans and borrowings	5	216,195	196,595
Trade and other liabilities	4	3,910	1,032
<b>Total non-current liabilities</b>		<b>220,105</b>	<b>197,627</b>
<b>Total liabilities</b>		<b>221,431</b>	<b>203,133</b>
<b>Net assets</b>		<b>47,028</b>	<b>57,380</b>
<b>Shareholder's equity</b> (according to corresponding statement)		<b>47,028</b>	<b>57,380</b>
<b>Total shareholder's equity and liabilities</b>		<b>268,459</b>	<b>260,513</b>

The company's loss after tax for the year ended December 31, 2024 was US\$10,352 (2023: US\$59,856 loss).

The accompanying notes are an integral part of these financial statements

These financial statements were approved by the board of directors on April 29, 2025 and were signed on its behalf by:

Signed by:

*Salil Oberoi*

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Salil Oberoi

Director

April 29, 2025

Company registered number: 9817636



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

**Company statement of changes in equity**  
*For the year ended December 31, 2024 and 2023*  
*In thousands of US Dollars*

	Share capital	Share premium	Retained earnings	Total parent equity
<b>Balance as of December 31, 2022</b>	<b>56,672</b>	<b>21,789</b>	<b>(12,885)</b>	<b>65,576</b>
Share capital contribution from controlling parties	51,660	-	-	51,660
Total comprehensive loss	-	-	(59,856)	(59,856)
<b>Balance as of December 31, 2023</b>	<b>108,332</b>	<b>21,789</b>	<b>(72,741)</b>	<b>57,380</b>
Total comprehensive loss	-	-	(10,352)	(10,352)
<b>Balance as of December 31, 2024</b>	<b>108,332</b>	<b>21,789</b>	<b>(83,093)</b>	<b>47,028</b>

The accompanying notes are an integral part of these financial statements



## Notes to the company financial statements

### 1. Accounting policies

#### 1.1 General information

Galileo Global Technologies Limited, the ‘Company’ is a private limited company, incorporated and domiciled in the United Kingdom (‘UK’), subsidiary of Galileo Holdco 2 Limited.

The ultimate controlling party of the company is Galileo Holdco 1 Limited.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework FRS 101*.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards (“IFRSs”), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Under Section 408(3) of the Companies Act 2006, the Company is exempt from the requirement to present its own profit and loss account.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *fair value measurement* and the disclosures required by IFRS 7 *financial instrument disclosures*

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. These financial statements are prepared on a going concern basis. The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

The Company financial statements are presented in thousands of US dollars, unless otherwise noted.

#### 1.2 Measurement convention

The financial statements are prepared on the historical cost basis (see note 1.5 financial consolidated statements).

#### 1.3 Foreign currency

Transactions in foreign currency are translated to the Company’s functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in profit or loss.

#### 1.4 Investments

Investments in subsidiaries are carried at cost less impairment (note 1.5).



### 1.5 Impairment

#### Financial assets

A financial asset not carried at fair value through profit and loss is assessed at each reporting date to determine a loss allowance for expected credit losses. If the credit risk on a financial instrument has increased significantly since initial recognition, the loss allowance is equal to the lifetime expected credit losses. If the credit risk has not increased significantly, the loss allowance is equal to the twelve month expected credit losses.

The expected credit losses are measured in a way that reflects the unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes; the time value of money and reasonable and supportable information that is available about past events, current conditions and forecasts of future economic conditions.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets, the cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

### 1.6 Taxation

Tax on the loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. The Company did not recognise any current tax expense for the year ended December 31, 2024 as it has estimated a tax loss for the year.

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

A deferred tax asset is recognised only to the extent that it is probable that future taxable incomes will be available against which the temporary difference can be utilised. The Company did not recognise any deferred tax expense or benefit for the year ended December 31, 2024 as it has deemed not probable that future taxable profits will be available against which the deferred tax asset resulting from temporary differences and carry forward tax losses can be utilised.

No income tax liability was recognized for the year ended December 31, 2024.

### 2. Investments

	2024	2023
Gas Naturel Inc.	5,000	5,000
Comusa Inc.	5,000	5,000
Galileo Technologies S.A.	100,509	95,509
Galileo Tecnología para Gas Limited	299	299
	<u>110,808</u>	<u>105,808</u>



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

**3. Other receivables**

	<b>2024</b>	<b>2023</b>
<b>Non-current</b>		
Related parties receivables	156,687	154,340
	156,687	154,340
<b>Current</b>		
Other receivables	90	64
	90	64

**4. Trade and other liabilities**

	<b>2024</b>	<b>2023</b>
<b>Current</b>		
Trade payables due from third parties	325	201
Related parties	-	383
	325	584
<b>Non-current</b>		
Trade payables due from third parties	296	246
Related parties	3,614	786
	3,910	1,032

**5. Loans and borrowings**

	<b>2024</b>	<b>2023</b>
<b>Current</b>		
Loan third parties	1,000	-
Secured loan third parties	-	99
Related parties	-	1,820
	1,000	1,919
<b>Non-current</b>		
Secured loan third parties	-	7,000
Related parties	216,195	189,595
	216,195	196,595

On September 15, 2017, the company received a US\$ 1,000 loan from Boson (the Loan Agreement). As part of the separation agreement described in the consolidated Financial Statement note 37. This US\$ 1,000 will be transferred in cash to Boson as repayment of the Loan Agreement. For further information, see note 38.

*a) Terms and debt repayment schedule as of December 31, 2024*

Loan lender	Debt instrument	Interest rate	Maturity date	Currency	Carrying amount
Related parties	Loan	10%	2027	US\$	204,393
Related parties	Loan	2.5% + SOFR 90	2027	US\$	10,801
Related parties	Loan	10%	2029	US\$	1,001
Loan third parties	Loan	-	2025	US\$	1,000
					217,195

*b) Terms and debt repayment schedule as of December 31, 2023*

Loan lender	Debt instrument	Interest rate	Maturity date	Currency	Carrying amount
Related parties	Loan	10%	2027	US\$	179,483
Related parties	Loan	2.5% + SOFR 90	2025 (1)	US\$	10,112
Related parties	Loan	10%	2022	US\$	1,820
Loan third parties	Secured borrowings	2.5% + SOFR 90	2025 (2)	US\$	7,099
					198,514

(1) Galileo Guernsey Limited entered into two separate US\$5,000 loan agreements each with the Company in September and December 2023. Principal is due to be repaid on the second anniversary of each loan utilisation date respectively, and interests are due to be paid annually.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

### 5. Loans and borrowings (continued)

(2) Furthermore, Karadeniz Powership Suheyla Sultan Company also entered into two separate US\$5,000 loan agreements each with the Company in September and December 2023. Principal is due to be repaid on the second anniversary of each loan utilisation date respectively, and interests are due to be paid annually.

This borrowing is secured by: (a) first ranking security interest pledge over plant and equipment items, whose carrying amount as of December 31, 2023 amounts to US\$ 2,064; and (b) an assignment in security (or equivalent) in favour of the lender in respect of the receivables owed to Galileo Technologia para Gas Ltda. in respect of rental of the equipment these plant and equipment items.

In regards to above mentioned loan agreement, the Group received disbursements in the amount of US\$7,000 in 2023. Remaining disbursement of US\$3,000 was received in 2024

### 6. Share capital and share premium

	No. of shares (3)	Nominal value of each share (1)	Ordinary shares (1)	Share premium (1)	No. of shares	Nominal value of each share (1)	Ordinary shares (1)	Share premium (1)
	2024	2024	2024	2024	2023	2023	2023	2023
		US\$	US\$	US\$		US\$	US\$	US\$
On issue at the beginning of the year	108,332,229	1	108,332,229	21,789,494	56,672,507	1	56,672,507	21,789,494
On issue on September 22, 2023 Issued as a result of assignment agreement (2)	-	-	-	-	51,659,722	1	51,659,722	-
On issue at the end of the year– fully paid	108,332,229	1	108,332,229	21,789,494	108,332,229	1	108,332,229	21,789,494

(1) These figures are not expressed in thousands of US Dollars.

(2) In 2023, in consideration of the Assignee issuing 51,659,722 ordinary shares of USD\$1, Galileo Holdco 2 Limited (the Assignor) assigned and transferred to Galileo Global Technologies Limited (the Assignee) the benefit of all the Assignor's rights, benefits and interest in, and under, the Intra-Group Loan Agreement. There were no changes in the share composition in the year 2024.

(3) Shares serve as collateral for the loan agreement entered into the Group and Morgan Stanley Senior Funding. As of December 31, 2024, net carrying amount of this obligation is US\$ 28,623 (2023: US\$27,795). For further details, see note 38.

Ordinary shares hold full rights in respect of voting and are subject to be considered by the directors when considering dividends. Furthermore, ordinary shares shall be non-redeemable but shall entitle the holder to full participation in respect of equity and in the event of a winding up of the Company.

### 7. Dividends

No dividends were paid or proposed during the year 2024 (2023: nil).

### 8. Related parties

Directors of the Company control indirectly 0% (2023: 47.7%) of the voting shares of the Company.

#### Transactions with key management personnel

There have been no transactions with key management during the year.

#### Related party transactions

The significant balances with related parties, their nature volumes and balance during the period ended December 31, 2024 were as follows:

		Receivables outstanding	Payables outstanding	Receivables outstanding	Payables outstanding
		2024	2024	2023	2023
<b>Related party entities</b>					
Galileo Technologies Corporation	(1)	16,809	(2,630)	16,915	-
Methax UK Limited	(1)	55,886	-	50,858	-
Methax S.A.	(1)	-	-	-	-
Galileo Technologies S.A.	(1)	69,406	(12)	74,266	(3,743)
Galileo Holdco 2 Limited	(2)	2,808	(204,859)	156	(176,216)
Galileo Holdco 1 Limited	(3)	9,445	(506)	3,589	(309)
Boson Holding Corp	(8)	-	-	-	(1,821)
Galileo Guernsey	(7)	-	(10,801)	-	(10,112)
Edge Europe Holdco Limited	(4)	-	-	-	-
Edge Holdco UK Limited	(5)	37	-	37	-
Galileo Tecnologia para Gas Limited	(6)	2,296	(1,001)	8,519	-
<b>Directors</b>					
U. De la Orden	(8)	-	-	-	(383)
		<b>156,687</b>	<b>(219,809)</b>	<b>154,340</b>	<b>(192,584)</b>

- (1) Owned subsidiary of Galileo Global Technologies.  
(2) Immediate holding entity of Galileo Global Technologies  
(3) Immediate holding entity of Galileo Holdco 2 Limited.  
(4) Holding entity of Galileo Global Technologies

- (5) Holding entity of Galileo Global Technologies  
(6) Holding entity of Galileo Holdco 2 Limited  
(7) Shareholder of the Group.  
(8) Formerly related parties to the Group. Ceased to be related parties to the Group in 2024.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2024  
In thousands of US Dollars

**8. Related parties (continued)**

These transactions related to financing activities and the corresponding interest expense on the borrowings, with the remaining unpaid balance as of 31 December 2024 disclosed above.

**9. Subsequent events**

Refer to Group consolidated financial statements in note 38.

**10. Ultimate controlling party**

The immediate parent company is Galileo Holdco 2 Limited, incorporated in England and Wales.

The ultimate parent company is Galileo Holdco 1, also incorporated in England and Wales. Galileo Holdco 1 is responsible for the top consolidation of the group.

The ultimate controlling party is Blue Water Energy.

**APPENDIX E**



**Galileo Global Technologies Limited**

Annual report and financial statements

Year ended December 31, 2023

Registered number 9817636

## Contents

Strategic report	1
Directors' report	9
Statement of Directors' responsibilities	11
Independent auditor's report to members of Galileo Global Technologies Limited	12
Consolidated statement of comprehensive income	15
Consolidated statement of financial position	16
Consolidated statement of changes in equity	17
Consolidated statement of cash flows	18
Notes to the financial statements	19
Parent company financial statements	49
Company statement of financial position	49
Company statement of changes in equity	50
Notes to the company financial statements	51



## Strategic report

The Directors present their strategic report of Galileo Global Technologies Ltd (the “Company”) and its subsidiaries (the “Group” or “Galileo”) for the year ended on December 31, 2023.

### *Principal activities overview*

Galileo is a leading provider of modular Compressed Natural Gas (“CNG”) and Liquefied Natural Gas (“LNG”) equipment focused on delivering innovative solutions to produce and transport gas from any source to its users. With facilities in Buenos Aires, Argentina; New Jersey, USA; and Connerre, France; Galileo serves customers across Latin America, North America, Europe, Africa and Asia.

To accommodate the requirements of its large and diverse customer base Galileo rents and sells its technology to buyers who prefer to own equipment or uses its technology to provide solutions that address the particular needs of each customer.

### *Directors’ section 172 statement*

The following disclosure describes how the Directors have had regard to the matters set out in section 172(1) (a) to (f) and forms the directors’ statement required under section 414CZA of Companies Act 2006. This reporting requirement is presented in accordance with the corporate governance requirements identified in The Companies (Miscellaneous Reporting) Regulations 2018, which apply to large companies reporting on financial years starting on or after January 1, 2019.

The matters set out in section 172(1) (a) to (f) are that a director must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole, and in doing so have regard (amongst other matters) to:

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

The following sections of this strategic report set out Galileo’s short to long-term strategic objectives and provide an overview of the plans to reach them.

The Company considers its interaction with relevant key stakeholders is successful. Galileo’s objective is to engage constructively and collaboratively with its stakeholders. Below we list what we consider Galileo’s key stakeholders and describe: i. **who** each these stakeholders are; ii. **why** is it relevant for Galileo to engage with them; iii. **how** does Galileo engage the stakeholders; and iv. **what** is the outcome of the engagement.

#### *a. Shareholders, investors and financial markets*

- Who:** Existing and prospective investors and financing providers.
- Why:** Galileo might require incremental equity, quasi-equity or debt funding to support its growth plan.
- How:** Regular financial reporting and meetings.
- What:** Obtain financing for growth and maintain access to current and potential sources of funding when and if required.

#### *b. Customers and business partners*

- Who:** Buyers of equipment produced (referred as Technologies) and services provided (referred as Solutions) by Galileo.
- Why:** Galileo strives to develop long-term relationships with its customers.
- How:** Galileo engages with customers and potential partners all over the world through its salesforce, sales representatives, its business development team and its operations and maintenance team.
- What:** Develop long lasting relationships with customers and partners that result in recurrent sales and opportunities to invest in development of new projects that benefit from and are enabled by the use of Galileo’s technology.



**Directors' section 172 statement (continued)**

**c. Employees**

- Who:** Employees, contractors and trade unions.
- Why:** Galileo's workforce is key to reaching its strategic objectives and its long-term success.
- How:** Galileo strives to provide a safe and professional working environment where all employees share a common purpose by encouraging a culture of open communication. To achieve this, Galileo's human resources department provides guidance through an employee handbook and recurrent internal communication and maintains constant dialogue with employees and, where applicable, their union representatives. To address the risks associated to operating under the ongoing COVID-19 pandemic, Galileo has developed health safety protocols in accordance with regulatory requirements of the jurisdictions in which it operates.
- What:** Galileo retention rates are high. Most of Galileo key managers and employees have worked at Galileo for over 10 years.

**d. Key suppliers**

- Who:** Suppliers and service providers.
- Why:** Galileo's production relies on parts and components supplied by key suppliers around the world.
- How:** Galileo engages with suppliers through its global purchasing department under existing purchasing policy.
- What:** Galileo has developed long-term strategic relationships with key suppliers that allow to optimize its supply chain and reduce cost.

**e. Regulators and governmental authorities**

- Who:** Governmental authorities and entities regulating the sectors in which Galileo operates.
- Why:** Galileo operates in sectors like natural gas that tend to have sector specific regulation and is committed to comply with all necessary requirements in the multiple jurisdictions where its equipment is used.
- How:** Galileo has a dedicated team to engage with regulators and dedicates resources to comply with regulatory requirements. Additionally, Galileo actively seeks to obtain industry recognized certifications.
- What:** Galileo has actively contributed to the development of the CNG and LNG regulatory frameworks in Argentina. Galileo operations are ISO9001 certified.

Galileo's key driver for growth is the adoption of its innovative liquefaction technology. As a result, in the year ended December 31, 2023 the Group has focused on:

- i. expanding its geographic presence in Brazil and Peru, highly prospective market for small scale LNG by developing capabilities to operate and maintain projects;
- ii. investing in compression and liquefaction capacity that will allow it to provide liquefaction services to customers in North America, Latin America, and Europe.
- iii. investing in renewable natural gas or biomethane solutions monetizing methane generated by multiple forms of bio-mass and converting it into Compressed Biomethane Gas (Bio-CNG) or Liquefied Biomethane Gas (Bio-LNG) that can be used for transport and power generation.
- iv. Investing in developing new technologies for CNG and LNG in order to offer new solutions to the target market
- v. Expanding market opportunities in Asia through sales to strategic customers

Please refer to business review and performance for detail on key strategic decisions made during 2023.

To make these key strategic decisions the Group engaged with key stakeholders. For example, key suppliers were engaged to evaluate the impact of expanding production capacity in different geographies and to ensure the availability of key components. Similarly, Galileo engaged with local authorities to secure all necessary authorizations to expand its production capacity. Galileo also engaged with its shareholders to seek their input on the strategic rationale of its expansion and engaged with potential customers in new geographies to validate the viability of the business opportunity.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### ***Background of the Group***

Galileo Global Technologies Limited was formed on October 9, 2015. The Company is a limited company registered in the United Kingdom. The Company's registered company number is 9817636 and registered address is c/o Aztec Financial Services (UK) Limited Forum 4, Solent Business Park, Parkway South, Whiteley, Fareham, England, PO15 7AD.

In April 2016, the 'Galileo Group' formed a strategic partnership with Blue Water Energy Fund I, LP and Blue Water Energy Fund I and IA, LP ("BWE Funds"), a private equity energy specialist based in London. The objective of this strategic partnership is to drive the growth of the business. This strategic partnership was implemented through a number of transactions that resulted in the BWE Funds controlling 50% of the ordinary shares of Galileo Holdco 1 Limited, the ultimate controlling party, held indirectly via Galileo Guernsey Limited. The remaining 50% is held by Boson Holdings Corporation and is controlled by a group of managers and directors of the Company.

As of December 31, 2023, the Group operates six trading companies, Galileo Technologies S.A. and Enerbine S.A. (Argentinian registered statutory entities), Galileo Technologies Corporation (an entity registered in the United States of America), Galileo Technologies SAS (an entity registered in France), Galileo Tecnologias para Gas Limited (an entity registered in Brazil), and Galileo Technologies Corporation Suc. Peru (an entity registered in Peru), branch of Galileo Technologies Corporation entity.

Galileo Technologies S.A., Galileo Technologies Corporation and Galileo Technologies SAS, sell equipment to clients who prefer to invest in equipment that they can then operate themselves. Additionally, they provide installation, operation and maintenance services to clients. Also they rent equipment to be used for compression, transportation and / or liquefaction of natural gas by clients who prefer to pay a monthly rental / service fee instead of investing in equipment.

Additionally, after the merger of Methax S.A and Galileo Energía S.A. into Galileo Technologies S.A.; it trades natural gas, buying gas from producers and selling LNG to customers in Argentina, and operates a 40 MW power generation plant in Mendoza, Argentina (the "Anchoris Power Plant"). and supplies electricity under a 10 year's power purchase agreement (PPA) to Cammesa, the administrator of the wholesale power system in Argentina.

Galileo Tecnologias para Gas Limited sells and rents equipment, offers liquefaction services and installation, operation and maintenance services to Brazilian clients.

Galileo Technologies Corporation Suc. Peru provides liquefaction services in Peru through a contract signed with a Peruvian gas trader for a period of 10 years. The consolidated financial statements of Galileo Global Technologies are presented for the year starting on January 1, 2023 and ending on December 31, 2023. The consolidated and Group financial statements are presented in thousands of US dollars unless otherwise noted.

### ***Business review and performance***

The results for the financial year are set out on statement of comprehensive income of consolidated financial statements.

Throughout 2023, the energy, oil, and gas market witnessed significant shifts and challenges. The aftermath of the COVID-19 pandemic continued to impact investment decisions, with lingering effects on global demand and supply chains. The market faced multiple challenges like geopolitical tensions, including Russia's invasion of Ukraine, that disrupted global energy markets, particularly in the gas sector. Despite this challenging environment Galileo received orders for Cryoboxes from several clients around the world. In addition, during the year, Galileo in order to fulfill contractual obligations with several clients in the United States and Argentina made significant capital investments on compression equipment to provide those services.

Galileo Group's revenue increased % year on year. Gross margin was reduced substantially, dropping from (17.0%) in 2022 to (2.0%) in 2023, mainly due to: i. higher margin sales; ii. higher availability levels at Galileo Technologies S.A.; iii. the evolution of the exchange rate in Argentina which underperformed inflation and resulted in an increase in Argentine Pesos denominated costs when measured in US Dollars; and iv. increased inflation global rates resulting in an adverse impact on the aforementioned, decreasing their impact.

Total installed rental compression capacity decreased to 34,636 HP (2022: 35,052 HP). In the year ended December 31, 2023, Galileo Technologies S.A and Galileo Technologies Corporation Suc. Peru. Sold 309,656 mmbtu (2022: 99,823 mmbtu) of LNG to customers in Argentina and Perú.

Galileo Technologies S.A. average availability in 2023 was 75.4% (2022: 29%) and it was dispatched 40% of that time (2022: 17%), generating 140,004 MWh (2022: 59,436 MWh) of electricity during the year.

Galileo Group's net finance loss for the year increased by US\$20,893 to US\$26,429 compared to 2022 (loss US\$5,536), due mainly to the increase in financing costs during the year and the decrease in proceedings from the sales of government bonds.

Total net liabilities of the Group decreased to US\$23,784 as of December 31, 2023 (2022: net liability of US\$4,427). This increase is mainly explained by financial results of the Group, which reflect the capitalization of interest in some of the financing provided by its related parties.



**Business review and performance (continued)**

Total comprehensive loss for the year increased by 91.6% to US\$71,017 as of December 31, 2023 (2022: US\$37,058 loss), mainly due to the increasing of financing cost and other factors explained above.

The Group’s cash and cash equivalents balance decreased by US\$20,397 to US\$9,646 as of December 31, 2023 (2022: US\$30,043).

On February 19, 2020, the Edge Gathering Virtual Pipelines II (“EDGE”) associate reached an agreement through which Galileo received payment for contractual milestones of the December 4, 2018 Purchase Order. Further to this, 25,560,000 participation units representing a 28% participation interest were granted to Galileo Technologies Corporation.

During 2021; Galileo Group subscribed two capital calls issued by EDGE; but the Group’s participation in EDGE has not changed since last year, further to this, the total 36,510,040 participation units representing a 28% participation interest were granted to Galileo Technologies Corporation.

On August 30, 2022, Galileo Technologies Corporation (“GTC”) subscribed US\$1,445 on a new capital call issued by EDGE in 2022. As result of the amount subscribed on latest capital call, GTC’s participation on EDGE increased from 28.00% to 28.07%.

There were no new capital contributions during year 2023 (see note 33)

**Highlights**

The key operating and financial highlights are as follows:

	<b>Year ended December 31, 2023</b>	<b>Year ended December 31, 2022</b>
<i>a. Non-financial - Operatings</i>		
<i>Technologies</i>		
Total Cryoboxes / Cryotrucks produced (1)	11	15
Total compression HPs produced (2)	6,760	17,840
Total CNG units produced	4	14
Total BIO CNG / LNG units produced	3	1
<i>Solutions</i>		
Total compression installed (HPs)	34,636	35,052
Total power generation capacity installed (MW)	40	40
Power generation average availability (%)	75.4	29.0
Power generation dispatch level (%)	40.0	17.0
<i>b. Financial</i>		
	<b>US\$</b>	<b>US\$</b>
Total revenue	105,541	67,007
Gross (loss) / profit	(2,161)	(11,581)
Gross margin	(2.0%)	(17.3%)
EBITDA (* <sup>3</sup> ) (* <sup>4</sup> )	(8,443)	(19,024)
EBITDA margin	(8.0%)	(28.4%)

(1) Cryobox / cryotrucks produced in this year mainly corresponds to customer A, F, G and I’s orders (see note 17).

