

LEARND SE

ANNUAL REPORT

AS AT AND FOR THE FINANCIAL YEAR ENDED

31 DECEMBER 2024

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ANNUAL REPORT 2024

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GROUP MANAGEMENT REPORT

AS AT AND FOR THE FINANCIAL YEAR ENDED

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1. Fundamental Information about the Group

1.1 Business model

The learnd Group (hereinafter also referred to as “learnd” or the “Group”), comprises the parent entity learnd SE (hereinafter the “Company”), Luxembourg, and its direct and indirect subsidiaries. learnd SE was originally known as GFJ ESG Acquisition I SE (“GFJ Acquisition”), a special purpose acquisition company (SPAC), incorporated on 2 June 2021 in Luxembourg. The Group aims to become a leading force in European building management by addressing the pressing challenges of recent energy price volatility and the increasing demand for connected sustainable and energy-efficient buildings of owners and commercial users.

The Group specializes in the provision and administration of cloud-based proprietary solutions for building management systems (“BMS”), which are computer-based control systems used to monitor and manage a building’s essential services such as lightning, power, and heating. learnd offers tailored services encompassing installation, management, and maintenance of these systems, provided by third-party suppliers in its customers’ buildings. Additionally, learnd’s remote operations centre (“ROC”) and open data platform combine in-field and remote engineering expertise, ensuring real-time, efficient customer support. Through these services, customers can reduce the energy consumption and carbon emissions of their buildings, thereby decreasing their maintenance costs and enhancing overall cost and energy efficiency.

learnd specializes in a diverse portfolio of products and services, broadly summarized below:

- **On Site BMS Services:** This includes the on-site provision of BMS installation, maintenance, upgrades, repairs, and on-site optimization. The objective of these services is to ensure that customer’s buildings are safe, efficient, resilient and perform well. By directly managing and improving the BMS on-site, learnd can effectively address immediate and specific needs of building owners and managers, ensuring that their buildings operate optimally.
- **Remote and Energy Services:** These services are delivered remotely through learnd’s ROC. They utilize technology and skilled engineering resources to monitor, fix, and optimize buildings remotely through secure connections. The focus here is on enabling customers to monitor and subsequently reduce the energy and carbon emissions of their buildings. This approach aims to minimize costs and reduce environmental impact, aligning with the growing emphasis on sustainability and energy efficiency in the building management sector.
- **Unified BMS, smartphone app and other technology propositions:** learnd offers a cloud-hosted solution for legacy BMS systems. This eliminates the need for a traditional BMS “head-end”, such as a PC or similar terminal used for monitoring and managing the BMS. The unified BMS solution provides customers with a central point of access for all buildings in their estate, along with secure connectivity and modern features like multi-factor authentication. These service streamlines the management of building systems, making it easier and more efficient for customers to oversee and control multiple properties from a single platform.

Moreover, the Group’s business model includes a low-risk buy-and-strategy by acquiring companies that provide traditional building control solutions and then enhancing their offerings with learnd’s advanced technology. Through the plug-&-play technology, learnd enables acquired companies to quickly adapt the Group’s cloud-based building and energy management solutions, directly optimizing cost and energy efficiency at scale for their customers.

learnd’s current operations and customers are primarily located in the United Kingdom (UK), from where the Group manages over 8,000 sites, primarily commercial buildings, and data centres, with approximately 3.9TWh energy capacity, also including over 50 sites in Europe.

LEARND SE**GROUP MANAGEMENT REPORT 2024****1.2 Capital markets, governance and takeover law***General information*

learned SE shares are traded on the regulated market (General Standard) on the Frankfurt Stock Exchange under the symbol "LRND" and ISIN LU2358378979 in Frankfurt, Germany.

The Company's governing bodies are the Management Board, the Supervisory Board and the shareholders' meeting. The Company is managed by its Management Board under the supervision and control of the Supervisory Board in two-tier governance structure. The members of the Supervisory Board were appointed by an extraordinary shareholders' meeting of the Company held on 12 January 2023. One additional member was entitled as member of the Supervisory Board on 19 June 2024. The Supervisory Board also determines the number of members of the Management Board, their remuneration and the terms of their office. Pursuant to the Articles of Association, the members of the Management Board are elected for a term of up to five years. The members of the Management Board are eligible for re-appointment. A member of the Management Board may be removed by a resolution adopted by the Supervisory Board. A member of the Management Board cannot be a member of the Supervisory Board at the same time.