(2) Compression HP produced in this year mainly corresponds to property, plant and equipment assets of the Group (HP 6,090), and the remaining were sales to third parties (HP 670).

(3) Earnings before interest, tax, depreciation and amortisation calculated as operating loss for the year plus depreciation and amortisation. In 2023, a portion of the total depreciation and amortisation charge US\$48 (2022: US\$44) was capitalised and this charge was not considered when calculating EBITDA for the year.

(4) Please refer to previous paragraphs regarding revenue and cost variations explaining the main variation in EBITDA.



**Business outlook**

The Group expects demand for its LNG equipment to recover driven by:

- i. the availability of stranded and flared natural gas which provide a cheap, abundant and clean energy source;
  - ii. the increasing need of oil and gas producers to reduce the environmental impact of flaring from its operations in order to maintain their social license to operate and the passing of more stringent environmental regulation in key markets like the US;
  - iii. the growth momentum behind the development of renewable natural gas / bio-methane projects, particularly in Europe and the US;
- i. Galileo’s technology providing alternatives to: i. monetizes flared or stranded gas; ii. develop quick to market, modular gas liquefaction capacity; and iii. implement a fully integrated solution for renewable natural gas / bio-methane production.

Our technology unlocks cheaper, cleaner energy by bypassing infrastructure constraints and allowing producers to monetize natural gas that would otherwise be wasted and / or to produce abundant renewable energy sources. This proposition is particularly compelling in a high energy price environment like the world is currently facing. Industry dynamics are likely to maintain energy prices at relatively high levels, particularly in key markets like the US. These positive market trends are reflected by a robust pipeline of projects (both sales and liquefaction services) that continues to develop.

**Principal risks and uncertainties**

The principal risks and uncertainties affecting the business include the following:

Risk	Description	Management strategy	Change from prior year
<b>Country risk</b>	A significant portion of Galileo’s production facilities are in Argentina, which has a history of political and macroeconomic instability.	Galileo’s management has successfully operated in this environment for over 30 years and the Directors are confident that they will continue to manage the exposure of the business to Argentine risk in the future.  Towards the end of 2023, there was a change of government in Argentina. The new administration embodies a new political and economic ideology anticipated to stimulate production and exports, fostering a conducive environment for economic expansion and international trade. Such developments could prove advantageous for Galileo's business.	Decrease
<b>Currency risk</b>	Galileo operates mainly in US Dollars and Argentinean Pesos, which exposes the business to fluctuations in the US\$ / AR\$ exchange rate.	Galileo’s functional and reporting currency is the US Dollar, which limits the impact of large fluctuations in US\$ / AR\$ exchange rate on its performance, as a majority of revenue and cost of sales are denominated in US Dollars. The impact of exchange rate fluctuations is marginal due to a limited number of locally sourced costs in Argentina. In Argentina’s current hyperinflationary environment, material fluctuations in the US\$ / AR\$ exchange rate are likely to result in depreciation of the AR\$, which will have a positive impact on Galileo’s performance by reducing the US\$ cost of those AR\$ denominated local costs.  In order to mitigate this risk, Galileo accessed to operations of trading known as Blue Chip Swap; that allows obtain and implicit exchange rate that diverge significantly from Argentina’s official exchange rate.  Capital controls in Argentina impose restrictions that might prevent the Group from accessing the FX market to service debt or make certain payments.	No change



**Principal risks and uncertainties (continued)**

Risk	Description	Management strategy	Change from prior year
<b>Inflationary environment</b>	<p>The majority of Galileo’s production facilities and some of its operations are located in Argentina where inflation levels have been consistently high over the last several years. Cumulative inflation for the year ended as of December 31 2023 raised to 211.4%.</p> <p>The current macro environment, including rising inflation and supply chain constrains challenges globally for a group like Galileo</p>	<p>As explained above, Galileo’s functional currency is the US Dollar, which reduces its exposure to inflation in Argentina. As explained in note 26 to the financial statements, a relatively small portion of Galileo’s costs are denominated in Argentinean Pesos. The periodic adjustments in Argentinean Pesos cost are usually counterbalanced by a depreciation of the Argentinean Pesos and therefore tend to result in a reduction in Galileo’s US Dollar denominated costs.</p> <p>As response of that the management has adapted the production model in order to reduce the impact of the rising prices on the supplies and to avoid constrains on the supply chain. Additionally, as was explained, Galileo’s management has successfully operated in Argentina were has been several inflationary periods.</p>	Increase
<b>Competitive risk</b>	<p>Galileo operates in a highly competitive market. Product innovation and technical advances by competitors could adversely affect its performance.</p>	<p>The Directors are confident that the track record of Galileo’s innovation will enable it to succeed in a rapidly changing competitive landscape.</p>	No change
<b>Liquidity risks</b>	<p>Galileo relies on operating cash flow generation and financing from its shareholders and other financing providers to meet its financial commitments.</p>	<p>Galileo identifies and manages liquidity risk across the following categories:</p> <ul style="list-style-type: none"> <li>i. short-term liquidity management covering the next 13 weeks on a rolling basis with continuous monitoring of forecast and actual cash flows. The Group’s operations in Argentina rely on post-dated cheques to pay its suppliers. These type of instruments are commonly used in the Argentine marketplace and allow the Group to manage short-term liquidity while retaining a high degree of certainty when forecasting cash outflows;</li> <li>ii. medium-term liquidity management of liquid assets, working capital and bank facilities to cover medium term cash requirements in excess of operating cash flow generation; and.</li> <li>iii. long-term liquidity management ensuring an adequate spread of maturities of borrowing facilities to avoid refinancing risk concentration.</li> </ul> <p>The Group relies on renewable credit lines for a material portion of its financing needs. The majority of these lines are with Argentine banks and can be used as overdraft facilities, short term export or working capital financing; and long-term working capital financing, in some cases. The majority of this financing is available in either US dollars or Argentine pesos. These credit lines are reviewed on a yearly basis when the financial statements of the Argentine operating companies are available. A deterioration in the financial performance of the Argentine operating companies could affect Galileo’s ability to renew or expand these credit lines. The Directors expect that the performance of the Argentine operating companies will be sufficient to renew and possibly expand these credit lines.</p>	No change
<b>Credit risk</b>	<p>Galileo relies on third party financing to finance its operations and growth initiatives. A material event affecting the availability of third-party financing globally could impact Galileo’s ability to refinance existing facilities when due if required.</p>	<p>Galileo continuously monitors credit conditions and maintains an active dialogue with institutions that provide financing.</p>	No change



**Principal risks and uncertainties (continued)**

Risk	Description	Management strategy	Change from prior year
<b>Governmental energy policies</b>	Within last few years energy policies and regulations developments have taken place in international markets that we serve.	Energy policies will continue be an important regulatory priority globally. The existing rules and incentives that impact the energy-related business may change. Is not possible predict changes in energy policy and the impacts that that it could have in Galileo’s business.  At the moment, Galileo’s solutions maximize the use of gas from conventional and unconventional resources. They also capture and monetize gas when flared in the fields, or from organic waste from farm, urban or industrial activities. Hence, a direct connection between gas sources and clean and cheap fuel.  Also generates new possibilities to increase the availability and reach of clean and low-cost energy in a sustainable way.  Galileo’s has the capability to adapt new technologies to global energy regulations generating solutions that attend them.	No changes

**Capital risk management**

Galileo manages its capital to ensure that all entities within the Group are able to continue as a going concern while maximising returns to shareholders by optimizing its capital structure. Galileo’s capital structure currently consists of cash and cash equivalents, third party debt, shareholder debt and equity attributable to the shareholders. Galileo continuously monitors its capital structure and manages it considering the following factors:

- a. the cost of capital and the financial risks associated with each class of capital;
- b. gearing levels;
- c. potential impact of changes to the capital structure on net tangible assets and shareholders’ equity; and
- d. market conditions and availability of capital.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

***Going concern***

The Company is a holding entity and as such the going concern is dependent on the Group. Therefore, the going concern assessment was performed as part of the Group's assessment.

The directors have considered the factors that impact the Group's future development, performance, cash flows and financial position, for a period of at least 12 months from the date of approval of the financial statements, along with the Group's current liquidity in forming their opinion on the going concern basis.

Post year end, the Group has entered into agreements securing \$25m of funding. As at the date of signing this report, \$10m out of those \$25 m have not yet been funded and certain conditions will have to be met to fund them. As part of the analysis performed by the Group, several scenarios were considered in which certain revenue contracts have to be completed in order to achieve the required flow of income during the next twelve months. The execution of those revenue contracts might be delayed and combined with the remaining conditions attached to the funding noted above, the Group may need to raise additional financing. There are currently no legally binding agreements for future funding if required. These events or conditions indicate a material uncertainty exists which may cast significant doubt over the Group and Company's ability to continue as a going concern and therefore that the Group and the Company it may be unable to realise their assets and discharge their liabilities in the normal course of business.

The Directors consider that the funding will be forthcoming and therefore the going concern basis of preparation is deemed appropriate.

By order of the board

Signed by:  
  
A00F1AC59134406...

*Salil Oberoi*  
*Director*

*September 05, 2024*



## Directors' report

The Directors present their directors' report for the year from January 1, 2023 to December 31, 2023.

### *Directors*

The Directors who held office as of the date of this report are as follows:

	Date of appointment	Date of resignation (*)
Ulises de la Orden	October 9, 2015	August 15, 2024
Osvaldo del Campo	October 9, 2015	August 15, 2024
Thomas Sikorski	April 29, 2016	-
Salil Oberoi	December 6, 2018	-

(\*) For further details on the changes in the directory of the Group, please refer to subsequent events informed on note 35.

### *Indemnity provision for Directors*

The Directors have the benefit of the indemnity provisions contained in the Group's Articles of Association, and the Group has maintained throughout the year directors' and officers' liability insurance for the benefit of the Group, the Directors and its officers. The Group has entered into qualifying third party indemnity arrangements for the benefit of all its Directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in force throughout the year and remain in force.

### *Results and dividends*

The Group loss for the year is US\$71,017 (2022: loss US\$37,058). The directors do not recommend payment of an ordinary dividend (2022: nil).

### *Disclosure of information to auditor*

The Directors who held office at the date of approval of this directors' report confirm that so far as they are each aware, there is no relevant audit information of which the Galileo's auditor is unaware and each director has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Galileo's auditor is aware of that information.

### *Post balance sheet events*

Please refer to the strategic report and note 35 in the consolidated financial statements for a detailed discussion on events that occurred subsequent to December 31, 2023.

### *Financial risks*

Please refer to note 26 in the consolidated financial statements for a detailed discussion on financial risk.

### *Research and development*

Please refer to note 1.12 in the consolidated financial statements for accounting policy on research and development.

### *Future developments*

Please refer to the strategic report for detailed discussion on future developments.

### *Streamlined energy and carbon reporting*

The company consumed less than 40,000 kWh of energy in the UK during the year, so it qualifies as a low energy user and are exempt from further Streamlined Energy and Carbon reporting issues.

### *Employee benefits*

Employee benefits provided by the Group to its personnel include medical insurance and, annual bonuses and gratifications. Benefits to employees incurred during the year are recognized as expenses in the consolidated statement of comprehensive income.

### *Statement of business relationships*

During the year, the Directors of the Group have actively fostered the company's business relationships with its key suppliers and clients. Directors recognize the importance of these relationships in achieving the Company's strategic objectives and enhancing long-term value for shareholders.

The Company acknowledges the significant role of its suppliers in ensuring the availability of high-quality materials and services necessary for its operations. Throughout the year, the Group has maintained open and constructive communication with its suppliers, emphasizing mutual respect, fairness, and transparency in all dealings. The directors have overseen efforts to strengthen supplier relationships through regular performance reviews, timely payments, and collaboration on initiatives to improve efficiency and reduce costs.

As a result of these efforts, the Group has been able to secure favourable terms with its suppliers, including extended credit arrangements and preferential pricing, contributing to improved profitability and operational resilience.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

***Statement of business relationships (continued)***

Furthermore, the Group values its relationships with customers as essential to its success. The directors have prioritized customer satisfaction by delivering exceptional products and services, addressing feedback promptly, and adapting to changing customer needs and preferences; and

Directors have monitored customer relationships closely, assessing customer satisfaction levels, and identifying areas for improvement.

***Auditor***

Moore Kingston Smith LLP have expressed their willingness to continue in office and resolution to re-appoint them will be proposed at the annual general meeting.

By order of the board

Signed by:  
  
A00F1AC59134406...

*Salil Oberoi*  
*Director*

*September 05, 2024*



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### **Statement of Directors' responsibilities**

The Directors are responsible for preparing the strategic report, the directors' report and the 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 elected to prepare the Group financial statements in accordance with United Kingdom adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and the Company financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). 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 Group and Company and of the profit or loss of the Group for that year.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with UK adopted international accounting standards in conformity with the requirements of the companies Act 2006, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company and Group's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and Group's hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditor's report to members of Galileo Global Technologies Limited**

### **Opinion**

We have audited the financial statements of Galileo Global Technologies Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework has been applied in the preparation of 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).

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 2023 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **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 are independent of the group 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Material uncertainty related to going concern**

We draw attention to the going concern disclosures in note 1.3 in the financial statements, which indicate that future funding may be required if the execution of revenue contracts is delayed and the remaining conditions attached to the funding noted on note 35 are not satisfied. There are no legally binding agreements in place for further funding. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 there is 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where 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.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 11, 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

### **Explanation as to what extent the audit was considered 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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the group and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management whether the company is in compliance with these laws and regulations and inspected legal costs, board minutes, and other relevant sources for evidence of undisclosed issues.
- The audit engagement team identified the risk of management override of controls and management bias in accounting estimates relating to revenue recognition on long term contracts as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside then normal course of business. We evaluated whether there was evidence of bias by management in accounting estimates relating to revenue recognition on long term contracts by challenging assumptions and judgements made by management in relation to contract accounting, including the expected margin through assessment of post year end performance and stage of completion, through discussions with the relevant individuals and inspection of year end and post year end valuations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

### **Use of our report**

This report is made solely to the 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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
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5/9/2024

Colin Turnbull (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6<sup>th</sup> Floor

9 Appold Street

London EC2A 2AP



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

**Consolidated statement of comprehensive income**  
*For the year ended December 31, 2023 and 2022*  
*In thousands of US Dollars*

	<i>Note</i>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Revenue	3	105,541	67,007
Cost of sales		<u>(107,702)</u>	<u>(78,588)</u>
<b>Gross margin</b>		<b><u>(2,161)</u></b>	<b><u>(11,581)</u></b>
Selling, general and administrative expenses	4	<u>(28,966)</u>	<u>(28,743)</u>
<b>Operating loss</b>		<b><u>(31,127)</u></b>	<b><u>(40,324)</u></b>
Other income	5	2,760	1,875
Net share of loss in associate	33	(6,223)	(4,158)
Finance income	8	8,575	22,811
Finance expenses	8	<u>(35,004)</u>	<u>(28,347)</u>
<b>Loss for the year before tax</b>		<b><u>(61,019)</u></b>	<b><u>(48,143)</u></b>
Taxation	9	<u>(9,998)</u>	11,085
<b>Loss for the year</b>		<b><u>(71,017)</u></b>	<b><u>(37,058)</u></b>
<b>Total comprehensive loss for the year</b>		<b><u>(71,017)</u></b>	<b><u>(37,058)</u></b>
<b>Loss attributable to:</b>			
Equity holders of the parent		<u>(71,017)</u>	<u>(37,058)</u>
<b>Loss for the year</b>		<b><u>(71,017)</u></b>	<b><u>(37,058)</u></b>
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the parent		<u>(71,017)</u>	<u>(37,058)</u>
<b>Total comprehensive loss for the year</b>		<b><u>(71,017)</u></b>	<b><u>(37,058)</u></b>

The accompanying notes are an integral part of these consolidated financial statements.




Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

**Consolidated statement of financial position**  
*As of December 31, 2023 and 2022*  
*In thousands of US Dollars*

	Note	December 31, 2023	December 31, 2022
<b>Non-current assets</b>			
Goodwill	12	28,768	28,768
Property, plant and equipment	11	83,662	83,723
Intangible assets	12	23,426	23,506
Deferred tax	10	3,826	11,136
Investments in associates	33	18,491	24,714
Income tax receivables		10	511
Tax receivables	18	290	569
Other receivables	15	12,576	11,448
<b>Total non-current assets</b>		<b>171,049</b>	<b>184,375</b>
<b>Current assets</b>			
Inventories	14	59,127	49,657
Investments and other financial assets	25	-	448
Income tax receivables		-	237
Tax receivables	18	13,807	20,909
Trade receivables	16	19,077	16,726
Contract assets	17	2,239	7,971
Other receivables	15	7,425	4,980
Cash and cash equivalents	19	9,646	30,043
<b>Total current assets</b>		<b>111,321</b>	<b>130,971</b>
<b>Total assets</b>		<b>282,370</b>	<b>315,346</b>
<b>Current liabilities</b>			
Trade and other liabilities	21	48,314	61,878
Payroll and social security liabilities	22	7,906	10,482
Contract liabilities	17	4,423	676
Income tax payables		3,345	2,254
Tax payables	23	389	992
Loans and borrowings	20	13,307	20,099
Provisions	24	978	2,103
<b>Total current liabilities</b>		<b>78,662</b>	<b>98,484</b>
<b>Non-current liabilities</b>			
Loans and borrowings	20	216,715	211,967
Deferred tax	10	4,695	3,883
Income tax payables		-	20
Trade and other liabilities	21	5,834	5,112
Provisions	24	248	307
<b>Total non-current liabilities</b>		<b>227,492</b>	<b>221,289</b>
<b>Total liabilities</b>		<b>306,154</b>	<b>319,773</b>
<b>Net liability</b>		<b>(23,784)</b>	<b>(4,427)</b>
<b>Shareholder's equity</b> (according to corresponding statement)		<b>(23,784)</b>	<b>(4,427)</b>
<b>Total shareholder's equity and liabilities</b>		<b>282,370</b>	<b>315,346</b>

The accompanying notes are an integral part of these consolidated financial statements.

These financial statements were approved and authorised for issue by the board of directors on September 05, 2024 and were signed on its behalf by:

Signed by:  
  
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Salil Oberoi  
Director  
September 05, 2024

Company registered number: 9817636



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

**Consolidated statement of changes in equity**  
*For the year ended December 31, 2023 and 2022*  
*In thousands of US Dollars*

	Share capital	Share premium	Other components of equity	Retained earnings	Total parent equity	Non- controlling interest	Total equity
<b>Balance as of December 31, 2021</b>	<b>56,672</b>	<b>21,789</b>	<b>(485)</b>	<b>(45,345)</b>	<b>32,631</b>	-	<b>32,631</b>
Total comprehensive loss	-	-	-	(37,058)	(37,058)	-	(37,058)
<b>Balance as of December 31, 2022</b>	<b>56,672</b>	<b>21,789</b>	<b>(485)</b>	<b>(82,403)</b>	<b>(4,427)</b>	-	<b>(4,427)</b>
Share capital contribution from controlling parties (note 29)	51,660	-	-	-	51,660	-	51,660
Total comprehensive loss	-	-	-	(71,017)	(71,017)	-	(71,017)
<b>Balance as of December 31, 2023</b>	<b>108,332</b>	<b>21,789</b>	<b>(485)</b>	<b>(153,420)</b>	<b>(23,784)</b>	-	<b>(23,784)</b>

The accompanying notes are an integral part of these consolidated financial statements.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

**Consolidated statement of cash flows**  
*for the year ended December 31, 2023 and 2022*  
*In thousands of US Dollars*

	Note	December 31, 2023	December 31, 2022
<b>Cash flow from operating activities</b>			
Loss for the year		<u>(71,017)</u>	<u>(37,058)</u>
Adjustments for:			
Non-cash capital contribution in associate		-	(8,616)
Depreciation and amortization		22,725	21,344
Release of deferred income		(1,829)	(5,423)
Net share of loss in associate	33	6,223	4,158
Other income		(2,501)	(1,784)
Finance results - net		23,748	2,644
Others		(2,191)	(622)
Taxation		9,998	(11,085)
Changes in:			
Contract assets		5,732	(3,375)
Trade receivables		(791)	12,893
Other receivables		(2,287)	(2,281)
Inventories net of provision		(9,897)	(17,229)
Trade and other liabilities		(14,734)	13,008
Payroll and social security liabilities		(3,178)	953
Contract liabilities		3,747	676
Other tax receivables		7,764	(1,635)
Other tax payables		(1,091)	(2,462)
Net cash from operations		<u>(29,579)</u>	<u>(35,894)</u>
Taxation paid		(1,227)	(116)
Net cash used in operating activities		<u>(30,806)</u>	<u>(36,010)</u>
<b>Cash flow from investing activities</b>			
Investments and other financial assets		2,714	2,215
Gain from purchase and sale of government bonds		3,800	20,975
Acquisition of property, plant and equipment		(13,668)	(28,695)
Acquisition of intangibles		(5,949)	(6,642)
Proceeds from sale of property, plant and equipment		-	188
Payments in advance for fixed assets		(105)	(52)
Net cash (used) / from investing activities		<u>(13,208)</u>	<u>(12,011)</u>
<b>Cash flow from financing activities</b>			
Loans received net of transactions costs	20	59,177	110,357
Loans payments	20	(26,061)	(41,169)
Gain from foreign exchange from financial liabilities		1,881	-
Repayment of lease liability	27	(1,425)	(1,216)
Interest payment	20	(9,955)	(5,768)
Net cash from financing activities		<u>23,617</u>	<u>62,204</u>
Net (decrease) / increase in cash and cash equivalents		<u>(20,397)</u>	<u>14,183</u>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>30,043</b>	<b>15,860</b>
Net (decrease) / increase in cash and cash equivalents		(20,397)	14,183
<b>Cash and cash equivalents at the end of the year</b>	19	<u><b>9,646</b></u>	<u><b>30,043</b></u>

The accompanying notes are an integral part of these consolidated financial statements.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

## Notes to the financial statements

### 1 Accounting policies

#### 1.1 General information

Galileo Global Technologies Limited (the “Company”) is a private company limited by share, incorporated, domiciled and registered in the UK. The registered number is 9817636 and the registered address is c/o Aztec Financial Services (UK) Ltd, Forum 4, Solent Business Park, Parkway South, Whiteley, Fareham, England, PO15 7AD.

The group financial statements consolidate those of the Company and its subsidiaries (together referred to as the “Group”). The parent company financial statements present information about the Company as a separate entity.

The consolidated financial statement of Galileo Holdco 1 Limited have been prepared according to UK adopted international accounting standards in conformity with the requirements of the companies Act 2006.

The financial statements of Galileo Holdco 1 Limited have been prepared in accordance with Financial Reporting Standard 101, ‘Reduced Disclosure Framework’ (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with UK adopted international accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

The group financial statements present the financial position and financial results of the year from January 1, 2023 until December 31, 2023, in comparative form with the previous year.

The accounting policies set out below have, unless otherwise stated, been applied consistently to the period presented in these group financial statements.

The group financial statements are presented in thousands of US dollars, unless otherwise noted.

The GBP/USD exchange rate applied to GBP balances at the balance sheet date December 31, 2023 was 1.2789.

#### 1.2 Functional and presentation 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’s consolidated financial statements are presented in US Dollar, being the functional and reporting currency of the Company and subsidiaries within the Group and the primary economic environment in which the Group operates.

#### 1.3 Going concern

The Company is a holding entity and as such the going concern is dependent on the Group. Therefore, the going concern assessment was performed as part of the Group’s assessment.

The directors have considered the factors that impact the Group’s future development, performance, cash flows and financial position, for a period of at least 12 months from the date of approval of the financial statements, along with the Group’s current liquidity in forming their opinion on the going concern basis.