Own share transactions

In the financial year ended 31 December 2024, 445,587 treasury shares were sold to private investors each with a par value of 0.0384 and 5,333 treasury shares were given to an external service provider human unlimited to settle certain service fee with the market price for the service received in the amount of £33,977 (€40,000). Additionally, 310,465 treasury shares were given out as share-based consideration with a value of £2,200,000 for the acquisition of Crucible Holding Limited. For the acquisition of Smart Control Systems Limited, further 21,688 treasury shares were given as the share-based consideration with amount of €178,482 (£149,993). On 23 July 2024, the Group has issued 30,000 treasury shares to three members of the Supervisory Board as part of their fixed remuneration for financial year 2024 at a closing price on 23 July 2024 of €8.1 (£6.8) per share. On 14 August 2024, further 5,370 shares were issued to one member of the Supervisory Board as part of the fixed remuneration per financial year starting in 2024 at a closing price on 14 August 2024 of €7.9 (£6.8) per share.

Additionally, 230,303 new shares were issued as share-based consideration with a value of £1,621,460 (€1,900,000) for the acquisition of Ashdown Controls Group.

In February 2024, the 3,750,000 Class B Shares were converted into Class A Shares.

Hence, 14,123,827 Class A Shares were outstanding as at 31 December 2024, each with a par value of €0.0384. As at 31 December 2024, there are 12,146,057 treasury shares held by the Company, resulting in a total number of shares issued as 26,269,884.

Branches

The Company did not have any branches for tax purposes per end of the reporting period in addition to the subsidiaries.

1.3 External factors that affect learned's business

Material factors that could impact the Group's business in the short term include general macroeconomic and sector-specific developments. Please refer to section 2.1 and section 3 for more detail.

1.4 Group Structure

learned SE, the ultimate parent company of the Group, operates as a public European company (Société Européenne or "SE"), with its headquarters in Luxembourg. The Group comprises the parent entity, learned SE, and its subsidiaries in Germany, UK, Ireland and Luxembourg. As at 31 December 2024, the Company had direct or indirect shareholdings in 21 companies, which belong to the Group, and from which all are fully consolidated.

During the financial year ended as at 31 December 2024 the Group structure has the following changes:

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On 23 February 2024, learnd Acquisition S.à r.l (“learnd S.à r.l”), a new subsidiary of learnd SE established on 27 November 2023, acquired 100% of the issued share capital of learnd Limited from learnd SE. This acquisition was executed through the issuance of new ordinary shares in learnd Acquisition S.à r.l to learnd SE as consideration for the transaction.

On 26 February 2024, learnd Ltd acquired 100% of the share capital of Crucible Holding Limited, a UK business, and its subsidiaries, thereby obtaining control. Crucible Holding Limited operates in the field of building controls, energy and remote management solutions under the ‘BG Energy Solutions’ brand. Crucible Holding Limited has years of expertise and a vast portfolio of customers that substantially extends the Group’s technology solutions reach within the UK.

On 23 February 2024, the Group acquired 100% of the share capital of three Irish incorporated and tax resident companies: Ashdown HVAC Controls Limited, ACS Maintenance Limited, and Ashdown Control Switch Gear Limited (collectively referred to as the *Ashdown Controls Group*), thereby obtaining control. The Ashdown Controls Group operates in the field of building controls, energy and remote management solutions across the island of Ireland. With over 35 years of trading history, the acquisition strengthens the Group’s capabilities and market presence in energy management and remote building control services.

In August 2024, learnd Ltd acquired the building energy management business of Smart Control Systems Limited via an “Asset Purchase Agreement”. The business of Smart Control Systems Limited was integrated into Learnd UK Limited.

On 14 March 2025, the Group’s subsidiary Ashdown HVAC Controls Limited has changed its name to learnd Ireland Limited and ACS Maintenance Limited has changed its name to learnd Ireland Services Limited.