Post year end, the Group has entered into agreements securing \$25m of funding. As at the date of signing this report, \$10m out of those \$25 m have not yet been funded and certain conditions will have to be met to fund them. As part of the analysis performed by the Group, several scenarios were considered in which certain revenue contracts have to be completed in order to achieve the required flow of income during the next twelve months. The execution of those revenue contracts might be delayed and combined with the remaining conditions attached to the funding noted above, the Group may need to raise additional financing. There are currently no legally binding agreements for future funding if required. These events or conditions indicate a material uncertainty exists which may cast significant doubt over the Group and Company’s ability to continue as a going concern and therefore that the Group and the Company it may be unable to realise their assets and discharge their liabilities in the normal course of business.

The Directors consider that the funding will be forthcoming and therefore the going concern basis of preparation is deemed appropriate.

#### 1.4 Basis of consolidation

##### Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. Investments in subsidiaries are held at cost less accumulated impairment losses.



#### **1.4 Basis of consolidation (continued)**

##### *Change in subsidiary ownership and loss of control*

Changes in the group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Where the group loses control of a subsidiary, the assets and liabilities are derecognised along with any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

##### *Transactions eliminated on consolidation*

Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

##### *Associates*

Associates are entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

##### *Equity method of accounting*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity-accounted investments is tested for impairment.

Gains and losses resulting from upstream or downstream transactions between an entity (including its consolidated subsidiaries) and its associate or joint venture are recognised in the entity's financial statements only to the extent of unrelated investors' interests in the associate or joint venture. The entity's share in the associate's or the joint venture's gains or losses resulting from these transactions is eliminated.

Downstream transactions (sale of assets from the investor to its associate or its joint venture) are eliminated in consolidation to the extent of the share in the associate. The profit eliminated is released back once the equipment is depreciated in line with the associate or joint venture's accounting policy.

If an associate or a joint venture uses accounting policies other than those of the entity for like transactions and events in similar circumstances, adjustments shall be made to make the associate's or joint venture's accounting policies conform to those of the entity when the associate's or joint venture's financial statements are used by the entity in applying the equity method.

##### *Acquisitions and disposals of non-controlling interests*

Acquisitions and disposals of non-controlling interests that do not result in a change of control are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. Any difference between the price paid or received and the amount by which non-controlling interests are adjusted is recognised directly in equity and attributed to the owners of the parent.

##### *Impairment of investment in associate*

The carrying amount of the investment in an associate is tested for impairment whenever there is an indication that the investment may be impaired. Indicators of impairment may include, but are not limited to:

- Significant financial difficulty of the associate
- A prolonged decline in the fair value of the investment below its carrying amount
- Evidence of a loss event that has an impact on the estimated future cash flows of the associate.

If there is objective evidence that an impairment loss has occurred, the amount of the loss is measured as the difference between the carrying amount of the investment and its recoverable amount. The recoverable amount is the higher of the investment's fair value less costs to sell and its value in use. Impairment losses are recognized in the income statement. If, in a subsequent period, the recoverable amount of the investment increases, the previously recognized impairment loss is reversed to the extent that the carrying amount of the investment does not exceed the carrying amount that would have been determined had no impairment loss been recognized.



### **1.5 Foreign currency**

Transactions in foreign currency are translated to the respective functional currency of the Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the consolidated statement of comprehensive income.

### **1.6 Classification of financial instruments issued**

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and
- b) where the instrument will or may be settled in the Group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the Group's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy.

### **1.7 Financial instruments**

Non-derivative financial instruments comprise trade receivables, contract assets, other receivables, cash and cash equivalents, loans and borrowings and trade and other liabilities.

#### *Trade receivables and other receivables*

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. The Group applies the expected credit loss model (ECL) in respect of trade receivables. The Group tracks changes in credit risk and recognise a loss allowance based on lifetime ECLs at each reporting date.

#### *Contract assets*

Contract assets are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. The Group applies the expected credit loss model (ECL) in respect of contract assets. The Group tracks changes in credit risk and recognise a loss allowance based on lifetime ECLs at each reporting date.

#### *Trade receivables and contracts assets impairment*

The Group applies the IFRS 9 simplified approach to measure expected credit losses (ECL), which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected loss rates are based on the payment profiles of sales over a period of 24 months before December 31, 2023 or January 1, 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 180 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit in the consolidated statement of comprehensive income. Subsequent recoveries of amounts previously written off are credited against the same line item.

#### *Cash and cash equivalents*

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less

Mutual fund investments are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, the investment is stated at fair value through profit or loss.

#### *Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.



### **1.7 Financial instruments (continued)**

#### *Securitisation liabilities*

Securitisation liabilities are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

#### *Trade and other liabilities*

Trade and other liabilities are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

### **1.8 Derivative financial instruments and hedging account**

Derivative financial instruments are measured at fair value, determined as the amount of cash to be collected or paid to settle the instrument as of the measurement date, net of any prepayment collected or paid. Fair value of derivative financial instruments traded in active markets is disclosed based on their quoted market prices and fair value of instruments that are not traded in active markets is determined using different valuation techniques. Subsequent accounting of changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group may designate derivative financial instruments in the following categories:

a) Fair value hedge of recognized assets or liabilities or over firm commitment (fair value hedge)

At the beginning of the hedge relationship, the Group documents the economic relationship between the hedging instruments and the hedged items, even if it is expected that changes in the cash flows of the hedging instruments offset changes in the cash flows of the hedged items. The Group documents its objective and risk management strategy to carry out its hedging operations.

b) Cash flow hedges of a particular risk associated with recognized assets and liabilities and highly probable future transactions (cash flow hedges)

Changes in the measurement of derivative financial instruments designated as cash flow hedge, which have been determined as effective, are recognized in equity. The gain or loss related to the ineffective portion is recognized immediately in profit or loss. Changes in the measurement of derivative instruments that do not qualify for hedge accounting are recognized in profit or loss.

c) Net investment in foreign operation.

In the second half of fiscal year 2019, the Argentine government reinstated exchange controls restricting the purchase of foreign currencies. As a result of these exchange controls, many Argentine entities use a trading mechanism commonly known as the Blue Chip Swap, in which an entity buys US Dollar denominated securities outside Argentina using US Dollars, transfers the securities to Argentina and sells the securities for Argentine pesos. The Blue Chip Swap Rate is the implicit exchange rate resulting from the Blue Chip Swap transaction. The Blue Chip Swap rate has diverged significantly from Argentina's official exchange rate.

In 2023, the exchange control mechanism established by the Government was kept in place, and the Group continued operating using mechanism explained on above paragraph.

Accordingly, these outstanding securities are recognised at fair value, and changes in fair value from these contracts are recorded in finance income (expense), net in the consolidated statement of comprehensive income.

### **1.9 Lease contracts**

#### *Leases as lessor*

a) *Lease classification*

The lease classification is determined on a contract-by-contract basis, taking into consideration the substance of the transaction and the specific details of each leasing contract. The key factor is whether or not substantially all the risks and rewards incidental to ownership are transferred and various criteria are used to determine the lease classification including:

- whether the lease term is for the major part the economic life of the asset; and
- whether the present value of minimum lease payments amounts to at least substantially all the fair value of the asset.

b) *Operating lease portfolio*

An operating lease is different from a finance lease and is classified as such if it does not transfer substantially all the risk and rewards of ownership. The Group as a lessor presents the assets subject to operating leases in the consolidated statement of financial position according to the nature of the asset.

The operating lease instalments are recognised in their entirety on a straight-line basis over the lease term, with the exception of that portion considered to be service income. The instalments are classified and presented in the consolidated statement of comprehensive income as lease revenues.



### **1.9 Lease contracts (continued)**

The Group leases assets to its clients for durations that normally range between three to five years. Currently the Group only provides closed calculation contract to customers whereby the client is charged a fixed fee for the use of the asset over a period of time. At the end of the lease term, the asset is normally returned to the Group for refurbishment and then re-rental to another third party. In all cases, the overall risk on the result of the contract, both positive and negative, is borne by the Group.

#### *Leases as lessee*

In leases where the Group is a lessee, a right-of-use asset and a lease liability are recognized on the date on which the underlying asset is available for use by the Group.

At the commencement date the lease liability is measured at the present value of the payments that are not paid that date, including:

- Fixed payments, less any lease incentive receivable
- Variable lease payments depending on an index or rate
- Amounts that the Group expects to pay under residual value guarantee
- Exercise price of a purchase option (if the Group is reasonably certain to exercise that option), and
- Penalty payments for terminating the lease, if the lease term reflects the Group exercising that option.

To calculate the present value of lease payments, bank loan rates effective at the initial measurement date were used, or by using the interest rate implicit in the lease, if that rate can be readily determined.

All relevant information related to lease liability is disclosed on note 27 lease liability. Each lease payment is apportioned between the principal and the financial cost. The financial cost is charged to finance expenses in the consolidated statement of comprehensive income; over the term of the lease to produce a constant periodic interest rate on the remaining liability balance for each period.

Right-of-use assets are measured at cost, which comprises:

- the amount of the initial measurement of the lease liability
- any lease payment made at or before the commencement date, less any lease incentive received
- any initial direct cost

Right-of-use assets are depreciated using the straight-line method over the asset's useful life.

The Group recognizes short-term leases (up to twelve months) as an expense in the consolidated statement of comprehensive income using the straight-line method over the lease term.

Leases for which the underlying asset is of low value were not identified.

#### *Lease modifications*

When the group renegotiates the contractual terms of a lease with the lessor, the accounting will depend on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy
- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is re-measured using the discount rate applicable.

### **1.10 Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land and assets under construction are not depreciated. The estimated useful lives are as follows:

- Buildings 50 years
- Plant and equipment 3-10 years
- Fixtures and fittings 3-10 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Depreciation charge of fixed assets assigned to production or in the performance of services or rentals are recognise in the cost of sales line item in the consolidated statement of comprehensive income statement and the remaining balance was included in the selling, general and administrative expenses line item.



### **1.11 Business combinations**

All business combinations are accounted for by applying the acquisition method. Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquire; plus
- the fair value of the existing equity interest in the acquire; less
- the net recognised amount of the identifiable assets acquired, and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

On a transaction-by-transaction basis, the Group elects to measure non-controlling interests, which have both present ownership interests and are entitled to a proportionate share of net assets of the acquire in the event of liquidation, either at its fair value or at its proportionate interest in the recognised amount of the identifiable net assets of the acquire at the acquisition date. All other non-controlling interests are measured at their fair value at the acquisition date.

### **1.12 Intangible assets and goodwill**

#### *Goodwill*

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment in the investee.

#### *Research and development*

Expenditure on research activities is recognised in the consolidated statement of comprehensive income as an expense as incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group intends to and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Group can measure reliably the expenditure attributable to the intangible asset during its development.

Development activities involve a plan or design to produce new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the consolidated statement of comprehensive income as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses; this capitalised development expenditure is accounted in intellectual property. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

#### *Other intangible assets*

Expenditure on internally generated goodwill and brands is recognised in the consolidated statement of comprehensive income as an expense as incurred.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

#### *Amortisation*

Amortisation is charged to consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life such as goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Intellectual Property                      5 - 10 years
- Software                                      5 years

Amortisation charge of intangible assets assigned to production or in the performance of services or rentals are recognise in the cost of sales line item in the consolidated statement of comprehensive income and the remaining balance was included in the selling, general and administrative expenses line item.



### **1.13 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first in first out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. At each reporting date, inventories are assessed for impairment. If inventories are impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the consolidated statement of comprehensive income.

### **1.14 Impairment excluding inventories and deferred tax assets**

#### *Financial assets*

A financial asset not carried at fair value through profit and loss is assessed at each reporting date to determine a loss allowance for expected credit losses. If the credit risk on a financial instrument has increased significantly since initial recognition, the loss allowance is equal to the lifetime expected credit losses. If the credit risk has not increased significantly, the loss allowance is equal to the twelve month expected credit losses.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### *Non-financial assets*

The carrying amount of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit or CGU). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

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

### **1.15 Employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **1.16 Provisions**

A provision is recognised in the consolidated statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Provisions are reviewed at each reporting date to reflect the current best estimate of the cost at present value. The increase in the provision resulting from the passage of time is recognised as a finance expense in the consolidated statement of comprehensive income.



### **1.16 Provisions (continued)**

Provision for decommissioning is recognised in full when the related facilities are installed. A corresponding amount equivalent to the provision is also recognised as part of the cost of the related asset. The amount recognised is the estimate costs of decommissioning, discounted to its net present value, and is reassessed each year in accordance with local conditions and requirements. Changes in the estimated timing of decommissioning or decommissioning costs estimates are dealt with prospectively by recording an adjustment to the provision, and the corresponding adjustment to property, plant and equipment. The unwinding of the discount on the decommissioning provision is included as a finance expense in the consolidated statement of comprehensive income.

### **1.17 Revenue**

Revenue is recognised as performance obligations are satisfied as control of the goods and services is transferred to the customer.

#### *a) Sale of goods (Construction contract) - Recognition over time*

For each performance obligation within a contract, the Group determines whether it is satisfied over time or at a point in time. Performance obligations are satisfied over time if one of the following criteria is satisfied: the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs; the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or the Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date.

The Group has determined that some of its contracts satisfy the over time criteria, either because the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs (typically services or support contracts) or the Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date (typically development or production contracts).

For each performance obligation to be recognised over time, the Group recognises revenue using an input method, based on costs incurred in the period. Revenue and attributable margin are calculated by reference to reliable estimates of transaction price and total expected costs, after making suitable allowances for technical and other risks. Revenue and associated margin are therefore recognised progressively as costs are incurred, and as risks have been mitigated or retired. The Group has determined that this method appropriately depicts the Group's performance in transferring control of the goods and services to the customer.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately as an expense in the consolidated statement of comprehensive income.

#### *b) Sale of goods - Recognition at a point in time*

If the over time criteria for revenue recognition are not met, revenue is recognised at the point in time that control is transferred to the customer, which is usually when legal title passes to the customer and the business has the right to payment, for example, on delivery.

#### *c) Contract assets and contract liabilities - Recognised from sales contracts with customer*

Unlike the method used to recognised contract revenue, the amounts billed to the customer are based on achievement of the various milestones established in the contracts and on acknowledgement thereof by the customers. Thus, the amounts recognised as revenue for a given year do not necessarily coincide with the amounts billed. In the case of contracts in which goods transferred to the customer exceed the related amount billed the difference is recognised as a "contract asset", whereas in contracts in which goods transferred are lower than the amount billed to the customers, the difference is recognised as a "contract liability".

#### *d) Lease revenues*

Revenues from operating lease instalments are recognised on a straight-line basis over the lease term except for those portions of the lease instalment that are considered to be service income. The service income is recognised and presented based on the percentage of completion method. Service income discussion is further expanded in e) below.

Some of the Group's leases provide for a lease-end adjustment payment to be made by the lessee at the end of the lease term based on usage and the condition of the asset upon return. Lease-end contingent rental payments are included in rental revenue when the amount receivable is known with certainty.

#### *e) Service income*

Services revenue is derived from providing maintenance and repair services for Galileo equipment.

For monthly maintenance contracts, income is recognized on a monthly-basis.

In the case of repair or maintenance services requested by customers that do not correspond to monthly maintenance contract, revenue from these services is recognised using an input method, based on costs incurred in the period. The Group has determined that this method appropriately depicts the Group's performance in transferring control of the services to the customer.



### **1.17 Revenue (continued)**

#### *f) Electricity sales*

Revenues from the sale of electricity are recognised as the electricity is generated and transferred into the distribution network.

#### *g) Liquefied Natural Gas (LNG) sales*

Revenue from the sale of LNG products is recognised at a point in time when control of the product is transferred to the customer, which is generally when the product is physically transferred into a vessel, pipe or tanker and the customer accepts the product. Consequently, the Group's performance obligations are considered to relate only to the sale of LNG product. The transportation and shipping cost associated with the transfer of the product to the point of sale is recognised as a selling cost.

Revenue from contracts with customers is recognised when control of the goods is 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. The Group has concluded that it is the principal in all of its revenue arrangements since it controls the goods or services before transferring them to the customer.

### **1.18 Expenses**

#### *Financing income and expenses*

Financing expenses comprise interest payable, finance charges on shares classified as liabilities and finance leases recognised in Statement of Comprehensive Income using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the consolidated statement of financial position (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Financing income comprise interest receivable on funds invested, dividend income, and net foreign exchange gains.

Interest income and interest payable is recognised in Statement of Comprehensive Income as it accrues, using the effective interest method. Dividend income is recognised in the consolidated statement of comprehensive income on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

### **1.19 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised in respect of tax losses and other temporary differences giving rise to deferred tax assets where the Group believe it is probable that these assets will be recovered.

### **1.20 Government grants and rebates**

The Argentine government incentivises domestic production of capital goods through rebates to the sale of those goods in Argentina. The Group produces and sells capital goods in Argentina, has received these rebates in the past and expects to continue receiving them in the future. These rebates are included in selling, general and administrative expenses, in the consolidated statement of comprehensive income

Galileo has applied and received other government grants for investments in fixed assets. These grants are initially accounted for as a liability in other liabilities in the statement of financial position and subsequently recognized as a gain in the consolidated statement of comprehensive income over the useful life of the asset.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### **1.21 New standards, amendments, IFRIC interpretations and new relevant disclosure requirements**

#### *a) Adoption of new and revised standards*

New standards, interpretations, and amendments effective from January 1, 2023.

The disclosed policies have been applied consistently by the Group for both the current and previous year with the exception of the new standards adopted.

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2023 that have a material impact on the group's financial statements.

#### *b) New standards, interpretations and amendments not yet effective*

Below is a list of new and revised IFRSs that are not yet mandatorily effective (but allow early application) for the year ended as of December 31, 2023; and have not been early adopted by the Group. The Group is analysing whether these standards will have a material impact in the future.

	Effective for annual periods beginning on or after
Liability in a sale and leaseback (Amendments to IFRS16 Leases)	January 1, 2025
Classification of liabilities as current or non-current (Amendments to IAS 1 presentation of financial statements)	January 1, 2025
Non-current liabilities with covenants (Amendments to IAS 1 Presentation of financial statements)	January 1, 2025
Supplier finance arrangements (Amendments to IAS 7 statement of cash flows and IFRS 7 financial instruments: disclosures)	January 1, 2025

### **2. Significant accounting estimates and judgements**

The preparation of financial statements requires the Group to make estimates and assumptions regarding the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

#### *a) Leases as lessor: Classification of leases*

The company leases equipment under operating lease arrangements to third party customers. Management evaluates in accordance with IFRS 16 the following elements for classification to assess whether or not substantially all the risk and rewards of ownership are transferred to clients:

- The substance of the transaction and the specific details of each leasing contract; and
- Whether the lease term is for a major part of the economic life of the asset.

Leases were classified as operating because the substance of the transaction and the risks and rewards of ownership are not transferred due to the following:

- Contracts do not transfer ownership of the asset to the lessee by the end of the lease term;
- The lessee does not have the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it;
- The lease term is for the minor part of the economic life of the asset;
- At the inception of the lease the present value of the minimum lease payments amounts does not represent substantially the fair value of the leased asset; and
- The leased assets are not of such a specialised nature that only the lessee can use them without major modifications.

#### *b) Recovery of deferred tax assets*

The recognition of deferred tax assets will depend on the ability of the Group to generate future taxable income. The methodology used in estimating deferred tax assets are detailed in 1.14 and 1.19.

The impairment test for the carrying value of deferred tax assets depends on the estimates of future taxable income to utilise the deferred tax assets which are in turn dependent on the assumptions in the Group's business plans', see note 13.

#### *c) Carrying value of goodwill and intangibles*

The impairment test for the carrying value of goodwill and intangibles depends on the estimates of future cash flows and the discount rate, see note 13. The methodology used in estimating the valuation of goodwill and intangibles are detailed in 1.12.



## 2. Significant accounting estimates and judgements (continued)

### d) Revenue recognition

Judgement is required if revenue should be recognised over time or at a point in time.

Revenue is recognised as performance obligations are satisfied as control of the goods and services is transferred to the customer.

For each performance obligation within a contract, the Group determines whether it is satisfied over time or at a point in time. Performance obligations are satisfied over time if one of the following criteria is satisfied: the customer simultaneously receives and consumes the benefits provided by the Group's performance as it performs; the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or the Group's performance does not create an asset with an alternative use to the Group and it has an enforceable right to payment for performance completed to date.

For each performance obligation on long-term contracts that are recognised over time, the Group recognises revenue using an input method, based on costs incurred in the period. Revenue and attributable margin are calculated by reference to reliable estimates of transaction price and total expected costs, after making suitable allowances for technical and other risks. Revenue and associated margin are therefore recognised progressively as costs are incurred, and as risks have been mitigated or retired. The costs incurred will include costs for uninstalled materials as long as these materials have been specifically produced for the contract and are not generic in nature. This may result in discrepancies between physical progress of the manufacturing process and the grade of completion but the Group has determined that this method appropriately depicts the Group's performance in transferring control of the goods and services to the customer.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately as an expense.

### e) Development costs

The Group capitalises development costs provided the recognition conditions meet the criteria set out in IAS 38. During the year costs have been capitalised in relation to projects to enhance and develop the products. The capitalised costs relate to materials used in the development projects and employee costs. Management estimates the time spent by employee on development and allocates this each project. The costs capitalised in period have resulted in the development of new intellectual property and management has assessed that there is sufficient evidence to support that economic benefit will flow. Intangible assets are amortised over their expected or known useful lives on a straight-line basis beginning from the point they are available for use. The estimated useful lives of intangible assets are regularly reviewed. Management estimated useful life for intangible assets is currently five years. The useful economic life is based on management's estimate of the period of time over which the assets will generate future cash flows.

### f) Contingent liabilities

On July 5, 2016 the Group was awarded a 40 Megawatts (MW), 10-year Power Purchase Agreement (PPA) by Cammesa. The PPA required that the power plant received approval to operate in the Argentine wholesale electricity market by March 31, 2017 and established penalties for delays beyond this date. The Anchoris Power Plant was completed in September 2016 and received approval to operate in the Argentine wholesale electricity market on December 23, 2017.

From May to July 2017 Cammesa invoiced penalties for a total amount of ARS\$103,679 (equivalent to US\$6,590 at that date), the maximum amount of penalties contemplated in the PPA.

The delays in the construction of the Anchoris Power Plant and subsequent commercial approval were attributable, in most cases, to actions of the Argentine government that were completely outside of Galileo's control. The Group made a force majeure claim to both Cammesa and the Secretary of Energy rejecting the penalties arguing that the delays were the responsibility of the Argentine government.

On June 8, 2018, the Ministry of Energy and Mines published resolution 264/18 authorising Cammesa to collect penalties due by withholding from future payments under the existing PPA. As of the date of these financial statements, Cammesa has not made any withholdings in connection with resolution 264/18 from payments under the PPA.

Galileo has obtained legal advice on the potential resolution of its force majeure claim. Based on this advice, the Group believes the force majeure claim has merits. In addition, Galileo's legal adviser has emphasised that Cammesa did not follow the conflict resolution procedures established by the PPA. Based on this, the Group considers that there is sufficient ground to support its force majeure case and challenge the penalties invoiced by Cammesa, and therefore expects not to be required to pay these penalties. As result, the Group has decided not to register a provision for the penalties received by Cammesa.

### g) Carrying value of investment in associate

The directors have considered if there are any impairment indicators in respect of the investment in associate in accordance with the accounting policy noted in 1.4.

The financial performance and position of the associate are detailed in note 33. The note indicates the entity is loss making however they the Directors consider that the revenue and EBITDA growth and consider that in combination with the additional investment being made and the progress towards its business plan that there are no indicators of impairment present.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### 3. Revenue

	2023	2022
Sales of goods – Construction contract (note 17)	47,177	25,429
Sales of goods	18,520	16,192
Sale of energy	17,519	6,567
Rendering of services	12,069	7,569
Rental income	10,256	11,250
	<u>105,541</u>	<u>67,007</u>

### 4. Selling, general and administrative expenses

	2023	2022
Staff costs	(7,899)	(7,913)
Depreciation and amortisation	(7,654)	(8,668)
Professional fees	(5,504)	(4,299)
Others selling and general expenses	(4,446)	(4,659)
Turnover and other taxes	(3,295)	(3,449)
Transportation and freights	(609)	(646)
Insurance	(371)	(392)
Export expenses	(235)	(123)
Sales commissions	(272)	(1,226)
Export rebates and government grants	1,319	2,632
	<u>(28,966)</u>	<u>(28,743)</u>

#### Auditor's remuneration:

	2023	2022
Audit of the Group and Company financial statements	(191)	(187)
Audit of overseas subsidiaries	(174)	(201)
Other non-audit services provided by Group's auditor	(43)	(187)
	<u>(408)</u>	<u>(575)</u>

Moore Kingston Smith LLP were appointed as group auditor for the year ended 31 December 2023. The fees payable in respect of the audit of oversea subsidiaries is not payable to an associate of Moore Kingston Smith LLP

### 5. Other income

	2023	2022
Gain on mutual fund investments	2,501	1,481
Other income	259	394
	<u>2,760</u>	<u>1,875</u>

### 6. Staff numbers and costs

The average number of people employed by the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees 2023	Number of employees 2022
Management and administration	212	216
Production	458	502
Sales and marketing	39	28
	<u>709</u>	<u>746</u>

The aggregate payroll costs of these employees were as follows:

	2023	2022
Wages and salaries	(38,088)	(36,971)
Social security costs	(6,757)	(6,858)
Others	(1,256)	(1,129)
	<u>(46,101)</u>	<u>(44,958)</u>
Total amount capitalised (1)	<u>5,040</u>	<u>13,746</u>

(1) Included within total staff costs is US\$2,719 (2022: US\$2,473) which has been capitalised as part of intangible assets, US\$1,777 (2022: US\$7,074) capitalised in fixed assets and 2023 US\$ 544 (2022: US\$4,199) capitalised in inventories.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### 7. Directors' emoluments

	2023	2022
Emoluments for qualifying services	(1,026)	(1,047)
Social security cost for qualifying services	(59)	(60)
	<u>(1,085)</u>	<u>(1,107)</u>

The aggregate salary remuneration of the highest paid director was US\$976 (2021: US\$997).

### 8. Finance results

#### Finance income

	2023	2022
Gain from purchases and sales government bonds (1)	3,800	20,975
Interest income	4,538	1,546
Other finance income	237	290
	<u>8,575</u>	<u>22,811</u>

(1) This gain was derived from the difference between the Argentina's official exchange rate and the Blue Chip Swap Rate at the moment of the government bonds purchase and resale transactions.

#### Finance expenses

	2023	2022
Interest and financial expenses	(31,319)	(24,819)
Net foreign exchange	(2,682)	(2,891)
Interest expenses on lease liabilities	(730)	(516)
Other financial expenses	(273)	(121)
	<u>(35,004)</u>	<u>(28,347)</u>

### 9. Taxation

#### a) Recognised in the income statement

	2023	2022
Current tax expense		
Current year	(1,881)	(982)
Withholding tax	(104)	(1,466)
Prior period adjustment	109	1,092
Current tax expense	<u>(1,876)</u>	<u>(1,356)</u>
Deferred tax		
Origination and reversal of temporary differences	(8,689)	12,439
Prior period adjustment	567	-
Deferred tax charge	<u>(8,122)</u>	<u>12,439</u>
<b>Tax charge in income statement</b>	<u><b>(9,998)</b></u>	<u><b>11,085</b></u>

#### b) Reconciliation of effective tax rate

The Company is treated as a tax resident of the UK and is subject to a tax rate of 25% (2022: 19%), in the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Income taxes in the income statement are measured at 25% and deferred taxes at the balance sheet data are measured at 25%.

The majority of the Group's profits subject to corporate income tax are generated from operations in Argentina and the US. On June 16, 2021, Law 27,630 was enacted and published in the Official Gazette. This law established corporate income tax rates for tax years beginning on or after January 1, 2021, replacing the fixed tax rate with a progressive tax scale ranging from 25% to 35%.

Therefore, as of December 31, 2023, the Company's net deferred assets will be measured using the estimated rate, according to the estimated taxable result for that period and beyond, and that it is expected that those temporary differences will be reversed or used.

The tax rates as of December 31, 2023 were: for US 21% (2022: 21.18%), for France 25% (2022: 25%) and for Brazil 15% (2022: 15%).



**9. Taxation (continued)**

The reconciliation of effective income tax rate has been performed using these rates.

	<b>2023</b>	<b>2022</b>
	<b>(61,019)</b>	<b>(48,143)</b>
<b>Loss for the year before tax</b>		
Tax using the corporation tax rate	15,255	9,147
Effect of tax rates in foreign jurisdictions	(1,583)	977
Non-taxable loss	1,565	941
Recognised temporary differences	(21,896)	465
Unrecognised temporary differences	(2,344)	-
Prior periods adjustment	676	1,021
Withholdings tax	(104)	(1,466)
Carry forward impairment	(1,567)	-
<b>Total (charge) - tax credit</b>	<b>(9,998)</b>	<b>11,085</b>

**10. Deferred tax assets and liabilities**

*a) Recognised deferred tax assets and liabilities*

Details of the deferred tax liability, amounts recognised in profit or loss and amounts recognised in other comprehensive income are as follows:

	Asset	Liability	Net	(Charge) / credited to profit or loss	Asset	Liability	Net	(Charge) / credited to profit or loss
	2023	2023	2023	2023	2022	2022	2022	2022
Carry forward	5,088	23,375	28,463	(5,602)	28,770	5,295	34,065	16,075
Intercompany deductibility	1,328	474	1,802	(1,054)	2,582	274	2,856	(1,063)
Accrued deductibility	1,135	463	1,598	218	423	957	1,380	452
Investments in associates	1,225	-	1,225	6,595	-	(5,370)	(5,370)	(5,273)
Trade receivables impairment	-	593	593	(108)	701	-	701	52
Provision deductibility	172	140	312	(223)	228	307	535	98
Others	333	(625)	(292)	(445)	153	-	153	(396)
Adjustment for tax inflation (1)	-	(295)	(295)	1,960	(2,246)	(9)	(2,255)	3,208
Contract assets and contracts liabilities	(4,021)	-	(4,021)	(1,060)	(1,712)	(1,249)	(2,961)	4,891
Intangible assets	(279)	(7,299)	(7,578)	(501)	(5,646)	(1,431)	(7,077)	(918)
Inventories	2,740	(10,931)	(8,191)	(6,411)	(2,398)	618	(1,780)	(2,865)
Property, plant and equipment	(3,895)	(10,590)	(14,485)	(1,491)	(9,719)	(3,275)	(12,994)	(1,822)
<b>Total</b>	<b>3,826</b>	<b>(4,695)</b>	<b>(869)</b>	<b>(8,122)</b>	<b>11,136</b>	<b>(3,883)</b>	<b>7,253</b>	<b>12,439</b>

(1) Tax inflation adjustment: Argentinian Law No. 27,430 sets out the following rules for the application of the income tax inflation adjustment mechanism. The application of the adjustment provided for by Title VI of the Income Tax Law when variations in the above-mentioned index exceed 100% over the 36 months preceding the closing of the fiscal period to be settled; alternatively, for the first, second and third fiscal year as from its effective date, this proceeding will apply in case the accumulated variation in such price index, calculated from the beginning of the first fiscal year to the closing of each fiscal year, are higher than 55%, 30% and 15% for the years 2018, 2019 and 2020, respectively.

Law No. 27,541 provides that, as regards the positive or negative fiscal inflation adjustment determined as a result of the application of the adjustment provided for by Title VI of the Income Tax Law corresponding to the first and second fiscal year starting as from January 1, 2019, one-sixth (1/6) should be charged in that fiscal period and the remaining five sixths (5/6), in equal parts, in the five immediately following fiscal periods. As of the fiscal years beginning on January 1, 2021, the adjustment for tax inflation for the fiscal year is computed in its entirety.

As of December 31, 2019 and 2020, the cumulative variation in the IPC exceeds the 30% and 15% condition set for the third and second transition years, and, therefore, the Group has applied the tax inflation adjustment in the calculation of the current and deferred income tax provision starting on 2019 fiscal period.

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences. The directors believe it is probable that these assets will be recovered based on projections of the business.

*b) The tax loss carry forward detail is as follows:*

	<b>2023</b>	<b>2022</b>
Expire		
2023	-	4
2024	-	3,930
2025	795	3,613
2026	406	1,855
2027	4,126	18,804
2028	18,047	-
Unlimited	5,089	5,859
	<b>28,463</b>	<b>34,065</b>



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### 11. Property, plant and equipment

	Land and buildings	Plant and Equipment (3)	Fixtures and fittings	Assets under construction	Right of use asset (4)	Total
<b>Cost</b>						
<b>Balance as of December 31, 2021</b>	<b>7,825</b>	<b>130,962</b>	<b>734</b>	<b>1,901</b>	<b>3,951</b>	<b>145,373</b>
Additions	44	21,203	107	8,675	1,949	31,978
Disposals	-	(41)	-	-	(80)	(121)
Transfers	-	1,495	-	(1,495)	-	-
Contract modifications	-	-	-	-	-	-
<b>Balance as of December 31, 2022</b>	<b>7,869</b>	<b>153,619</b>	<b>841</b>	<b>9,081</b>	<b>5,820</b>	<b>177,230</b>
Additions	2	9,386	91	4,613	1,083	15,175
Disposals	-	(2,661)	-	-	(950)	(3,611)
Transfers (2)	-	3,492	-	(3,691)	-	(199)
Contract modifications	-	-	-	-	283	283
<b>Balance as of December 31, 2023</b>	<b>7,871</b>	<b>163,836</b>	<b>932</b>	<b>10,003</b>	<b>6,236</b>	<b>188,878</b>
<b>Depreciation and impairment</b>						
<b>Balance as of December 31, 2021</b>	<b>(626)</b>	<b>(75,577)</b>	<b>(297)</b>	<b>-</b>	<b>(1,445)</b>	<b>(77,945)</b>
Depreciation charge for the year (1)	(941)	(13,615)	(59)	-	(1,027)	(15,642)
Disposals	-	11	-	-	69	80
<b>Balance as of December 31, 2022</b>	<b>(1,567)</b>	<b>(89,181)</b>	<b>(356)</b>	<b>-</b>	<b>(2,403)</b>	<b>(93,507)</b>
Depreciation charge for the year (1)	(519)	(14,124)	(71)	-	(1,197)	(15,911)
Disposals	-	2,407	-	-	228	2,635
Contract modifications	-	-	-	-	1,567	1,567
<b>Balance as of December 31, 2023</b>	<b>(2,086)</b>	<b>(100,898)</b>	<b>(427)</b>	<b>-</b>	<b>(1,805)</b>	<b>(105,216)</b>
<b>Net book value</b>						
<b>As of December 31, 2022</b>	<b>6,302</b>	<b>64,438</b>	<b>485</b>	<b>9,081</b>	<b>3,417</b>	<b>83,723</b>
<b>As of December 31, 2023</b>	<b>5,785</b>	<b>62,938</b>	<b>505</b>	<b>10,003</b>	<b>4,431</b>	<b>83,662</b>

(1) Depreciation charge was partially recognised in cost of sales amounting to US\$15,034 (2022: US\$12,632), in selling, general and administrative expenses US\$877 (2022: US\$2,966), in the consolidated statement of comprehensive income; and the remaining balance US\$48 (2022: US\$44) capitalised.

(2) Transfer disclosed in the amount of (US\$ 199) is explained by equipment whose intended utilisation in the organisation changed from plant and equipment to Inventory according to business needs.

(3) As of December 31, 2023, the net carrying amount of leased machinery was 17,897 US\$ (2022:11,962).

(4) Please refer to note 27 for details on current and non-current lease liabilities.

### Security

The loan agreement entered between Karadeniz Powership Suheyla Sultan Company (as lender) and Galileo Global Technologies Ltd (as borrower) for US\$ 10,000 was partially guaranteed with a first ranking security interest over plant and equipment, whose carrying amount is US\$ 2,064 at year-end (2022: nil).

In regards to this loan agreement, the Group received funds in the amount of US\$ 7,000 in 2023, and the remaining US\$3,000 were received during the first quarter of 2024. The outstanding amount of this loan as of 31 December 2023 amounts to US\$ 7,099 (2022: nil).

### 12. Goodwill and intangible assets

	Goodwill	Intellectual property	Software	Total intangible assets
<b>Cost</b>				
<b>Balance as of December 31, 2021</b>	<b>28,768</b>	<b>35,245</b>	<b>2,780</b>	<b>38,025</b>
Additions	-	6,641	119	6,760
	-	(15)	15	-
<b>Balance as of December 31, 2022</b>	<b>28,768</b>	<b>41,871</b>	<b>2,914</b>	<b>44,785</b>
Additions	-	6,571	115	6,686
<b>Balance as of December 31, 2023</b>	<b>28,768</b>	<b>48,442</b>	<b>3,029</b>	<b>51,471</b>
<b>Amortisation and impairment</b>				
<b>Balance as of December 31, 2021</b>	<b>-</b>	<b>(14,363)</b>	<b>(1,214)</b>	<b>(15,577)</b>
Amortisation charge	-	(5,228)	(474)	(5,702)
<b>Balance as of December 31, 2022</b>	<b>-</b>	<b>(19,591)</b>	<b>(1,688)</b>	<b>(21,279)</b>
Amortisation charge	-	(6,357)	(409)	(6,766)
<b>Balance as of December 31, 2023</b>	<b>-</b>	<b>(25,948)</b>	<b>(2,097)</b>	<b>(28,045)</b>
<b>Net book value</b>				
<b>As of December 31, 2022</b>	<b>28,768</b>	<b>22,280</b>	<b>1,226</b>	<b>23,506</b>
<b>As of December 31, 2023</b>	<b>28,768</b>	<b>22,494</b>	<b>932</b>	<b>23,426</b>



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### 13. Impairment testing Intangible assets, goodwill and deferred tax assets

For the purpose of goodwill impairment testing, the Cash-Generating Unit (“CGU”) that we consider is the Galileo Global Technologies Limited CGU which is comprised of companies Galileo Technologies Corporation, Galileo Technologies S.A. and Galileo Rental S.A. (during 2021 Galileo Rental S.A. was merged into Galileo Technologies S.A.). These companies are considered as the goodwill arose upon their acquisition in April 2016. The carrying value of the GGT CGU is US\$209,017 (2022: US\$181,254).

The fair value of goodwill is primarily based on Level 3 inputs, which represent unobservable inputs for the asset or liability. The fair value of goodwill is determined using a combination of valuation techniques, including the income approach (discounted cash flow method) and the market approach.

These techniques incorporate significant inputs and assumptions, including revenue growth rates, discount rates, and market multiples, which are derived from observable market data or are based on the best information available. Values assigned to the key assumptions represent management assessment of future trend in the relevant industries and have been based on historical data from internal sources.

The key assumptions used in the estimation of value in use are set out below:

The values assigned to the key assumptions represent management assessment of future trend in the relevant industries and have been based on historical data from internal sources.

	2023	2022
Discount rate	9.9%	10.2%
Perpetuity growth	2%	2%
Budgeted EBITDA growth rate (average of next four years)	22%	32%

The discount rate was calculated using a WACC rate based on a market participator rate calculated from comparable listed companies. Four years of cash flows were included in the discount cash flow model. The forecast assumes growth over that four-year period in line with historic levels and reflecting current forecast of future sales.

Budgeted EBITDA was based on expectations of future outcomes considering past experience, adjusted for anticipated revenue growth. Revenue growth was projected considering the average growth levels experienced over the past years and the estimated sales volume and price growth for the next four years. Beyond the next four years, we have assumed no further real growth and have assumed nominal growth of 2% in line with our long-term inflation expectations.

Management completed their impairment testing and there was headroom of over US\$554,771 (2022: US\$470,933)

A sensitivity test was undertaken identifying two key assumptions:

- i. discount rate; and
- ii. perpetuity growth.

Using a discount rate of 21% causes the carrying amount to exceed the fair value of the goodwill and intangibles by over US\$126,019 (2022: US\$118,068).

Using a perpetuity growth rate of negative 5% results in a headroom of US\$303,395 (2022: US\$367,731).

### 14. Inventories

	2023	2022
<b>Current</b>		
Raw materials (net of obsolescence provision)	48,828	39,081
Work in progress	4,024	4,997
Finished goods (net of obsolescence provision)	2,826	1,209
Goods for maintenance fixed assets	2,079	2,110
Goods in transit	1,370	2,260
	<u>59,127</u>	<u>49,657</u>

Raw materials, finished products, and work in progress sold during the year were included in the total cost of sales of the year, amounting to US\$107,702 (2022: US\$78,588); in the consolidated statement of comprehensive income.

Provision for obsolete inventories amounted to US\$2,539 as of December 31, 2023 (2022: US\$2,112).



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### 15. Other receivables

	<b>2023</b>	<b>2022</b>
<b>Non-current</b>		
Other receivables	123	267
Related parties receivables	12,453	11,181
	<b>12,576</b>	<b>11,448</b>
	<b>2023</b>	<b>2022</b>
<b>Current</b>		
Other receivables	3,738	2,360
Prepayments	3,687	2,228
Financial trusteeship values	-	392
	<b>7,425</b>	<b>4,980</b>

### 16. Trade receivables

	<b>2023</b>	<b>2022</b>
<b>Current</b>		
Trade receivables	17,945	17,975
Trade receivables associates	2,858	755
Impairment of accounts receivable (note 26)	(1,726)	(2,004)
	<b>19,077</b>	<b>16,726</b>

All trade receivables are due within twelve months.

The Group does not hold any collateral as security.

Trade receivables with associates are unsecured, interest-bearing and repayable on demand.

Based on the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. The Group determined the loss allowance for the year of US\$263 (2022: US\$259); included in the selling, general and administrative expenses on the consolidated statement of comprehensive income.

### 17. Contract assets and contract liabilities

#### Contract assets

	<b>2023</b>	<b>2022</b>
<b>Current</b>		
Contract assets percentage of completion	2,239	7,971
	<b>2,239</b>	<b>7,971</b>

All contract assets are due within 12 months.

#### Contract liabilities

	<b>2023</b>	<b>2022</b>
<b>Current</b>		
Contract liabilities percentage of completion	(1,490)	(676)
Contract liabilities percentage of completion with associates	(2,933)	-
	<b>(4,423)</b>	<b>(676)</b>

All contract liabilities are due within twelve months.

The following table represents changes in our contract assets and contract liabilities balances as of December 31, 2023:

	Customer	A (1)	B	C (3)	D	F	G	H	I	J	K	L	Total
Unbilled contract revenue		-	-	-	586	-	-	35	39	-	1,579	-	2,239
Customer advances and billings in excess of contract revenue		(2,933)	-	-	-	-	-	-	-	(1,290)	-	(200)	(4,423)
Revenue recognised in the year (note 3)		22,456	840	(3,130)	1,619	1,971	4,130	2,635	3,821	1,221	11,614	-	47,177
Revenue recognised in the year %		47.59	1.78	(6.63)	3.43	4.18	8.75	5.59	8.10	2.59	24.62	-	100.00
Deferred revenue 2024 (2)		4,544	-	-	85	-	-	4,365	-	4,651	8,707	28,835	51,187

(1) Associate

(2) During the year 2023 new orders were received from customers I, J, K and L for a total amount of US\$58,850.

(3) Order cancelled during the year after long-term negotiations.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### 17. Contract assets and contract liabilities (continued)

The following table represents changes in our contract assets and contract liabilities balances as of December 31, 2022:

Customer	A (1)	B	C	D	E	F	G	H	Total
Unbilled contract revenue	-	-	-	3,027	-	4,874	70	-	7,971
Customer advances and billings in excess of contract revenue	-	(576)	-	-	-	-	-	(100)	(676)
Revenue recognised in the year (note 3)	9,302	9,270	-	58	37	4,892	1,870	-	25,429
Revenue recognised in the year %	36.59	36.45	-	0.23	0.15	19.23	7.35	-	100.00
Deferred revenue 2023 (2)	-	960	117	-	-	2,364	4,130	7,000	14,571

(1) Associate

(2) During the year 2022 new orders were received from customers F, G and H for a total amount of US\$20,256.

### 18. Tax receivables

	2023	2022
<b>Non-current</b>		
Withholdings and surcharges	290	569
	<b>290</b>	<b>569</b>
<b>Current</b>		
Value added tax credits	7,656	14,846
Export rebates	5,799	5,463
Others tax credits	352	489
Governments grants	-	111
	<b>13,807</b>	<b>20,909</b>

### 19. Cash and cash equivalents

	2023	2022
<b>Current</b>		
Cash at banks and on hand	9,136	6,499
Short- term investments	510	23,544
	<b>9,646</b>	<b>30,043</b>

As of December 31, 2023, a subsidiary of the Group had restricted cash of US\$310 related to commercial orders (2022: US\$1,316).

### 20. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate and foreign currency risk, see note 26.

	2023	2022
<b>Current</b>		
Secured loan third parties	6,220	7,434
Bank loans	3,203	10,873
Related parties	1,985	1,708
Secured bank loans	1,816	-
Government loan subsidy	83	84
	<b>13,307</b>	<b>20,099</b>
<b>Non-current</b>		
Related parties	185,763	159,773
Secured loan third parties	29,265	27,080
Secured bank loans	1,629	-
Bank loans	33	6
Government loan subsidy	25	108
Loan third parties	-	25,000
	<b>216,715</b>	<b>211,967</b>



**20. Loans and borrowings (continued)**

*a) Terms and debt repayment schedule*

The terms and debt repayment schedule as of December 31, 2023 were as follows:

<u>Loan lender</u>	<u>Debt instrument</u>	<u>Interest rate</u>	<u>Maturity date</u>	<u>Currency</u>	<u>Carrying amount</u>
Related parties	Loan	10%	2027 (5)	US\$	175,806
Related parties (3)	Loan	2.5% + SOFR 90	2025	US\$	10,112
Related parties	Loan	10%	2022	US\$	1,820
Related parties	Loan	10%	2028	US\$	10
Loan third parties (1)	Secured borrowings	9.50% + 90-SOFR	2027	US\$	27,795
Loan third parties (2)	Secured borrowings	2.50% + SOFR 90	2025	US\$	7,099
Loan third parties	Secured borrowings	8.49%	2024 - 2025	US\$	591
Secured bank loans	Secured bank loan	14.84%	2024 – 2025	US\$	3,446
Bank loans (4)	Unsecured loans	Average 150.40%	2024	US\$	3,192
Bank loans (4)	Unsecured loans	Average 143.30%	2024 - 2026	US\$	32
Bank loans (5)	Government loan subsidy	1%	2024 – 2025	US\$	119
					<b>230,022</b>

(1) Secured loan agreement subscribed between Galileo Technologies Corporation (as borrower) and Morgan Stanley Senior Funding, Inc. (as lender and sole lead arranger) together with other lenders on May 2, 2022, that produced the receiving of a disbursement for a total amount of US\$37,500, less initial transactions costs, with a five-year maturity and quarterly principal and interest payments.

The loan agreement establishes covenants that must be fulfilled by the Group with certain financial and operation indicators, and the security package of the arrangement includes security interests, liens, pledges and other collaterals.

(2) Karadeniz Powership Suheyla Sultan Company entered into two separate US\$5,000 loan agreements each with the Company in September and December 2023. Principal is due to be repaid on the second anniversary of each loan utilisation date respectively, and interests are due to be paid annually.

This borrowing is secured by: (a) first ranking security interest pledge over plant and equipment items, whose carrying amount as of December 31, 2023 amounts to US\$ 2,064; and (b) an assignment in security (or equivalent) in favour of the lender in respect of the receivables owed to Galileo Technologia para Gas Ltda. in respect of rental of the equipment these plant and equipment items.

In regards to above mentioned loan agreement, the Group received disbursements in the amount of US\$7,000 in 2023. Remaining disbursement of US\$3,000 was received in 2024

(3) Furthermore, Galileo Guernsey Limited also entered into two separate US\$5,000 loan agreements each with the Company in September and December 2023. Principal is due to be repaid on the second anniversary of each loan utilisation date respectively, and interests are due to be paid annually.

(4) In regards to unsecured borrowings, the Group presents short-term bank loans and leasings in Argentinian pesos. Average annual interest rate for bank loans is 150.40%, and the average annual interest rate for leasing related loans is around 143.40%.

(5) Government loan subsidy amount is composed by a loan received from U.S. Government through the Bank of the West as an aid for companies who paid salaries during the outbreak of Covid-19.

The terms and debt repayment schedule of as December 31, 2022 were the follows:

<u>Loan lender</u>	<u>Debt instrument</u>	<u>Interest rate</u>	<u>Maturity date</u>	<u>Currency</u>	<u>Carrying amount</u>
Related parties	Loan	10%	2027 (5)	US\$	159,826
Related parties	Loan	10%	2022	US\$	1,655
Loan third parties (1)	Loan	5%	2027	US\$	25,000
Loan third parties (2)	Secured borrowings	9.50% + 90-SOFR	2027	US\$	34,514
Bank loans (3)	Unsecured loans	Average 4.35%	2023	US\$	3,780
Bank loans (3)	Unsecured loans	Average 84.80%	2023	AR\$	7,099
Bank loans (4)	Government loan subsidy	1%	2023 – 2025	US\$	192
					<b>232,066</b>

(1) Loan agreements subscribed between Galileo Technologies S.A. and Methax S.A. (both as borrowers) and Halliburton Argentina S.R.L. (as Lender) for a total amount of US\$25,000, each, on December 29, 2022. First disbursement to both Galileo Technologies S.A. and Methax S.A. (US\$12,500 each) was made on December 30, 2022.

This loan accrues interests on the outstanding principal at a fixed 5% per annum, to be paid annually. In addition, this debt instrument is guaranteed by Galileo Holdco 2 Limited, and contemplates its conversion into Convertible Loan Note (“CLN”) and Senior Loan Notes (“SLN”) in the conditions agreed by both parties.

(2) Secured loan agreement subscribed between Galileo Technologies Corporation (as borrower) and Morgan Stanley Senior Funding, Inc. (as lender and sole lead arranger) together with other lenders on May 2, 2022, that produced the receiving of a disbursement for a total amount of US\$ 37,500, less initial transactions costs, with a five-year maturity and quarterly interest payments.

The loan agreement establishes covenants that must be fulfilled by the Group with certain financial and operation indicators, and the security package of the arrangement includes security interests, liens, pledges and other collaterals.

(3) In regards to unsecured borrowings, the Group presents short-term bank loans both in Argentinian pesos and US dollars. Average annual interest rate for loans taken in US dollars is 4.35%, and the average annual interest rate for loans taken in Argentinian pesos is around 84.80%.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

## 20. Loans and borrowings (continued)

(4) Government loan subsidy amount is composed by a loan received from U.S. Government through the Bank of the West as an aid for companies who paid salaries during the outbreak of Covid-19.

(5) Maturity date of the loans with related parties was extended to 2027 due to debt subordination in the terms of the senior loan agreement subscribed in 2023 with Morgan Stanley Senior Funding Inc and Other lenders, except for those loans expressly agreed in the senior loan agreement. For further details, please refer to note 20 a) (2).

### b) Changes in Group financing liabilities as of December 31, 2023:

	As of December 31, 2022	Foreing exchange (profits) /loss	Loans received	Loans payments	Capital contribution in subsidiaries (note 29)	(Interest and cost accrued)	Interest payment	As of December 31, 2023
Bank loans	10,879	(2,006)	13,000	(18,281)	-	4,548	(4,904)	3,236
Government loan subsidy	192	-	-	(81)	-	-	(3)	108
Secured bank loans	-	-	3,381	-	-	64	-	3,445
Secured loan third parties (1)	34,514	-	7,786	(7,699)	-	5,781	(4,897)	35,485
Loan – third parties	25,000	-	25,000	-	(51,660)	1,660	-	-
Loan - related parties	161,481	-	10,010	-	-	16,408	(151)	187,748
	<u>232,066</u>	<u>(2,006)</u>	<u>59,177</u>	<u>(26,061)</u>	<u>(51,660)</u>	<u>28,461</u>	<u>(9,955)</u>	<u>230,022</u>

### Changes in Group financing liabilities as of December 31, 2022:

	As of December 31, 2021	Foreing exchange (profits) /loss	Loans received	Loans payments	Loan forgiveness	(Interest and cost accrued)/ Interest condoned	Interest payment	As of December 31, 2022
Bank loans	12,950	(1,374)	18,500	(19,696)	-	3,907	(3,408)	10,879
Government loan subsidy	554	-	-	(54)	(300)	4	(12)	192
Other financial institutions	19,020	-	-	(18,536)	-	(484)	-	-
Secured bank loans	2,225	29	703	(2,883)	-	114	(188)	-
Secured loan third parties (1)	-	-	33,154	-	-	3,521	(2,160)	34,514
Loan – third parties	-	-	25,000	-	-	-	-	25,000
Loan - related parties	114,695	-	33,000	-	-	13,786	-	161,481
	<u>149,444</u>	<u>(1,345)</u>	<u>110,357</u>	<u>(41,169)</u>	<u>(300)</u>	<u>20,848</u>	<u>(5,768)</u>	<u>232,066</u>

## 21. Trade and other liabilities

	2023	2022
<b>Current</b>		
Trade payables due to third parties	33,009	45,470
Payments in advance from customers	12,357	11,748
Related parties	1,021	595
Lease liabilities	998	1,122
Other liabilities	544	117
Payments in advance from associates	385	997
Securitisation deferred income	-	1,829
	<u>48,314</u>	<u>61,878</u>
<b>Non-current</b>		
Lease liabilities	3,581	2,680
Other liabilities	613	87
Related parties	1,275	1,811
Trade payables due from third parties	365	534
	<u>5,834</u>	<u>5,112</u>

## 22. Payroll and social security liabilities

	2023	2022
<b>Current</b>		
Accrued bonus	2,431	2,129
Accrued bonus related parties	2,327	2,473
Salaries and social security contributions	2,227	4,398
Accrued vacations	909	1,465
Salaries and social security contributions related parties	12	17
	<u>7,906</u>	<u>10,482</u>



**23. Tax payables**

	2023	2022
<b>Current</b>		
Other taxes payable	191	361
Tax withholdings to be deposited	150	471
Selling taxes	48	160
	<u>389</u>	<u>992</u>

**24. Provisions**

	2023	2022
<b>Current</b>		
Warranties	935	1,537
Labour and legal claims	43	566
	<u>978</u>	<u>2,103</u>

	2023	2022
<b>Non-current</b>		
Asset retirement obligations	169	107
Labour and Legal claims	79	200
	<u>248</u>	<u>307</u>

The movements for the provisions during the year was as follows:

	Warranties (1)	Labour and legal claims (2)	Asset retirement obligations (3)	Total
<b>Balance as of December 31, 2021</b>	<u>1,213</u>	<u>332</u>	<u>172</u>	<u>1,717</u>
Provisions made during the year	581	584	-	1,165
Provisions used during the year	(90)	(73)	-	(163)
Provisions reversed during the year	(167)	(3)	-	(170)
Unwinding of the discount	-	-	(65)	(65)
Foreign exchange	-	(74)	-	(74)
<b>Balance as of December 31, 2022</b>	<u>1,537</u>	<u>766</u>	<u>107</u>	<u>2,410</u>
Provisions made during the year	306	16	-	322
Provisions used during the year	(2)	(334)	-	(336)
Provisions reversed during the year	(906)	(261)	-	(1,167)
Unwinding of the discount	-	-	62	62
Foreign exchange	-	(65)	-	(65)
<b>Balance as of December 31, 2023</b>	<u>935</u>	<u>122</u>	<u>169</u>	<u>1,226</u>

(1) Warranty provisions are constituted with every sale to reflect expected future warranty claims from customers. The provision is determined based on sale price and historic claim information.

(2) Includes provisions for labour and commercial disputes. The decrease observed in 2023 is explained by a settlement agreement reached with a supplier in 2023

(3) Decommissioning provision was calculated in accordance to estimated dismantling costs of the Anchoris plant owned by Galileo Technologies S.A. that is located on a third-party ground, Galileo Technologies S.A can use the ground while the contract with Cammesa is in force.

While the Group uses its best estimates and judgement, actual results could differ from these estimates. In estimating decommissioning provisions, the Group applies an US annual average inflation rate is 7.7% (2022: 3.15%) and an annual discount rate of 42.43% (2022: 45.96%).

The ultimate decommissioning costs are uncertain, and cost estimates can vary in response to many factors, cost increases as compared to the inflation rates and changes in discount rates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at the reporting date represents management's best estimate of the present value of the future dismantling costs required.

**25. Investments and other financial assets**

	2023	2022
<b>Current</b>		
Participation trustee assets	-	235
Securities	-	213
	<u>-</u>	<u>448</u>



## 26. Financial instruments

### a) Fair values of financial instruments

#### I). Fair values

The different levels of fair value hierarchy have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values hierarchy of financial instruments measured at fair value is provided below:

	Amortised cost	At fair value through profit or loss	Amortised cost	At fair value through profit or loss
	2023	2023	2022	2022
<b>Financial assets</b>				
Cash and cash equivalents	9,136	510	6,499	23,544
Trade receivables	19,077	-	16,726	-
Investments and other financial assets	-	-	-	448
Other receivables	15,701	-	11,807	198
<b>Total financial assets</b>	<b>43,914</b>	<b>510</b>	<b>35,032</b>	<b>24,190</b>
<b>Financial liabilities</b>				
Trade and other liabilities	(40,803)	-	(52,289)	-
Payroll and social security liabilities	(6,631)	-	(7,434)	-
Loans and borrowings	(232,942)	-	(235,863)	-
<b>Total financial liabilities</b>	<b>(280,376)</b>	<b>-</b>	<b>(295,586)</b>	<b>-</b>
<b>Total financial instruments</b>	<b>(236,462)</b>	<b>510</b>	<b>(260,554)</b>	<b>24,190</b>

Mutual fund, participation trustee assets and securities are classified as level 2, other financial instruments are classified as level 3.

#### Financial instruments not measured at fair value

Financial instruments not measured at fair value includes trade and other receivables, trade and other payables, and loans and borrowings. Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximates their fair value.

For details of the fair value hierarchy, valuation techniques, and significant unobservable inputs related to determining the fair value of loans and borrowings, see note 20. The carrying amount approximates the fair value.

#### b) Credit risk

##### I) Financial risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash balances and receivables from customers.

Trade receivables are subject to credit limits, and control and approval procedures.

Credit risk associated with cash balances is managed by transacting with major financial institutions and periodically reviewing their credit worthiness.

##### II) Exposure to credit risk

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 26 (a).



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

## 26. Financial instruments (continued)

### III) Credit quality of financial assets and impairment losses

The lifetime expected credit loss provision for trade receivables is as follows:

December 31, 2023	Current	Past due 0-30 days	Past due 31-90 days	Past due 91-180 days	More than 180 days	Total
Gross carrying amount	7,281	1,875	3,752	3,430	4,466	20,804
Expected credit recovery provision						(479)
Impairment of trade receivables						(1,248)

December 31, 2022	Current	Past due 0-30 days	Past due 31-90 days	Past due 91-180 days	More than 180 days	Total
Gross carrying amount	3,855	1,560	5,411	312	7,592	18,730
Expected credit recovery provision	-	-	-	-	-	(403)
Impairment of trade receivables	-	-	-	-	-	(1,601)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2023	2022
<b>Balance at the beginning of the year</b>	(2,004)	(1,855)
Impairment of trade receivables	(263)	-
Impairment used during the year	367	(259)
Foreign exchange	173	110
<b>Balance at the end of the year</b>	<u>(1,727)</u>	<u>(2,004)</u>

The allowance account for trade receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amounts considered irrecoverable are written off against the trade receivables.

### c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The following are the contractual maturities of financial liabilities, including estimated interest payments:

	Contractual cash flows	1 year or less	1 to <2years	2 to <5years	<5years	Contractual cash flows	1 year or less	1 to <2years	2 to <5years	<5years
	2023	2023	2023	2023	2023	2022	2022	2022	2022	2022
<b>Non-derivative financial liabilities</b>										
Loans and borrowings	(319,054)	(21,089)	(32,007)	(265,958)	-	(341,400)	(25,604)	(8,232)	(307,564)	-
Trade and other liabilities	(55,364)	(49,902)	(1,347)	(3,502)	(613)	(68,601)	(63,991)	(1,442)	(2,617)	(551)
Payroll and social security liabilities	(6,703)	(6,703)	-	-	-	(7,434)	(7,434)	-	-	-
<b>Total</b>	<u>(381,121)</u>	<u>(77,694)</u>	<u>(33,354)</u>	<u>(269,460)</u>	<u>(613)</u>	<u>(417,435)</u>	<u>(97,029)</u>	<u>(9,674)</u>	<u>(310,181)</u>	<u>(551)</u>

### d) Market risk

#### I) Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments.

At the financial statements date the Group's interest-bearing financial instruments were shown in note 20.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

## 26. Financial instruments (continued)

### II) Foreign currency risk

The Group's exposure to foreign currency risk is as follows. This is based on the carrying amount for monetary financial instruments.

	US Dollar 2023	US Dollar 2022
<b>Financial Assets</b>		
Argentine Peso (ARS)	2,178	29,103
Euro (EUR)	4,448	207
Pound Sterling (GBP)	113	59
Brazilian Real (BRL)	8,332	341
	<u>15,071</u>	<u>29,710</u>
	US Dollar 2023	US Dollar 2022
<b>Financial Liabilities</b>		
Argentine Peso (ARS)	(9,572)	(22,844)
Euro (EUR)	(844)	(845)
Pound Sterling (GBP)	(1,268)	(764)
Brazilian Real (BRL)	(91)	(225)
Others	(11)	(3)
	<u>(11,786)</u>	<u>(24,681)</u>
	US Dollar 2023	US Dollar 2022
<b>Net Financial Assets (Liabilities)</b>		
Argentine Peso (ARS)	(7,394)	6,259
Euro (EUR)	3,604	(638)
Pound Sterling (GBP)	(1,155)	(705)
Brazilian Real (BRL)	8,241	116
Others	(11)	(3)
	<u>3,285</u>	<u>5,029</u>

Galileo operates mainly in US Dollars and Argentinean Pesos, exposing the business to fluctuations in the US\$ / AR\$ exchange rate. Galileo's functional currency is the US Dollar, which limits the impact of large fluctuations in US\$ / AR\$ exchange rate. A majority of revenue and cost of sales are denominated in US Dollars, so the majority of currency fluctuations occur in locally sourced costs in Argentina.

The Group considers 60% to measure sensitivity because it considers it to be an appropriate percentage to cover the variation in the historical exchange rate of the Argentine Peso.

A 60% increase in the Argentinean Peso US Dollar exchange rate would have not had a material impact in the sales of the Group and would have an impact of decreasing the cost of sales of the Group of approximately 8.83% (2022: decreasing 22.91%). Out of the total cost incurred in the 2023 year, the cost incurred in AR\$ represents the 23.56% out of the total (2022: 33.15%).

A 60% increase in the Argentinean Peso US Dollar exchange rate would have a decreasing impact in net liabilities of the group of approximately 1.18% (2022: 0.99% decreasing in net liabilities) for an approximate amount of US\$2,773 (2022: US\$2,347 decreasing in net liabilities).

### e) Interest rate risk

The Group has borrowings that incur interest at fixed and floating rates. The Group's fixed rate borrowings comprise the borrowings as disclosed in note 20.a. Management constantly monitors the floating interest rates so that action can be taken should it be considered necessary. Management considered the impact of a change in the floating interest rate to the Group's financial results as the quantum of borrowings at floating rates is US\$47,000 (2022: US\$37,500). In the current year, the impact of a 100 basis point increase/decrease would result in a financial loss/gain of US\$470 (2022: US\$375).

### f) Reconciliation of loans and borrowings

Please see reconciliation of loans and borrowings at note 20 "Loans and borrowings", section b which describes the changes in group financing liabilities.



## 27. Lease liability

### a) Description of the main leases, terms and modifications

*United States of America:* Assembly plant located in New Jersey, USA: In March 2019, a contract was signed for the lease of a land and building that currently is being used as an assembly plant that is necessary for the manufacturing activities that the Group carries out in the USA.

This contract ends on April 30, 2024, and foresees the option to renew it until March 31, 2029. In regard to this renewal option, according to the needs of the business, management estimates that it will renew this lease contract for another five (5) years, and therefore the right of use asset and liabilities accounted for this lease were re-estimated accordingly.

In addition, the lease of the office located in Arcadia, California, USA was terminated in February 2023.

*France:* Lease agreement for administrative, commercial and operational office located in Connerre; France was signed on 2021, with a renewal option to 3/6/9 years. Management will evaluate periodically whether this option will be taken. As the first maturity date is in 2024, management has not yet made a decision about it, and it is not considered reasonably certain that the option will be taken.

*Peru:* Liquefied Natural Gas Processing Plant located in Paita, Perú.

*Brazil:* lease agreement signed for a property, composed by two (2) commercial complexes located in San Pablo, Brazil.

*Argentina:* Properties for operational activities: Main leases held by the Group consist of land and warehouses which are necessary for the provision of services. In addition, the Group leases three plants of an office building for administrative offices use.

*Vehicles:* As of December 31, 2023, the Group still had 28 vehicles for lease that are used by technical service personnel. Depending on operational needs, this fleet may increase. These lease contracts reviewed and renewed semi-annually.

The right-of-use assets recognised as of December 31, 2023 are disclosed in the note 11.

There are no leases not yet commenced to which the lessee is committed.

### b) Lease guarantees

As of December 31, 2023, the balance of guarantees for leasing is US\$123 (US\$112). This balance is mainly composed by US\$108 which corresponds to the assembly plant located in USA, and US\$13 to the lease contract signed in Connerre, France, and the remaining US\$6 balance to other leases.

### c) Lease liabilities

The evolution of the lease liability for the year is as follows:

	2023	2022
<b>Balance at the beginning of the year</b>	<b>3,803</b>	<b>2,818</b>
Additions	1,196	1,806
Contract modification	1,846	146
Disposals	(932)	(12)
Discounted value measurement (1)	729	516
Payments	(1,425)	(1,194)
Foreign exchange	(638)	(277)
<b>Balance at the end of the year</b>	<b>4,579</b>	<b>3,803</b>

(1) Included in other financial expenses, under finance expenses in the consolidated statement of comprehensive income.

(2) The total cash outflow for leases in 2023 was US\$1,425 (2022: US\$ 1,216).

This liability is disclosed under trade and other liabilities (see note 21).

	2023	2022
Current	998	1,122
Non-current	3,581	2,680
	<b>4,579</b>	<b>3,802</b>

The following table includes an analysis of the Group lease liabilities, according to their maturity dates. The amounts shown in the table are the contractual undiscounted cash flows:

	Total	1 year or less	1 to <2years	2 to <5years	5 years
<b>Lease liabilities as of December 31, 2022</b>	5,541	1,465	1,224	2,302	550
<b>Lease liabilities as of December 31, 2023</b>	6,349	1,323	1,129	3,291	606

### d) Short-term or low value leases

As of December 31, 2023, the Group has recognized in selling, general and administrative expenses for an amount US\$234 (2022: US\$117) on account of lease payments associated with short-term.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

## 27. Lease liability (continued)

### e) Lease modification

*United States of America:* In regards to the lease agreement signed for the assembly plant located in New Jersey in 2019, this contract originally contemplated its end on April 30, 2024 and provided the option to renew it until March 31, 2029.

As result of annual management evaluation, the useful life estimation of this lease was updated to reflect Group's intention to renew the leasing contract for another five (5) years counting from December 31, 2023 onwards, and therefore the right of use asset and liabilities accounted for this lease were re-estimated accordingly. No asset was added nor removed.

*Argentina:* Operating lease:

As result of the annual management evaluation, the useful life estimation of the warehouse located in Buenos Aires, Argentina was updated to reflect Group's intention to continue using this facility for at least ten (10) additional years counting from July 31, 2023 onwards.

Consequently, the right-of-use asset and liability were re-estimated. Re-estimation was made to reflect asset useful life new estimation only, and it does not add, nor remove any additional asset.

## 28. Leases as lessor

Machineries leased by the Group ("lessor") to its clients ("lessees") are operating leases where rentals are payable monthly. Lease income from operating leases, where the Group acts as lessor, is recognized on a straight-line basis over the lease term.

On these operating leases, lessor is often responsible for the delivery and commissioning of leased machinery, while lessee is responsible for its maintenance and safe keeping during the lease term. In addition, lessor may also quote on-demand activities such as technical support and training services, and the revenue associated to these services will be recognized when such services are rendered. However, title of the leased machinery is not transferred to lessees.

Although the group is exposed to changes in the residual value at the end of the current leases, the group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases.

Galileo Technologies S.A., indirectly held subsidiary, have equipment under operating lease arrangements to third party customers.

The future minimum lease payments under non-cancellable leases held by Galileo Technologies S.A. are as follows:

	<u>2023</u>	<u>2022</u>
Less than one year	11,591	7,151
Between one and five years	7,454	9,516

During the year ended December 31, 2023 US\$10,256 (2022: US\$11,250) was recognised as rental income by the Group.

## 29. Capital and reserves

### a) Share capital and share premium

	<b>No. of shares 2023 (3)</b>	<b>Nominal value (1) 2023 US \$</b>	<b>Ordinary shares (1) 2023 US \$</b>	<b>Share premium 2023 US \$</b>	<b>No. of shares 2022</b>	<b>Nominal value (1) 2022 US \$</b>	<b>Ordinary shares (1) 2022 US \$</b>	<b>Share premium 2022 US \$</b>
On issue at the beginning of the year	56,672,507	1	56,672,507	21,789,494	56,672,507	1	56,672,507	21,789,494
On issue on September 22, 2023 Issued as a result of assignment agreement (2)	51,659,722	1	51,659,722	-	-	-	-	-
On issue at the end of the year-fully paid	108,332,229	1	108,332,229	21,789,494	56,672,507	1	56,672,507	21,789,494

(1) These figures are not expressed in thousands of US dollars.

(2) In consideration of the Assignee issuing 51,659,722 ordinary shares of USD\$1, Galileo Holdco 2 Limited (the Assignor) assigned and transferred to Galileo Global Technologies Limited (the Assignee) the benefit of all the Assignor's rights, benefits and interest in, and under, the Intra-Group Loan Agreement.

(3) Shares serve as collateral for the loan agreement entered into the Group and Morgan Stanley Senior Funding. As of December 31, 2023, net carrying amount of this obligation is US\$ 27,795 (2022: US\$ 34,515)

Ordinary shares hold full rights in respect of voting and are subject to be considered by the directors when considering dividends. Furthermore, ordinary shares shall be non-redeemable but shall entitle the holder to full participation in respect of equity and in the event of a winding up of the Company.

### b) Other components of equity

Balance of US\$485 (2022: US\$485) relates to 2017 acquisition of ordinary shares. This amount is fully paid in prior years and there are no changes during 2023.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### 30. Commitments

There are no new commitments in the year to mention. See note 2.f.

### 31. Related parties

Directors of the Company control indirectly 47.7% of the voting shares of the Company.

#### Transactions with key management personnel

The compensation of key management personnel, including directors; is as follows, the remaining unpaid is within accounts payable as of December 31, 2023:

	<b>2023</b>	<b>2022</b>
Key management remuneration	1,570	1,404
Employer social security costs	133	135
	1,703	1,539

#### Other related party transactions

The significant balances with related parties were as follows:

		<b>Receivables outstanding 2023</b>	<b>Payables outstanding 2023</b>	<b>Receivables outstanding 2022</b>	<b>Payables outstanding 2022</b>
<b>Related party entities</b>					
Galileo Holdco 2 Limited	(1)	243	(176,697)	198	(160,718)
Galileo Holdco 1 Limited	(2)	3,808	(342)	3,368	(867)
Boson Holding Corporation	(3)	36	(1,818)	19	(1,652)
Edge Gathering Virtual Pipelines 2 LLC	(4)	2,857	(3,318)	756	(997)
Edge Holdco UK Ltd (UK)	(5)	37	-	22	-
Edge International Holdings 2 Inc (USA)	(6)	8,330	-	7,573	-
Galileo Guernsey Ltd.	(7)	-	(10,112)	-	-
<b>Directors</b>					
U. de la Orden	(8)	-	(481)	-	(431)
O. del Campo	(8)	-	(2,468)	-	(2,287)
<b>People connected with Directors</b>					
P. del Campo	(8)		(448)	-	(422)
M. De la Orden			(17)		
		<b>15,311</b>	<b>(195,701)</b>	<b>11,936</b>	<b>(167,374)</b>

- (1) Immediate holding entity of Galileo Global Technologies Ltd.
- (2) Holding entity of Galileo Holdco 2 Limited.
- (3) 50 % holding entity of Galileo Holdco 1 Limited.
- (4) Associate of Galileo Holdco 1 Limited.
- (5) Subsidiary of Galileo Holdco 2 Limited.
- (6) Holding entity of Edge Holdco UK Ltd (UK).
- (7) 50% holding entity of Galileo Holdco 1 Limited.
- (8) Shareholder of Galileo Group.

The remaining related party transactions is due to financing activities and corresponding interest on the borrowings.

During 2023 there were no news capital contributions in associate Edge Gathering Virtual Pipelines 2 LLC (see note 33).



### 32. Investments in subsidiaries

The Group and Company have the following investment subsidiaries during the year 2023 Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Entity	Country of incorporation	Ownership interests %	No. of shares	Type	Registered address	Class of share held in subsidiary undertaking
Comara Compañía de Mandatos de la Región Austral S.A. (1)	Argentina	100	945,000	Subsidiary	Av. Rivadavia 986 P 7º C.A.B.A.	Ordinary shares
Galileo Argentina S.A. (1)	Argentina	100	293,000	Subsidiary	Av. Rivadavia 986 P 7º C.A.B.A.	Ordinary shares
Galileo Technologies S.A.(1)	Argentina	100	641,695,427	Indirectly held subsidiary	Av. Rivadavia 986 P 7º C.A.B.A.	Ordinary shares
GNC Galileo Venezuela S.A.	Venezuela	100	500,000	Indirectly held subsidiary	Av. 97 Torre Cristal Nivel 4 Of. 4-7 Nguanagua, Estado de Carabobo.	Ordinary shares
Gaz Naturel Incorporated	United States of America	100	5,000	Indirectly held subsidiary	11800 Clark Street Arcadia, California.	Ordinary shares
Comusa Incorporated	United States of America	100	5,000	Subsidiary	11800 Clark Street Arcadia, California.	Ordinary shares
Galileo Technologies Corporation	United States of America	100	10,000	Indirectly held subsidiary	11800 Clark Street Arcadia, California, Estados Unidos	Ordinary shares
Methax S.A. (1)	Argentina	100	19,619,929	Indirectly held subsidiary	Av. Rivadavia 986 P 7º C.A.B.A.	Ordinary shares
Methax UK Limited	United Kingdom	100	100	Subsidiary	Aztec Financial Services, Limited Forum 4, Solent Business Park, Parkway South, Whiteley, Fareham, PO15 7AD.	Ordinary shares
Galileo Energía S.A (1).	Argentina	100	100,000	Subsidiary	Av. Rivadavia 986 P 7º C.A.B.A.	Ordinary shares
Enerbine S.A.	Argentina	100	100,000	Subsidiary	Av. Rivadavia 986 P 7º C.A.B.A.	Ordinary shares
Galileo Technologies SAS	France	100	100,000	Indirectly held subsidiary	1-5, rue du 8 mai 1945, 92110 Clichy	Ordinary shares
Edge Europe Holdco Limited	United Kingdom	100	1	Subsidiary	Aztec Financial Services, Limited Forum 4, Solent Business Park, Parkway South, Whiteley, Fareham, PO15 7AD.	Ordinary shares
Galileo Tecnologia para Gas Limited	Brazil	100	1,220,000	Indirectly held subsidiary	Rua Dr. Renato Paes de Barros 750, room B, conj. 32 3 floor, Lexington Building, Itaim Bibi, Municipality of São Paulo.	Ordinary shares

(1) In June 2023, the definitive merger agreement of the Argentine subsidiaries Galileo Energía S.A., Methax S.A., Compañía de Mandatos de la Región Austral S.A. and Galileo Argentina S.A. into Galileo Technologies S.A. was duly executed.

According to the Argentine Companies Law (No. 19,550), the incorporating company acquires ownership of the right and obligations of the dissolved companies and the transfer of its respective assets and liabilities with the registration of the definitive merger agreement with the Public Registry of Commerce. Also, in order to be considered as a tax-free reorganization pursuant to the Income Tax law (No. 20,628), the National Tax Authority (Administración Federal de Ingresos Públicos) must authorize the merge

On October 11, 2023, the merger was duly registered with the Public Registry of Commerce of the City of Buenos Aires (Inspección General de Justicia). As of the date of these interim consolidated financial statements, the company has made all relevant filings with the National Tax Authority, though authorization is still pending.

#### Non-Controlling Interests

At 31 December 2023 there is no non-controlling interest to report (2022: 0.10% Galileo Tecnologia para Gas Limited).



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### 33. Investments in associates

	2023	2022
Edge Gathering Virtual Pipelines 2 LLC	18,491	24,714
	<u>18,491</u>	<u>24,714</u>

The evolution of investments in associates is as follows:

<b>Investment as of December 31, 2021</b>	<b>27,427</b>
Increase in investment in associate (1)	1,445
Net loss of associates	(4,158)
<b>Investment as of December 31, 2022</b>	<b>24,714</b>
Increase in investment in associate (2)	-
Net loss of associates	(6,223)
<b>Investment as of December 31, 2023</b>	<b>18,491</b>

(1) On August 30, 2022, Galileo Technologies Corporation (“GTC”) subscribed US\$1,445 on a new capital call issued by Edge Gathering Virtual Pipelines 2 LLC (“EDGE”) in 2022. As result of the amount subscribed on latest capital call, GTC’s participation on EDGE increased from 28.00% to 28.07%

(2) There were no new capital contributions during year 2023.

The Group’s percentage ownership of EDGE remained unchanged during 2023. Galileo Technologies Corporation held a 28.07% of percentage of ownership on EDGE:

Entity	Country of incorporation	Direct and indirect participation %	Total No. of common units	Participation No. of common units	Class of common units held in associate undertaking	Type	Registered address
Edge Gathering Virtual Pipelines 2 LLC	United States of America	28.07	135,200,692	37,954,524	Common units A (1)	Associate accounted for the equity method	251 Little Falls Drive, Wilmington, New Castle Country, Delaware 19808.
		-	3,849,997	-	Common units B ( )		

(1) All the common units have the same voting rights and the same economic rights. Only the Common Series A Unit holders may vote in matters subject to a vote of the Common Units Members.

(2) The Common Series B Units shall consist of a primary profits interest that have a time-based vesting component. They share in profits after the Common Series A. Unit holders receive repayment of their contributions and a predetermined percentage return on their investment.

Below is presented summarised financial information of Edge Gathering Virtual Pipelines 2 LLC as of December 31, 2023 and 2022.

	2023	2022
Revenues	13,757	7,690
Cost of sales	(20,861)	(14,643)
Operating expenses	(3,769)	(1,743)
Other income and expenses	(2,034)	-
Net loss	<u>(12,907)</u>	<u>(8,696)</u>
Current assets	16,827	7,727
Non-current assets	103,378	95,394
Current liabilities	(3,592)	(6,210)
Non-current liabilities	(30,815)	(2,024)
Net assets	<u>85,798</u>	<u>94,887</u>
Dividends received during the year	<u>-</u>	<u>-</u>

### 34. Ultimate controlling party

The ultimate controlling party of the company is Galileo Holdco 1 Limited.



### 35. Subsequent events

In January 2024, amendments to the loan agreements entered into by Galileo Global Technologies and Karadeniz Powership Suheylya Company and Galileo Guernsey in September and December 2023, were signed to modify the interest payment date and frequency of such interest payment, transitioning it from quarterly to annually.

In February, March and April 2024, three amendments to the Senior Loan Agreement with Morgan Stanley Senior Funding and other lenders, were executed, shifting the first scheduled repayment date from February 2 to April 8, 2024.

Subsequently, on April 10, 2024, a new amendment to the aforementioned Senior Loan Agreement was signed to, among other things, allow (i) Galileo Technologies S.A. to enter into certain new subordinated loan agreements (“permitted subordinated debt”) with Halliburton Argentina S.R.L (“HAL”) and Helmerich & Payne (Argentina) Drilling Co., Sucursal Argentina (“H&P”) to finance the core business of the Group; and (ii) the transfer by Boson Holding Corp. of its equity interest in Galileo Holdco 1 Ltd. to Blue Water Energy (indirectly through Galileo Guernsey Ltd.) and Galileo Holdco 1 Ltd (pursuant to any stock buyback).

In addition, the scheduled repayments dates set forth in the Senior Loan Agreement were amended, and repayments of principal will be resumed in early May 2025.

On April 19, 2024, Galileo Technologies S.A. (as “borrower”) and Halliburton Argentina S.R.L. (as “lender”) entered into a loan agreement in the amount of up to US\$ 15,000. These funds will be disbursed by the lender in three disbursements of US\$ 5,000 each, subject to the satisfaction of certain conditions set forth in the loan agreement. The first disbursement was received by Galileo Technologies S.A. on April 22, 2024.

Furthermore, also on April 19, 2024, Galileo Technologies S.A. (as “borrower”) and Helmerich & Payne (Argentina) Drilling Co., Sucursal Argentina, entered into a loan agreement in the amount of up to US\$ 10,000. These funds will be disbursed by the lender in two disbursements of US\$ 5,000 each, subject to the satisfaction of certain conditions set forth in the loan agreement. The first disbursement was received by Galileo Technologies S.A. on April 22, 2024, and the second disbursement was received on August 30, 2024.

Both loans will not accrue compensatory interests, and their repayment is subordinated to the Senior Loan Agreement entered between Galileo Technologies Corp. and Morgan Stanley Senior Funding whose maturity date operates in May 2027.

On August 8, 2024 Galileo Technologies Corporation, Galileo Holdco 1 Limited (“GH1”), Galileo Holdco 2 Limited (“GH2”), Galileo Guernsey Limited (“GGL”), Galileo Guernsey II Limited (“GGL2”) and Galileo Global Technologies Limited (“GGT”) entered into a series of agreements with Boson Holding Corporation (“Boson”), Osvaldo Claudio del Campo (“ODC”), Pablo del Campo (“PDC”) and Ulises de la Orden (“UDO”). As a result of these agreements: i. ODC, PDC and UDO resigned to their positions as Directors and employees of the Group; and ii. agreed that Boson shall redeem, cancel, sell or transfer (as appropriate) (the “Transfer”) its shares in GH1 and the loan not instruments of GH2 and GGT held by Boson to a Group Company or GGL in exchange for consideration and the transfer of the Group’s interest in Enerbine S.A.. The financial impact of the deconsolidation of Enerbine S.A. on the group’s financial statements cannot be estimated at this time; however, management anticipates that it will not be material.

On August 8, 2024, GGT entered into a new loan agreement with GGL and received US\$ 10,500 the day thereafter. The proceeds of the loans would be applied to prepay the loans from Karadeniz Powership Suheylya Company dated September and December 2023. These loans were prepaid on August 16, 2024.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

**Parent company financial statements**  
**Company statement of financial position**  
*As of December 31, 2023 and 2022*

	Note	December 31, 2023	December 31, 2022
<b>Non-current assets</b>			
Investments and other financial assets	2	105,808	105,808
Other receivables	3	154,340	138,861
<b>Total non-current assets</b>		<b>260,148</b>	<b>244,669</b>
<b>Current assets</b>			
Other receivables	3	64	7,002
Cash and cash equivalents		301	41
<b>Total current assets</b>		<b>365</b>	<b>7,043</b>
<b>Total assets</b>		<b>260,513</b>	<b>251,712</b>
<b>Current liabilities</b>			
Trade and other liabilities	4	584	333
Income tax payables		3,003	1,976
Tax payables		-	42
Loans and borrowings	5	1,919	-
<b>Total current liabilities</b>		<b>5,506</b>	<b>2,351</b>
<b>Non-current liabilities</b>			
Loans and borrowings	5	196,595	182,499
Trade and other liabilities	4	1,032	1,286
<b>Total non-current liabilities</b>		<b>197,627</b>	<b>183,785</b>
<b>Total liabilities</b>		<b>203,133</b>	<b>186,136</b>
<b>Net assets</b>		<b>57,380</b>	<b>65,576</b>
<b>Shareholder's equity</b> (according to corresponding statement)		<b>57,380</b>	<b>65,576</b>
<b>Total shareholder's equity and liabilities</b>		<b>260,513</b>	<b>251,712</b>

The company's loss after tax for the year ended December 31, 2023 was US\$59,856 (2022: US\$15,753 loss).

The accompanying notes are an integral part of these financial statements

These financial statements were approved by the board of directors on September 05, 2024 and were signed on its behalf by:

Signed by:

*Salil Oberoi*

A00F1AC59134406...

*Salil Oberoi*

*Director*  
*September 05, 2024*

*Company registered number: 9817636*



Galileo Global Technologies Limited  
 Annual report and financial statements ended December 31, 2023  
 In thousands of US Dollars

**Company statement of changes in equity**  
*For the year ended December 31, 2023 and 2022*  
*In thousands of US Dollars*

	Share capital	Share premium	Retained earnings	Total parent equity
<b>Balance as of December 31, 2021</b>	<b>56,672</b>	<b>21,789</b>	<b>2,868</b>	<b>81,329</b>
Total comprehensive loss	-	-	(15,753)	(15,753)
<b>Balance as of December 31, 2022</b>	<b>56,672</b>	<b>21,789</b>	<b>(12,885)</b>	<b>65,576</b>
Share capital contribution from controlling parties (note 29)	51,660	-	-	51,660
Total comprehensive loss	-	-	(59,856)	(59,856)
<b>Balance as of December 31, 2023</b>	<b>108,332</b>	<b>21,789</b>	<b>(72,741)</b>	<b>57,380</b>

The accompanying notes are an integral part of these financial statements



## Notes to the company financial statements

### 1. Accounting policies

#### 1.1 General information

Galileo Global Technologies Limited, the 'Company' is a private limited company, incorporated and domiciled in the United Kingdom ('UK'), subsidiary of Galileo Holdco 2 Limited.

The ultimate controlling party of the company is Galileo Holdco 1 Limited.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework FRS 101*.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards ("IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Under Section 408(3) of the Companies Act 2006, the Company is exempt from the requirement to present its own profit and loss account.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *fair value measurement* and the disclosures required by IFRS 7 *financial instrument disclosures*

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. These financial statements are prepared on a going concern basis. The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

The Company financial statements are presented in thousands of US dollars, unless otherwise noted.

#### 1.2 Measurement convention

The financial statements are prepared on the historical cost basis (see note 1.5 financial consolidated statements).

#### 1.3 Foreign currency

Transactions in foreign currency are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in profit or loss.

#### 1.4 Investments

Investments in subsidiaries are carried at cost less impairment (note 1.5).



### 1.5 Impairment

#### Financial assets

A financial asset not carried a fair value through profit and loss is assessed at each reporting date to determine a loss allowance for expected credit losses. If the credit risk on a financial instrument has increased significantly since initial recognition, the loss allowance is equal to the lifetime expected credit losses. If the credit risk has not increased significantly, the loss allowance is equal to the twelve month expected credit losses.

The expected credit losses are measured in a way that reflects the unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes; the time value of money and reasonable and supportable information that is available about past events, current conditions and forecasts of future economic conditions.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets, the cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

### 1.6 Taxation

Tax on the loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. The Company did not recognise any current tax expense for the year ended December 31, 2023 as it has estimated a tax loss for the year.

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

A deferred tax asset is recognised only to the extent that it is probable that future taxable incomes will be available against which the temporary difference can be utilised. The Company did not recognise any deferred tax expense or benefit for the year ended December 31, 2023 as it has deemed not probable that future taxable profits will be available against which the deferred tax asset resulting from temporary differences and carry forward tax losses can be utilised.

## 2. Investments

	<b>2023</b>	<b>2022</b>
Gas Naturel Inc.	5,000	5,000
Comusa Inc.	5,000	5,000
Comara Compañía de Mandatos de la Región Austral S.A.	-	16,456
Galileo Argentina S.A.	-	16,456
Galileo Energía S.A.	-	6
Galileo Technologies S.A.	95,509	62,591
Galileo Tecnología para Gas Limited	299	299
	<b>105,808</b>	<b>105,808</b>



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

### 3. Other receivables

	2023	2022
<b>Non-current</b>		
Related parties receivables	154,340	138,861
	<u>154,340</u>	<u>138,861</u>
<b>Current</b>		
Other receivables	64	532
Related parties	-	6,470
	<u>64</u>	<u>7,002</u>

### 4. Trade and other liabilities

	2023	2022
<b>Current</b>		
Trade payables due from third parties	201	-
Related parties	383	333
	<u>584</u>	<u>333</u>
<b>Non-current</b>		
Trade payables due from third parties	246	253
Related parties	786	1,033
	<u>1,032</u>	<u>1,286</u>

### 5. Loans and borrowings

	2023	2022
<b>Current</b>		
Secured Loan third parties	99	-
Related parties	1,820	-
	<u>1,919</u>	<u>-</u>
<b>Non-current</b>		
Secured Loan third parties	7,000	-
Related parties	189,595	182,499
	<u>196,595</u>	<u>182,499</u>

#### a) Terms and debt repayment schedule as of December 31, 2023

<u>Loan lender</u>	<u>Debt instrument</u>	<u>Interest rate</u>	<u>Maturity date</u>	<u>Currency</u>	<u>Carrying amount</u>
Related parties	Loan	10%	2027	US\$	179,483
Related parties	Loan	2.5% + SOFR 90	2025 (1)	US\$	10,112
Related parties	Loan	10%	2022	US\$	1,820
Loan third parties	Secured borrowings	2.5% + SOFR 90	2025 (2)	US\$	7,099
					<u>198,514</u>

(1) Galileo Guernsey Limited entered into two separate US\$5,000 loan agreements each with the Company in September and December 2023. Principal is due to be repaid on the second anniversary of each loan utilisation date respectively, and interests are due to be paid annually.

(2) Furthermore, Karadeniz Powership Suheyla Sultan Company also entered into two separate US\$5,000 loan agreements each with the Company in September and December 2023. Principal is due to be repaid on the second anniversary of each loan utilisation date respectively, and interests are due to be paid annually.

This borrowing is secured by: (a) first ranking security interest pledge over plant and equipment items, whose carrying amount as of December 31, 2023 amounts to US\$ 2,064; and (b) an assignment in security (or equivalent) in favour of the lender in respect of the receivables owed to Galileo Technologias para Gas Ltda. in respect of rental of the equipment these plant and equipment items.

In regards to above mentioned loan agreement, the Group received disbursements in the amount of US\$7,000 in 2023. Remaining disbursement of US\$3,000 was received in 2024.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

**5. Loans and borrowings (continued)**

*b) Terms and debt repayment schedule as of December 31, 2023*

<u>Loan lender</u>	<u>Debt instrument</u>	<u>Interest rate</u>	<u>Maturity date</u>	<u>Currency</u>	<u>Carrying amount</u>
Related parties	Loan	10%	2027 (1)	US\$	180,841
Related parties	Loan	10%	2022	US\$	1,658
					<b>182,499</b>

(1) Maturity date of the loans with related parties was extended to 2027 due to debt subordination in the terms of the senior loan agreement subscribed in 2023 with Morgan Stanley Senior Funding Inc and Other lenders, except for those loans expressly agreed in the senior loan agreement. For further details, please refer to note 20 a) (2) in the consolidated financial statements

**6. Share capital and share premium**

	<u>No. of shares (3)</u>	<u>Nominal value of each share (1)</u>	<u>Ordinary shares (1)</u>	<u>Share premium (1)</u>	<u>No. of shares</u>	<u>Nominal value of each share (1)</u>	<u>Ordinary shares (1)</u>	<u>Share premium (1)</u>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
		US\$	US\$	US\$		US\$	US\$	US\$
On issue at the beginning of the year	56,672,507	1	56,672,507	21,789,494	56,672,507	1	56,672,507	21,789,494
On issue on September 22, 2023 Issued as a result of assignment agreement (2)	51,659,722	1-	51,659,722	-	-	-	-	-
On issue at the end of the year– fully paid	108,332,229	1	108,332,229	21,789,494	56,672,507	1	56,672,507	21,789,494

(1) These figures are not expressed in thousands of US Dollars.

(2) In consideration of the Assignee issuing 51,659,722 ordinary shares of USD\$1, Galileo Holdco 2 Limited (the Assignor) assigned and transferred to Galileo Global Technologies Limited (the Assignee) the benefit of all the Assignor’s rights, benefits and interest in, and under, the Intra-Group Loan Agreement.

(3) Shares serve as collateral for the loan agreement entered into the Group and Morgan Stanley Senior Funding. As of December 31, 2023, net carrying amount of this obligation is US\$ 27,795 (2022: US\$ 34,515)

Ordinary shares hold full rights in respect of voting and are subject to be considered by the directors when considering dividends. Furthermore, ordinary shares shall be non-redeemable but shall entitle the holder to full participation in respect of equity and in the event of a winding up of the Company.

**7. Dividends**

No dividends were paid or proposed (2022: nil).

**8. Related parties**

Directors of the Company control indirectly 47.7% (2022 47.7%) of the voting shares of the Company.

*Transactions with key management personnel*

There have been no transactions with key management during the year.

*Related party transactions*

The significant balances with related parties, their nature volumes and balance during the period ended December 31, 2023 were as follows:

		<u>Receivables outstanding</u>	<u>Payables outstanding</u>	<u>Receivables outstanding</u>	<u>Payables outstanding</u>
		<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
<b>Related party entities</b>					
Galileo Technologies Corporation	(1)	16,915	-	674	(21,529)
Methax UK Limited	(1)	50,858	-	52,242	-
Methax S.A.	(1)	-	-	1,547	(6)
Galileo Technologies S.A.	(1)	74,266	(3,743)	72,488	(21)
Galileo Holdco 2 Limited	(2)	156	(176,216)	111	(160,238)
Galileo Holdco 1 Limited	(3)	3,589	(309)	2,385	(81)
Boson Holding Corp	(4)	-	(1,821)	-	(1,655)
Galileo Guernsey		-	(10,112)	-	-
Edge Europe Holdco Limited	(5)	-	-	3,589	-
Edge Holdco UK Limited	(6)	37	-	22	-
Galileo Tecnologia para Gas Limited	(7)	8,519	-	12,273	-
<b>Directors</b>					
U. De la Orden	(8)	-	(383)	-	(335)
		<b>154,340</b>	<b>(192,584)</b>	<b>145,331</b>	<b>(183,865)</b>

- (1) Owned subsidiary of Galileo Global Technologies.
- (2) Immediate holding entity of Galileo Global Technologies
- (3) Immediate holding entity of Galileo Holdco 2 Limited.
- (4) 50 % holding entity of Galileo Holdco 1 Limited.

- (5) Holding entity of Galileo Global Technologies.
- (6) Holding entity of Galileo Holdco 2 Limited
- (7) Subsidiary of Galileo Global Technologies
- (8) Shareholder of Galileo Group.



Galileo Global Technologies Limited  
Annual report and financial statements ended December 31, 2023  
In thousands of US Dollars

**8. Related parties (continued)**

These transactions related to financing activities and the corresponding interest expense on the borrowings, with the remaining unpaid balance as of 31 December 2023 disclosed above.

**9. Subsequent events**

Refer to Group consolidated financial statements in note 35.

**10. Ultimate controlling party**

The immediate parent company is Galileo Holdco 2 Limited, incorporated in England and Wales.

The ultimate controlling party is Galileo Holdco 1 Limited, incorporated in England and Wales. Galileo Holdco 1 is ultimately responsible for the preparation of the consolidated financial statements of the Group.



**Galileo Global Technologies Limited**

Quarterly period condensed financial statements  
ended June 30, 2025  
(Unaudited and unreviewed)  
Registered number 9817636

## Contents

Strategic report	3
Interim condensed consolidated statement of comprehensive income	6
Interim condensed consolidated statement of financial position	7
Interim condensed consolidated statement of changes in equity	8
Interim condensed consolidated statement of cash flows	9
Notes to the interim condensed consolidated financial statements	10

## Strategic report

### Summary

- Development of small-scale LNG and renewable natural gas projects continues; Galileo’s total projects pipeline remains at ~\$3 billion.
- Projects pipeline in advanced negotiations grew over 50% since December 2024 and 31% since March 2025.
- First half revenue and EBITDA decreased year on year as engineering changes and regulatory requirements combined with impact of changes to US tariffs resulted in production and percentage of completion revenue recognition delays on key projects.
- LTM Adjusted EBITDA reached US\$15,571 and Net Leverage increased to 4.36x, which is not in compliance with existing financing terms
- The Company has approached key bondholder seeking a waiver on the LTM Leverage Covenant.

### Outlook

Development of small and very small-scale LNG projects continued to progress in the first half of 2025 as the trend towards developing flexible, decentralized energy solutions based on cleaner energy sources like gas and biogas continued. This is reflected in a growing pipeline of projects.

Order pipeline in advanced negotiations increased 57.1% to US\$415,231, as of June 30, 2025. The table below presents the evolution of the order pipeline in advance negotiations by stage.

#### *Order pipeline in advance negotiations*

	June 30, 2025			December 31, 2024		
	2025	2026	Total	2025	2026	Total
Decision maker brought in	48,085	146,536	194,621	63,469	103,602	167,071
Final negotiations	131,032	37,423	168,455	47,358	2,600	49,958
Term sheet signed	38,835	13,320	52,155	30,219	17,065	47,284
<b>Total pipeline in advance negotiations</b>	<b>217,952</b>	<b>197,279</b>	<b>415,231</b>	<b>141,046</b>	<b>123,267</b>	<b>264,313</b>

Total revenue backlog increased 45.5% in the first half of the year, reaching US\$138,848 as of June 30, 2025. New Technologies orders booked in the quarter, including orders booked and recognized as revenue in the first half, totaled US\$43,430, including new orders in Brazil, Argentina and the USA.

Total Technologies backlog net of revenue recognized in the half, increased 77.2% to US\$83,937. Changes in regulatory environment have impacted the financing of one the largest new orders in backlog. We continue to work with the Customer to facilitate the financing of the order.

Total Solutions backlog increased 14.2% to US\$54,911 driven, mainly, by contract extensions and increasing capacity utilization in the compression business in Argentina. The table below presents the evolution of the order backlog by country and segment for the first half.

**Order backlog by segment and country**

	June 30, 2025	December 31, 2024
<b>Technologies</b> <sup>(1)</sup>		
Canada	3,870	22,919
Jordan	337	653
USA <sup>(2)</sup>	66,248	15,682
Brazil	5,904	2,299
South Africa	3,809	5,605
Argentina	3,769	200
<b>Total Technologies</b>	<b>83,937</b>	<b>47,358</b>
<b>Solutions</b> <sup>(3)</sup>		
Peru	3,621	2,600
Brazil	2,200	3,980
USA	8,366	8,800
Argentina	40,724	32,580
UK	-	100
<b>Total Solutions</b>	<b>54,911</b>	<b>48,060</b>
<b>Total Backlog</b>	<b>138,848</b>	<b>95,418</b>

(1) Equipment sales backlog reflects the value of contracted equipment orders that has not yet been recognized as of 30 June, 2025.

(2) As of June 30, 2025, backlog includes a large order for a customer in the US that although having a signed contract, seems to be having issues to secure funding.

(3) Solutions backlog reflects twelve months of contracted revenue.

**Operating and financial performance**

Group revenue for the six-month period ended on June 30, 2025, was 5.1% lower than the same period of 2024, primarily due to:

- a. 8.5% increase in revenue from the Technologies segment, from US\$30,864 in the first half of 2024 to US\$33,499 in the first half of 2025 as percentage of completion revenue recognition was driven by: i. higher production levels of LNG orders during the second quarter of 2025 and ii. an offsetting delay by client driven engineering changes to one of the projects in production; and
- b. 19.4% decrease in revenue from the Solutions segment from US\$29,386 in the first half of 2024 to US\$23,674 in the first half of 2025, which is explained by: i. the settlement of a rental contract terminated by a customer in Brazil; ii. a net reduction in compression revenue generated by delays in contract renewal; and iii. an offsetting increase in power generation revenue resulting from higher dispatch levels.

Gross margin for the six-month period ended on 30 June 2025 decreased to 8% from 13% in the same period of 2024, mainly driven by:

- a. Delays in revenue recognition in key projects mostly attributable to changes in engineering from the client and changes to production plans that were implemented to mitigate the impact of newly implemented US tariffs; and
- b. A larger participation of lower margin orders delivered in the first half reducing average profitability.

Selling, general and administrative expenses decreased 5.7%, from US\$13,477 in the first half of the year 2024 to US\$12,708 in the same period of the current year, as efforts to reduce operating and non-recurring expenses continued.

Net finance loss for the six-month period ended on June 30, 2025 amounts to US\$21,897, that is US\$7,686 higher than the same period of the previous year reflecting:

- a. The reversion of finance gains recognized on certain intercompany loans that were done at nil interest rate and that were converted as part of the process of raising new financing on the semester; and
- b. The losses associated to the repayment of Senior Secured Loans and the reversion of capitalized costs associated to those loans.

The key operating and financial highlights are as follows:

**Highlights**

	Six-month period June 30, 2025 (Unaudited)	Six-month period June 30, 2024 (Unaudited)	Year ended December 31, 2024 (Audited)
<i>a. Operating metrics</i>			
<i>Technologies</i>			
Total Cryoboxes / Cryotrucks produced <sup>(1)</sup>	4	8	20
Total CNG units produced	3	5	6
Total BIO CNG / LNG units produced	-	1	1
<i>Solutions</i>			
Total power generation capacity installed (MW)	40	40	40
Power generation average availability (%)	86.4	90.3	85.3
Power generation dispatch level (%)	25.3	21.4	28.6
<i>b. Financial</i>			
	US\$	US\$	US\$
Total revenue	57,173	60,250	140,548
<i>of which Technologies revenue</i>	33,499	30,864	83,701
<i>of which Solutions revenue</i>	23,674	29,386	56,847
Gross margin	4,445	7,572	18,825
Gross margin (%)	7.8	12.6	13.4
EBITDA <sup>(2)</sup>	888	4,711	16,597
EBITDA margin (%)	1.6	7.8	11.8
Adjusted EBITDA <sup>(3)</sup>	888	7,338	22,021
Adjusted EBITDA margin (%)	1.6	12.2	15.7
<i>c. Covenant testing</i>			
Gross Debt	72,769		
Net Debt	67,926		
LTM Adjusted EBITDA	15,571		
Net Leverage <sup>(4)</sup>	4.36		

- (1) Cryobox produced in the six-month period ended June 30, 2025, mainly corresponds to customer Morder.
- (2) Earnings before interest, tax, depreciation and amortization calculated as operating loss for the six-month period ended June 30, 2025, plus depreciation and amortization. In 2025 there was no capitalization of depreciation and amortization charges related to development to be considered when calculating EBITDA for the year (June 30, 2024: US\$27).
- (3) Adjusted EBITDA calculated as Earnings before interest, tax, depreciation and amortization net of extraordinary expenses and business normalization.
- (4) Net Debt / LTM Adj. EBITDA.



Galileo Global Technologies Limited  
 Quarterly period condensed financial statements ended June 30, 2025  
 In thousands of US Dollars  
 (Unaudited and unreviewed)

**Interim condensed consolidated statement of comprehensive income**

*For the six-month period ended June 30, 2025 and June 30, 2024*

*In thousands of US Dollars*

	<i>Note</i>	<b>Six-month period June 30, 2025 (Unaudited)</b>	<b>Six-month period June 30, 2024 (Unaudited)</b>
Revenue	3	57,173	60,250
Cost of sales		(52,728)	(52,678)
<b>Gross margin</b>		<b>4,445</b>	<b>7,572</b>
Selling, general and administrative expenses	4	(12,708)	(13,477)
<b>Operating loss</b>		<b>(8,263)</b>	<b>(5,905)</b>
Other income – (expenses)		211	(710)
Net shares of loss in associates		-	(1,986)
Finance income	5	1,843	4,007
Finance expenses	5	(23,740)	(18,218)
<b>Loss for the period before tax</b>		<b>(29,949)</b>	<b>(22,812)</b>
Taxation	6	8,096	4,539
<b>Loss for the period</b>		<b>(21,853)</b>	<b>(18,273)</b>
<b>Total comprehensive loss for the period</b>		<b>(21,853)</b>	<b>(18,273)</b>
<b>Loss attributable to:</b>			
Equity holders of the parent		(21,853)	(18,273)
Non-controlling interest		-	-
<b>Loss for the period</b>		<b>(21,853)</b>	<b>(18,273)</b>
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the parent		(21,853)	(18,273)
<b>Total comprehensive loss for the period</b>		<b>(21,853)</b>	<b>(18,273)</b>

The accompanying notes are an integral part of these condensed financial statements



Galileo Global Technologies Limited  
 Quarterly period condensed financial statements ended June 30, 2025  
 In thousands of US Dollars  
 (Unaudited and unreviewed)

**Interim condensed consolidated statement of financial position**

*As of June 30, 2025 and December 31, 2024*

*In thousands of US Dollars*

	<b>June 30, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
	<i>Note</i>	
<b>Non-current assets</b>		
Goodwill	7 28,768	28,768
Property, plant and equipment	8 51,831	56,458
Intangible assets	7 16,059	17,576
Deferred tax	8,693	582
Income tax receivables	387	170
Tax receivables	445	580
Other receivables	10 1,374	21,916
<b>Total non-current assets</b>	<b>107,557</b>	<b>126,050</b>
<b>Current assets</b>		
Asset classified as held for sale	1,394	2,833
Inventories	9 72,360	70,807
Investments and other financial assets	14	14
Tax receivables	22,861	22,107
Trade receivables	11 23,600	24,616
Contract assets	12 27,430	12,058
Other receivables	10 6,921	5,286
Cash and cash equivalents	4,829	6,904
<b>Total current assets</b>	<b>159,409</b>	<b>144,625</b>
<b>Total assets</b>	<b>266,966</b>	<b>270,675</b>
<b>Current liabilities</b>		
Trade and other liabilities	31,574	42,890
Payroll and social security liabilities	8,280	9,349
Contract liabilities	12 3,845	2,264
Income tax payables	1,820	1,725
Tax payables	2,160	1,545
Loans and borrowings	13 18,342	23,387
Provisions	1,118	986
<b>Total current liabilities</b>	<b>67,139</b>	<b>82,146</b>
<b>Non-current liabilities</b>		
Loans and borrowings	13 281,040	255,455
Deferred tax	3,879	3,879
Income tax payables	101	664
Trade and other liabilities	3,177	5,041
Payroll and social security liabilities	115	115
Provisions	183	190
<b>Total non-current liabilities</b>	<b>288,495</b>	<b>265,344</b>
<b>Total liabilities</b>	<b>355,634</b>	<b>347,490</b>
<b>Net liability</b>	<b>(88,668)</b>	<b>(76,815)</b>
<b>Shareholder's equity</b> (according to corresponding statement)	<b>(88,668)</b>	<b>(76,815)</b>
<b>Total shareholder's equity and liabilities</b>	<b>266,966</b>	<b>270,675</b>



Galileo Global Technologies Limited  
Quarterly period condensed financial statements ended June 30, 2025  
In thousands of US Dollars  
(Unaudited and unreviewed)

**Interim condensed consolidated statement of changes in equity**

*As of June 30, 2025 and December 31, 2024*

*In thousands of US Dollars*

	Share capital	Share premium	Other components of equity	Retained earnings	Total parent equity	Total equity
<b>Balance as of December 31, 2023</b>	<b>108,332</b>	<b>21,789</b>	<b>(485)</b>	<b>(153,420)</b>	<b>(23,784)</b>	<b>(23,784)</b>
Total comprehensive loss	-	-	-	(53,031)	(53,031)	(53,031)
<b>Balance as of December 31, 2024</b>	<b>108,332</b>	<b>21,789</b>	<b>(485)</b>	<b>(206,451)</b>	<b>(76,815)</b>	<b>(76,815)</b>
Share capital contribution from controlling parties (note 16)	10,000	-	-	-	10,000	10,000
Comprehensive loss for the period	-	-	-	(21,853)	(21,853)	(21,853)
<b>Balance as of June 30, 2025</b>	<b>118,332</b>	<b>21,789</b>	<b>(485)</b>	<b>(228,304)</b>	<b>(88,668)</b>	<b>(88,668)</b>

**Interim condensed consolidated statement of cash flows**

*For the six-month period ended June 30, 2025 and June 30, 2024  
In thousands of US Dollars*

	<b>Six-months period ended June 30, 2025 (Unaudited)</b>	<b>Six-months period ended June 30, 2024 (Unaudited)</b>
<b>Cash flow from operating activities</b>		
Loss for the period	<u>(21,853)</u>	<u>(18,273)</u>
Adjustments for:		
Depreciation and amortization	9,150	10,643
Net share of loss in associate	-	1,986
Other income	(99)	(354)
Finance results – net	19,590	14,611
(Gain) / loss on disposal of fixed assets	(87)	1,306
Others	309	2,326
Taxation	(8,096)	(4,539)
Changes in:		
Contract assets	(15,372)	(10,429)
Trade receivables	3,483	(13,224)
Other receivables	(1,449)	(3,210)
Inventories net of provision	(1,567)	(7,066)
Trade and other liabilities	(14,334)	6,964
Payroll and social security liabilities	(2,008)	490
Contract liabilities	1,581	11,795
Other tax receivables	(836)	(4,657)
Other tax payables	520	239
Net cash used in operations activities before taxation paid	<u>(31,068)</u>	<u>(11,392)</u>
Taxation paid	<u>(907)</u>	<u>(898)</u>
Net cash used in operating activities	<u>(31,975)</u>	<u>(12,290)</u>
<b>Cash flow from investing activities</b>		
Investments and other financial assets	-	299
Net result from purchase and sale of government bonds	-	1,513
Net result from purchase and sale of common investment funds	99	354
Acquisition of property, plant and equipment	(1,938)	(539)
Acquisition of intangibles	(1,823)	(2,265)
Sales of property, plant & equipment	86	-
Payments in advance for fixed assets	(68)	(81)
Net cash used in investing activities	<u>(3,644)</u>	<u>(719)</u>
<b>Cash flow from financing activities</b>		
Loans received net of transaction costs	67,295	16,324
Loans paid	(31,236)	(5,675)
Net proceeds from borrowings	-	1,413
Repayment of lease liability	(550)	(651)
Interests paid	(2,436)	(4,590)
Realized gain arising from special export regime	471	-
Net cash from financing activities	<u>33,544</u>	<u>6,821</u>
Net increase decrease in cash and cash equivalents	<u>(2,075)</u>	<u>(6,188)</u>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>6,904</b>	<b>9,646</b>
Net increase decrease in cash and cash equivalents	<u>(2,075)</u>	<u>(6,188)</u>
<b>Cash and cash equivalents at the end of period <sup>(1)</sup></b>	<u><b>4,829</b></u>	<u><b>3,458</b></u>
<i><sup>(1)</sup> Cash and cash equivalents</i>		
	<b>June 30, 2025 (Unaudited)</b>	<b>June 30, 2024 (Unaudited)</b>
Cash at banks and on hand (1)	4,671	3,011
Short- term investments	158	447
Cash and cash equivalents per cash flow statement	<u><b>4,829</b></u>	<u><b>3,458</b></u>

(1) As of June 30, 2025, subsidiaries of the Group had restricted cash of US\$ 5 (June 30, 2024 US\$ 242) related to operating balances.

**Notes to the interim condensed consolidated financial statements**

**1 Accounting policies**

**1.1 General information**

Galileo Global Technologies Limited (the “Company”) is a private company incorporated, domiciled and registered in the UK. The registered number is 9817636 and the registered address is c/o Aztec Financial Services (UK) Ltd, Forum 4, Solent Business Park, Parkway South, Whitely, Fareham, England, PO15 7AD.

The group financial statements consolidate those of the Company and its subsidiaries (together referred to as the “Group”).

The group financial statements have been prepared and approved by the directors in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. Intercompany transactions and balances with subsidiaries have been eliminated for consolidation purposes.

These interim condensed consolidated financial statements reflect the Company’s consolidated financial position and equity as of June 30, 2025 and December 31, 2024. These consolidated financial statements include the Company’s consolidated statements of comprehensive income and consolidated statements of cash flows for the six-month period ended June 30, 2025 and 2024.

Because all of the disclosures required for annual consolidated financial statements are not included herein, these unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes there to for the year ended December 31, 2024. The Group has evaluated all subsequent events through the date these condensed consolidated financial statements were issued. The condensed consolidated statements of income, equity and cash flows for the periods presented herein are not necessarily indicative of results expected for any future period. For a more detailed discussion of the Company’s significant accounting policies, see note 1 to the consolidated financial statements for the year ended December 31, 2024. During the six-month period ended June 30, 2025, there were no material updates made to the Company’s significant accounting policies.

The group financial statements are presented in thousands of US dollars; unless otherwise noted.

**1.2 Functional and presentation 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’s consolidated financial statements are presented in US Dollar, being the functional and reporting currency of the Company and subsidiaries within the Group and the primary economic environment in which the Group operates.

**2. Significant accounting estimates and judgements**

The preparation of financial statements requires the Group to make estimates and assumptions regarding the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

**3. Revenue**

	<b>Six-month period ended June 30, 2025 (Unaudited)</b>	<b>Six-month period ended June 30, 2024 (Unaudited)</b>
Sales of goods – Construction contract (note 12)	24,851	28,591
Sales of goods	12,459	6,808
Sale of energy	9,900	8,415
Rental income	5,389	5,700
Rendering of services	4,574	10,736
	<b>57,173</b>	<b>60,250</b>

#### 4. Selling, general and administrative expenses

Operating profit is stated after crediting/(charging) the following within selling, general and administrative expenses:

	Six-month period ended June 30, 2025 (Unaudited)	Six-month period ended June 30, 2024 (Unaudited)
Staff costs	(3,626)	(3,878)
Professional fees	(1,360)	(2,119)
Depreciation and amortisation	(3,965)	(3,963)
Turnover and other taxes	(3,208)	(2,436)
Others selling and general expenses	(1,991)	(2,074)
Export rebates and government grants	1,442	993
	<u>(12,708)</u>	<u>(13,477)</u>

#### 5. Finance results

##### Finance income

	Six-month period ended June 30, 2025 (Unaudited)	Six-month period ended June 30, 2024 (Unaudited)
Interest income	1,372	2,094
Realized gain arising from special export regime	471	-
Result from purchases and sales government bonds	-	1,513
Net foreign exchange	-	400
	<u>1,843</u>	<u>4,007</u>

##### Finance expenses

	Six-month period ended June 30, 2025 (Unaudited)	Six-month period ended June 30, 2024 (Unaudited)
Interest and financial expenses (1)	(21,066)	(16,086)
Net foreign exchange	(2,308)	-
Interest expenses on lease liabilities	(366)	(591)
Other financial expenses	-	(1,541)
	<u>(23,740)</u>	<u>(18,218)</u>

(1) Reflects accelerated recognition of capitalized financing costs associated to the Morgan Stanley Senior Funding loan agreement, originally entered into in May 2022, due to its early repayment. For further details on this transaction, please see note 38 on the consolidated financial statements as of December 31, 2024.

Additionally, this increase also reflects the impact of the conversion of the loan agreement originally entered into by the Group with Helmerich & Payne, which was transferred from Galileo Technologies S.A. ("GTA") to Galileo Holdco 2 Limited ("GH2"). For further details on this transaction, please see note 13.

#### 6. Taxation

Income tax income of US\$ 8,096 (June 30, 2024 US\$ 4,539) for the six-month period ended June 30, 2025, represents taxes on both UK and foreign earnings at a combined effective income tax rate of 27.08% (June 30, 2024: 21.49%). The combined effective income tax rate of 27.08% for the six-month period ended June 30, 2025 differed from each local statutory rate of the countries where the subsidiaries of the Company are located, mainly due to losses incurred by some operations for which no benefit was recorded, partially offset by the effect of income earned by other entities being taxed at higher rates.

### 7. Intangible assets and goodwill

The amortisation charge on intellectual property was included in the selling, general and administrative expenses line item.

	Goodwill	Intellectual property and developments	Software	Total intangible assets
<b>Cost</b>				
<b>Balance as of December 31, 2023</b>	<b>28,768</b>	<b>48,442</b>	<b>3,029</b>	<b>51,471</b>
Additions	-	6,674	116	6,790
Disposals (1)	-	(4,781)	(30)	(4,811)
<b>Balance as of December 31, 2024</b>	<b>28,768</b>	<b>50,335</b>	<b>3,115</b>	<b>53,450</b>
Additions	-	2,250	75	2,325
<b>Balance as of June 30, 2025</b>	<b>28,768</b>	<b>52,585</b>	<b>3,190</b>	<b>55,775</b>
<b>Amortisation and impairment</b>				
<b>Balance as of December 31, 2023</b>	-	<b>(25,948)</b>	<b>(2,097)</b>	<b>(28,045)</b>
Amortisation charge	-	(7,259)	(595)	(7,854)
Disposals	-	-	25	25
<b>Balance as of December 31, 2024</b>	-	<b>(33,207)</b>	<b>(2,667)</b>	<b>(35,874)</b>
Amortisation charge for the period	-	(3,637)	(205)	(3,842)
<b>Balance as of June 30, 2025</b>	-	<b>(36,844)</b>	<b>(2,872)</b>	<b>(39,716)</b>
<b>Net book value</b>				
<b>As of December 31, 2024</b>	<b>28,768</b>	<b>17,128</b>	<b>448</b>	<b>17,576</b>
<b>As of June 30, 2025</b>	<b>28,768</b>	<b>15,741</b>	<b>318</b>	<b>16,059</b>

(1) Disposal amounting US\$4,811 is due mainly to the disposal of Enerbine S.A. in accordance with the separation and release agreement. See note 37 on the consolidated financial statements as of December 31, 2024.

### 8. Property, plant and equipment

	Freehold Land and buildings	Plant and Equipment	Fixtures and fittings	Assets under construction	Right of use asset	Total
<b>Cost</b>						
<b>Balance as of December 31, 2023</b>	<b>7,871</b>	<b>163,836</b>	<b>932</b>	<b>10,003</b>	<b>6,236</b>	<b>188,878</b>
Additions	-	2,833	72	2,467	252	5624
Disposals	-	(9,667)	(30)	(1,358)	(2,001)	(13,056)
Transfers (2)	-	(4,525)	-	(6,942)	-	(11,467)
Contract modifications	-	-	-	-	(456)	(456)
<b>Balance as of December 31, 2024</b>	<b>7,871</b>	<b>152,477</b>	<b>974</b>	<b>4,170</b>	<b>4,031</b>	<b>169,523</b>
Additions	-	1,049	5	926	127	2,107
Disposals	-	(264)	-	-	(128)	(392)
Transfers (3)	-	(1,893)	-	-	-	(1,893)
<b>Balance as of June 30, 2025</b>	<b>7,871</b>	<b>151,369</b>	<b>979</b>	<b>5,096</b>	<b>4,030</b>	<b>169,345</b>
<b>Depreciation and impairment</b>						
<b>Balance as of December 31, 2023</b>	<b>(2,086)</b>	<b>(100,898)</b>	<b>(427)</b>	-	<b>(1,805)</b>	<b>(105,216)</b>
Depreciation charge	(336)	(11,404)	(76)	-	(894)	(12,710)
Disposals	-	2,050	3	-	1,168	3,221
Transfers (2)	-	1,168	-	-	-	1,168
Contract modifications	-	-	-	-	472	472
<b>Balance as of December 31, 2024</b>	<b>(2,422)</b>	<b>(109,084)</b>	<b>(500)</b>	-	<b>(1,059)</b>	<b>(113,065)</b>
Depreciation charge for the period (1)	(62)	(4,862)	(34)	-	(350)	(5,308)
Disposals	-	269	-	-	113	382
Transfers (3)	(10)	491	(4)	-	-	477
<b>Balance as of June, 2025</b>	<b>(2,494)</b>	<b>(113,186)</b>	<b>(538)</b>	-	<b>(1,296)</b>	<b>(117,514)</b>
<b>Net book value</b>						
<b>As of December 31, 2024</b>	<b>5,449</b>	<b>43,393</b>	<b>474</b>	<b>4,170</b>	<b>2,972</b>	<b>56,458</b>
<b>As of June 30, 2025</b>	<b>5,377</b>	<b>38,183</b>	<b>441</b>	<b>5,096</b>	<b>2,734</b>	<b>51,831</b>

(1) Depreciation charge was partially recognised in cost of sales amounting to US\$5,181 (June 30, 2024: US\$6,648), in selling, general and administrative expenses US\$127 (June 30, 2024: US\$233), in the consolidated statement of comprehensive income; and US\$ nil capitalised (2024: 21).

(2) Transfer disclosed in the net value of US\$ 10,299 in the year ended on 31 December 2024 are explained by equipment amounting US\$ 7,467 whose intended utilisation in the organisation changed from plant and equipment to inventory according to business needs, and equipment that at the end of the year were reclassified held as classified for sale whose carrying amount is US\$ 2,832.

(3) Additionally, transfers disclosed for the six-month period ended on 30 June 2025 in the net value of US\$1,416, primarily relate to equipment that were reclassified held for sale, whose carrying amount is US\$1,392. The remaining US\$24 pertains to other minor transfers.

**9. Inventories**

	<b>June 30, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
<b>Current</b>		
Raw materials (net of obsolescence provision)	58,157	53,043
Work in progress	7,601	10,254
Finished goods (net of obsolescence provision)	2,646	2,647
Goods for maintenance fixed assets	2,250	2,277
Goods in transit	1,706	2,586
	<b>72,360</b>	<b>70,807</b>

Raw materials, finished products, and work in progress sold during the period were included in the total cost of sales of the six-month period ended June 30, 2025, amounting to US\$ 52,728 (June 30, 2024: US\$ 52,678); in the condensed consolidated statement of comprehensive income.

Provision for obsolete inventories amounted to US\$1,830 as of June 30, 2025 (December 31, 2024: US\$1,816).

**10. Other receivables**

	<b>June 30, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
<b>Non-current</b>		
Related parties receivables	1,223	21,768
Other receivables	151	148
	<b>1,374</b>	<b>21,916</b>
<b>Current</b>		
Prepayments	3,177	2,887
Other receivables	3,744	2,399
	<b>6,921</b>	<b>5,286</b>

**11. Trade receivables**

	<b>June 30, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
<b>Current</b>		
Trade receivables	24,840	25,725
Impairment of accounts receivable	(1,240)	(1,109)
	<b>23,600</b>	<b>24,616</b>

All trade receivables are due within twelve months.

**12. Contract assets and contract liabilities**

**Contract assets**

	<b>June 30, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
<b>Current</b>		
Contract asset percentage of completion	27,430	12,058
	<b>27,430</b>	<b>12,058</b>

All contract assets are due within twelve months.

## 12. Contract assets and contract liabilities (continued)

### Contract liabilities

	<b>June 30, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
<b>Current</b>		
Trade liabilities percentage of completion	(3,845)	(2,264)
	<b>(3,845)</b>	<b>(2,264)</b>

All contract liabilities are due within twelve months.

The following table represents changes in our contract assets and contract liabilities balances as of June 30, 2025:

Customer	I	J	K	L	M	N	O	Total
Unbilled contract revenue	41	317	376	-	25,235	1,461	-	27,430
Customer advances and billings in excess of contract revenue	-	-	-	(521)	-	-	(3,324)	(3,845)
Revenue recognised in the six-month period ended June 30, 2025 (note 3)	-	-	1,094	315	19,374	3,352	716	24,851
Revenue recognised in the period %	-	-	4.40	1.27	77.96	13.49	2.88	100
Deferred revenue 2025	-	-	1,190	351	4,045	2,683	9,384	17,653

(1) During the six-month period ended June 30, 2025, no new orders were received from customers.

(2) There is no balance to report on clients A, D and H during the six-month period ended June 30, 2025.

The following table represents changes in our contract assets and contract liabilities balances as of December 31, 2024:

Customer	A (1)	D	H	I	J	K	L	M	N	O	Total
Unbilled contract revenue	-	-	1	36	323	605	4,649	6,444	-	-	12,058
Customer advances and billings in excess of contract revenue	-	-	-	-	-	-	-	-	(1,254)	(1,010)	(2,264)
Revenue recognised in the year	4,544	(32)	4,435	-	4,059	21,469	10,209	30,481	340	-	75,505
Revenue recognised in the year %	6.02	(0.04)	5.87	-	5.38	28.43	13.52	40.37	0.45	-	100
Deferred revenue 2025	-	-	-	-	-	2,284	666	22,906	6,035	10,100	41,991

(1) Associate up until November 2024.

(2) During the year 2024 new orders were received from customers M, N and O for a total amount of US\$ 69,862.

### 13. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost.

	<b>June 30, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
<b>Current</b>		
Bank loans	12,609	10,749
Secured loan third parties	2,068	9,325
Secure bank loans	2,936	1,937
Loan third parties (1)	-	1,000
Related parties	655	302
Government loan subsidy	74	74
	<b>18,342</b>	<b>23,387</b>
<b>Non-current</b>		
Related parties (2)	216,880	216,114
Loan third parties (3)	9,078	17,798
Secured loan third parties (4)	54,093	19,607
Secured bank loans	943	1,862
Bank loans	46	74
	<b>281,040</b>	<b>255,455</b>

(1) On March 31, 2025, the Company paid Boson Holding Corporation the bridge loan amounting US\$ 1,000 in accordance to the separation and release agreement.

### 13. Loans and borrowings (continued)

(2) On January 20, 2025, Galileo Global Technologies Ltd (as borrower) and Galileo Guernsey Limited (as lender) entered into a certain loan agreement for a principal amount of US\$7,000, whose maturity date operates in 2028.

Additionally, on February 18th and March 10, 2025, Galileo Global Technologies Ltd (as borrower) and Galileo Guernsey Limited (as lender) entered into an additional loan agreement amounting US\$3,000 and US\$2,000, respectively, whose maturity date also operates in 2028.

These loans shall accrue interest at an annual interest rate of 15%. Payment of principal and interest is subordinated in right of payment and liquidation to the prior payment in full of the Nordic bonds in accordance with the bonds terms governing.

(3) On February 19, 2025, Galileo Technologies S.A. (“GTA”) indebtedness with Halliburton Argentina S.R.L. (“HAL”) amounting US\$ 10,000 was settled through zero coupon loan notes issued by Galileo Global Technologies Ltd. (“GGT”) in favor of HAL.

The new loan notes issued by GGT are subordinated in right of payment and liquidation to the prior payment in full of the Nordic bonds in accordance with the bonds terms governing and carry a second lien over materially the same security package granted to the Nordic bond.

On February 25, 2025, Galileo Technologies S.A. (“GTA”) indebtedness with Helmerich & Payne International Drilling Co. (“H&P”) amounting US\$ 10,000 was settled through zero coupon loan notes issued by Galileo Holdco 2 Limited (“GH2”) in favor of H&P. The new zero-coupon loan notes shall be repaid in full at par on an Exit, or if earlier, the maturity date of the Convertible Loan Notes.

Simultaneously, GH2 and GGT entered into an intra-group loan agreement (“GGT”) where: i. the collection rights held by GH2 against GTA, that arose from this transaction were transferred to GGT; and ii. GH2’s investment in GGT increased by US\$ 10,000 and received 10,000,000 ordinary shares of US\$ 1 each.

(4) On March 4, 2025, GGT issued senior secured bonds governed by Norwegian law and intended for listing on the Nordic ABM. The initial issuance amounted to USD 55,000, with a total framework of USD 75,000. A portion of the proceeds was used to fully repay the USD 30,000 senior loan dated May 2, 2022 (as amended from time to time), entered into among others by Galileo Technologies Corporation, as borrower, and Morgan Stanley Senior Funding, Inc., as sole lead arranger, together with the lenders listed therein. The remaining proceeds will be used for general corporate purposes of the group. Listing on Nordic ABM should take place on or before 4 September 2025.

Last twelve months (LTM) Adjusted EBITDA reached US\$15,571 and Net Leverage increased to 4.36x, which is not in compliance with existing financing terms.

The Company has approached key bondholder seeking a waiver on the LTM Leverage Covenant.

### 14. Commitments

There are no new commitments in the period to mention.

### 15. Related parties

a) The significant balances with related parties, their nature volumes and balance during six-month period ended June 30, 2025 and the year ended on December 31, 2024, were as follows:

		<b>Receivables outstanding June 30, 2025 (Unaudited)</b>	<b>Payables outstanding June 30, 2025 (Unaudited)</b>	<b>Receivables outstanding December 31, 2024 (Audited)</b>	<b>Payables outstanding December 31, 2024 (Audited)</b>
<b>Related party entities</b>					
Galileo Holdco 2 Limited	(1)	83	(193,765)	2,895	(206,548)
Galileo Holdco 1 Limited	(2)	1,136	-	9,668	(529)
Edge Holdco UK Limited	(3)	4	-	37	-
Edge International Holdings 2 Inc	(4)	-	-	9,168	-
Galileo Guernsey Limited	(5)	-	(23,824)	-	(10,811)
<b>Directors</b>					
J. Grande	(6)	-	(16)	-	(12)
I. Sorrosal	(6)	-	(631)	-	(662)
		<b>1,223</b>	<b>(218,236)</b>	<b>21,768</b>	<b>(218,562)</b>

(1) Immediate holding entity of Galileo Global Technologies Ltd.

(2) Holding entity of Galileo Holdco 2 Limited.

(3) Subsidiary of Galileo Holdco 2 Limited.

(4) Holding entity of Edge Holdco UK Ltd (UK).

(5) Shareholder of Galileo Group.

(6) Directors and key management.

The related party transactions are due to financing activities and corresponding interest on the borrowings.

**16. Capital and reserves**

*a) Share capital and share premium*

	No. of shares 2025 (3)	Nominal value (1) 2025 US \$	Ordinary shares (1) 2025 US \$	Share premium 2025 US \$	No. of shares 2024 (3)	Nominal value (1) 2024 US \$	Ordinary shares (1) 2024 US \$	Share premium 2024 US \$
On issue at the beginning of the year	108,332,229	1	108,332,229	21,789,494	108,332,229	1	108,332,229	21,789,494
On issue on February 25, 2025 Issued as a result of assignment agreement (2)	10,000,000	1	10,000,000	-	-	-	-	-
On issue at the end of the period– fully paid	118,332,229	1	118,332,229	21,789,494	108,332,229	1	108,332,229	21,789,494

(1) These figures are not expressed in thousands of US dollars.

(2) In consideration of the Assignee issuing 10,000,000 ordinary shares of USD\$1, Galileo Holdco 2 Limited (the Assignor) assigned and transferred to Galileo Global Technologies Limited (the Assignee) the benefit of all the Assignor's rights, benefits and interest in, and under, the Intra-Group Loan Agreement.

(3) By the end of the year ended December 31, 2024, shares served as collateral for the loan agreement entered into the Group and Morgan Stanley Senior Funding, - whose net carrying amount was US\$ 28,623.

Subsequently, in early March 2025, the loan with Morgan Stanley Senior Funding was fully repaid with a portion of the proceed that arose from secured bonds issued by Galileo Global Technologies Limited. See note 13.

As result of this operation, shares pledged as collateral for the referred loan were released and simultaneously re-pledged as collateral of the secured bonds - listed on the Nordic ABM -, whose carrying amount as of June 30, 2025, is US\$ 57,445. For further details on this transaction, please see note 38 on the consolidated financial statements as of December 31, 2024.

Ordinary shares hold full rights in respect of voting and are subject to be considered by the directors when considering dividends. Furthermore, ordinary shares shall be non-redeemable but shall entitle the holder to full participation in respect of equity and in the event of a winding up of the Company.

**17. Subsequent events**

Refer to consolidated financial statements for the year ended December 31, 2024; note 38.

Denne meldingen til obligasjonseierne er kun utarbeidet på engelsk. For informasjon vennligst kontakt Nordic Trustee AS.

**To the Bondholders in:**

**ISIN: NO0013481242 Galileo Global Technologies Ltd. 13.75 % senior secured USD  
75,000,000 bonds 2025/2028**

1 September 2025

**SUMMONS FOR A WRITTEN RESOLUTION**

**1. Introduction**

Nordic Trustee AS (the “**Bond Trustee**”) acts as bond trustee for the bondholders (the “**Bondholders**”) in the above-mentioned bond issue (the “**Bond Issue**”) issued by Galileo Global Technologies Ltd (the “**Issuer**”) pursuant to the bond terms dated 28 February 2025, entered into between the Bond Trustee and the Issuer (the “**Bond Terms**”)

Unless otherwise stated herein, all capitalised terms used herein shall have the meaning ascribed to them in the Bond Terms. References to clauses and paragraphs are references to clauses and paragraphs of the Bond Terms.

The Issuer has resolved to request that the Bond Trustee summons a Written Resolution of the Bondholders approving the Proposal (as defined below).

*The information in this summons (the “**Summons**”) regarding the Issuer, market conditions and described transactions is provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.*

**2. Background**

Reference is made to the abovementioned Bond Issue.

During the first half of 2025, the Issuer experienced execution delays on existing contracts due to engineering modifications and regulatory requirements, as well as postponements in securing new contracts resulting from uncertainties related to U.S. tariff policy. Consequently, the LTM Leverage Covenant for the second quarter could not be satisfactorily tested. In addition, the Issuer expects liquidity to be constrained and potentially fall below management’s recommended minimum cash balance over the next two months. These circumstances have also delayed the conversion of the Issuer into a public limited company (PLC).

The Issuer is seeking the Bondholders’ consent to postpone certain deliveries under the Bond Terms until 30 September 2025, as further set out in clause 3 (*Proposal*) below. Prior to issuing these Summons, the Issuer has discussed the Proposal with a group of larger Bondholders (the

“Ad Hoc Group”) that represents app. 84% of the Bonds. The Ad Hoc Group has agreed to support the Proposal.

### 3. Proposal

The Issuer has requested the Bond Trustee to summon a Written Resolution to propose that the Bondholders resolve to approve the following (the “**Proposal**”):

- (a) to extend the deadline for delivery of the Compliance Certificate for the quarter ending 30 June 2025 from 31 August 2025 until 30 September 2025 and a corresponding extension of the applicable cure period for the Leverage Ratio in clause 13.23 (*Financial covenants cure*).
- (b) to extend the Interest Payment Date on 4 September 2025 until 30 September 2025, by extending the Interest Period accordingly (and corresponding shortening of the directly subsequent Interest Period).
- (c) to extend the deadline for when the Issuer must change its type of organisation to a public limited liability as further set out in clause 13.4 (*Corporate status*) of the Bond Terms from 4 September 2025 until 30 September 2025 and not having converted shall not constitute a breach of clause 13.2 (*Compliance with laws*).
- (d) to authorise the Bond Trustee (acting on instructions from Bondholders holding in aggregate more than 2/3 of the Outstanding Bonds) to engage a financial advisor.
- (e) that all fees, costs and expenses incurred by the Bond Trustee in connection with the engagement of a financial advisor shall be treated as fees, cost and expenses incurred by the Bond Trustee under the Bond Trustee Fee Agreement and the Bond Terms, including but not limited to:
  - (i) that any Partial Payment received shall firstly be used to settlement of fees, costs and expenses incurred by the Bond Trustee (and the Security Agent) prior to payment of any other amounts outstanding under the Finance Documents, cf. clause 8.3 (*Partial Payments*) of the Bond Terms; and
  - (ii) that the Bond Trustee may make a reduction in the Bondholders’ proceeds equal to the amount owed to the financial advisor in the event that the Issuer does not reimburse the Bond Trustee’s incurred fees, costs and expenses, cf. paragraph (h) of clause 16.4 (*Expenses, liability and indemnity*) of the Bond Terms.

The Proposal shall become effective upon confirmation from the Bond Trustee that the Proposal has been approved.

The Proposal shall be subject to the following conditions (the “**Conditions**”):

1. Arrangement of a call between representatives of the Ad Hoc Group and FTI as the financial advisor to the Issuer to be held no later than 2 September 2025 in order for the Ad Hoc Group to understand the scope of the FTI work and to explain the Bondholders’

expectations as to what review FTI should conduct in order to ascertain a viable business plan.

2. Arrangement of a bilateral call between representatives of the Ad Hoc Group and the key shareholders of the Issuer no later than 2 September 2025 to enable the Bondholders to explain their position directly to the shareholders.
3. Appointment of financial advisor by the Bondholders under which the Issuer, not later than 5 September 2025, shall agree to indemnify such financial advisor.
4. Payment of all outstanding fees to the Bond Trustee and its advisors in connection with the Bond Issue, to be completed no later than 4 September 2025 with respect to agreed fees and 15 September 2025 with respect to remaining fees.
5. Payment of additional retainer to Advokatfirmaet BAHR AS as advisors to the Bond Trustee in the amount of USD 50,000 (with the addition of VAT) no later than 4 September 2025.
6. Haliburton B.V. as Second Priority Creditor (under and as defined in the Intercreditor Agreement) must by no later 3 September 2025 acknowledge in a form and substance satisfactory to the Bond Trustee (acting in its sole discretion) that any notice periods under the Intercreditor Agreement (including, but not limited to, the 30 calendar days' notice period set out in clause 6 (b) of the Intercreditor Agreement) shall be deemed to having commenced on 1 September 2025.
7. The Issuer shall present to the Ad Hoc Group a revised business plan establishing a basis for a sustainable long-term capital structure, together with a proposal for the short-term liquidity needs of the Issuer and a long-term solution for the financial stability of the Issuer, by no later than 5 September 2025.
8. Any applicable remedy periods under the Bond Terms (including, but not limited to, the remedy periods set out in clause 14.1 (a) and (b) of the Bond Terms shall run as if the Proposal had not been approved.

Bondholders holding in aggregate more than 2/3 of the Outstanding Bonds shall be given power of attorney to (without any Written Resolution or Bondholders' Meeting) to instruct the Bond Trustee with respect to amendments to or waivers of the Conditions.

If any of the Conditions are not met at any time in accordance with the above, the amendments contemplated by the Proposal, save for paragraphs (d) and (e), will fall away with immediate effect.

#### **4. Evaluation of the Proposal**

The Proposal is put forward to the Bondholders without further evaluation or recommendation from the Bond Trustee. Nothing herein shall constitute a recommendation to the Bondholders from the Bond Trustee. Each Bondholder should independently evaluate the Proposal and vote accordingly.

## 5. Further information

For further questions to the Issuer, please contact:

Gastón Sayuz  
Galileo Legal Director  
[gaston.sayus@galileoar.com](mailto:gaston.sayus@galileoar.com)

The Issuer has retained FTI Consulting as financial advisor (the “**Advisor**”). Bondholders may contact the Advisor for further information:

Larry Manning  
Senior Managing Director  
[larry.manning@fticonsulting.com](mailto:larry.manning@fticonsulting.com)

The Advisor acts solely for the Issuer and no-one else in connection with the Proposal. No due diligence investigations have been carried out by the Advisor with respect to the Issuer, and the Advisor expressly disclaims any and all liability whatsoever in connection with the Proposal (including but not limited to in respect of the information herein).

For further questions to the Bond Trustee, please contact Merete Vatsendvik at [vatsendvik@nordictrustee.com](mailto:vatsendvik@nordictrustee.com) or +47 22 87 94 11. Bondholders may also contact the legal advisors of the Bond Trustee in Advokatfirmaet BAHR AS. Please contact Richard Sjøqvist at [ric@bahr.no](mailto:ric@bahr.no).

## 6. Written Resolution

Bondholders are hereby provided with a voting request for a Bondholders’ Resolution pursuant to Clause 15.5 (*Written Resolutions*) of the Bond Terms. For the avoidance of doubt, no Bondholders’ Meeting will be held.

It is proposed that the Bondholders resolve the following:

*“The Bondholders approves the Proposal as described in section 3 (Proposal) of this Summons.*

*The Bond Trustee is hereby authorized to implement the Proposal, and carry out other necessary work to implement the Proposal, including to prepare, negotiate, finalize and enter into all necessary agreements in connection with documenting the decisions made by way of this Written Resolution as well as carry out necessary completion work, including agreeing on necessary amendments to the Bond Terms and other Finance Documents.”*

\* \* \* \*

**Voting Period:** The Voting Period shall expire eleven (11) Business Days after the date of this Summons, being on 16 September 2025 at 16:00 Oslo time. The Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority under the Bond Terms prior to the expiration of the Voting Period.

**How to vote:** A duly completed and signed Voting Form (attached hereto as Schedule 1), together with proof of ownership/holdings must be received by the Bond Trustee no later than at the end of the Voting Period and must be submitted by scanned e-mail to mail@nordictrustee.com.

A Proposal will be passed if either: (a) Bondholders representing at least a 2/3 majority of the total number of Voting Bonds vote in favour of the relevant Proposal prior to the expiry of the Voting Period; or (b) (i) a quorum representing at least 50% of the total number of Voting Bonds submits a timely response to the Summons and (ii) the votes cast in favour of the relevant Proposal represent at least a 2/3 majority of the Voting Bonds that timely responded to the Summons.

If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the expiry of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in Clause 15.1 (*Authority of the Bondholders' Meetings*).

The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being achieved.

If the above resolution is not adopted as proposed herein, the Bond Terms and other Finance Documents will remain unchanged.

Yours sincerely

Nordic Trustee AS



Merete Vatsendvik

Enclosed:

Schedule 1: Voting form

### Schedule 1: Voting Form

**ISIN: NO0013481242 Galileo Global Technologies Ltd. 13.75 % senior secured USD  
75,000,000 bonds 2025/2028**

The undersigned holder or authorised person/entity, votes in the following manner to the Proposal as defined in the Summons dated 1 September 2025:

**In favour** of the Proposal

**Against** the Proposal

ISIN <b>NO0013481242</b>	Amount of bonds owned
Custodian Name	Account number at Custodian
Company	Day time telephone number
	E-mail

Enclosed to this form is the complete printout from our custodian/VPS<sup>1</sup>, verifying our bondholding in the bond issue as of \_\_\_\_\_.

We acknowledge that Nordic Trustee AS in relation to the Written Resolution for verification purpose may obtain information regarding our holding of Bonds on the above stated account in the securities register VPS.

We consent to the following information being shared with the issuer's advisor (the Advisor):

- Our identity and amounts of Bonds owned
- Our vote

\_\_\_\_\_  
Place, date

\_\_\_\_\_  
Authorized signature

***Return by mail:***

*Nordic Trustee AS  
PO Box 1470 Vika  
N-0116 Oslo  
Norway*

Telephone: +47 22 87 94 00

E-mail: [mail@nordictrustee.com](mailto:mail@nordictrustee.com)

<sup>1</sup> If the Bonds are held in custody other than in the VPS, evidence provided from the custodian confirming that (i) you are the owner of the Bonds, (ii) in which account number the Bonds are held, and (iii) the amount of Bonds owned.