Learnd is organised as one reportable segment.

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1.5 Group Strategy

Vision and Mission

We have the mission to transform buildings into smart, interconnected ecosystems that optimize energy efficiency and costs and foster a more sustainable future. Our vision is to unite the power of many by connecting every single commercial building and managing it smartly through leading cloud-based building management technology. With every building that is optimized, learnt contributes to a collective effort to combat climate change and build a greener, more resilient planet.

Strategic priorities

The “Power of Many” strategy aims to bring together the best talent in the industry, the maximum levels of energy capacity (through customer buildings), like-minded investors and, importantly, new acquisitions that align to the Group’s vision. This strategy will not only take learnt on a path to becoming the leading energy management provider in Europe, but also help significantly the decarbonization of Europe’s energy grid and quest for net zero.

The business will continue its focus to underpin growth through long-term customer relationships which create recurring revenue in nature. By establishing and maintaining long-term relationships, learnt can help customers reduce cost and carbon emissions over time, whilst reducing operating customer’s operating costs by driving efficiencies in work practices through the implementation of learnt technology.

To achieve our vision and the Group’s strategic mid-term goals, learnt’s “Power of Many” strategy is based on the following four key strategic priorities:

Geographical expansion to Europe through selective pursuit of M&A opportunities

The Group is actively pursuing a low-risk buy-and-build acquisition strategy of acquiring traditional, cash generative BMS integrators. learnt’s efforts have already gained significant momentum in the United Kingdom, where the Group continuously assesses and monitors both existing and adjacent markets for potential M&A opportunities. As part of this strategy, the Group has acquired Crucible Holding Limited and Smart Control Systems Limited in the financial year 2024.

In line with the Group’s expansion strategy, learnt is broadening its acquisition focus to include BMS businesses across Europe. As part of this strategy, learnt has acquired the Ashdown Controls Group. The acquisition was made to expand the Group’s client base and geographic outreach into Ireland. This move aims to diversify the Group’s operations and introduce advanced technology solutions to the European BMS market.

Deployment of Internet-Connected Products

Traditional BMS are typically offline, relying on occasional on-site readings and optimisation. This approach often leads to limited improvements in the reliability, accessibility, and efficiency of customers’ BMS. learnt is addressing these limitations by integrating customers’ BMS with its own internet-connected products and services. This integration allows for continuous online monitoring and optimisation of building systems, resulting in significant reductions in emissions and energy costs.

Boost Customer Loyalty

learnt is actively encouraging both existing and potential customers to connect their BMS to its cloud-based services. These services, including Trojan Horse secure connectivity, energy management, and capacity access platform, offer substantial improvements in energy and cost efficiencies. The strategy to upsell cloud-based BMS services aims to foster long-term customer relationships and generate a high margin of subscription-based recurring revenue, complementing the stable income from traditional BMS operations.

Data-Driven Solutions

By connecting buildings through cloud-based systems, learnt is able to collect and analyse customer data. This data collection facilitates the creation of a sizeable building access platform and raises barriers to entry for competing BMS firms. Additionally, the aggregated data opens new avenues for partnerships and utilization in managing energy supply and consumption. This data application includes enhancing power grid

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monitoring, developing smart grid technologies, and implementing dynamic response systems to efficiently manage power demands. These data-driven solutions represent a forward-thinking approach in energy management and technological innovation in the BMS industry.

learnD have launched “Unified BMS”, their unique cloud hosted BMS system as well as the learnD smartphone app for both Apple and Android devices. In addition, their new critical alarms monitoring platform allows customers to see critical alarms in real time through alerts, web dashboard or app. These launches demonstrate progress in the ambition to increase the proportion of revenues and profit from Data-Driven services and solutions.

1.6 Internal Management System

Basis of information

The Management Board is responsible for steering the Group, endowed with extensive powers to act on the Group’s behalf and undertake actions necessary or useful for fulfilling its corporate purpose. The Management Board monitors and controls the Group’s development and performance through a comprehensive reporting system. learnD’s reports are prepared monthly, utilizing unified data, and are supplemented with specialized analyses and information that focuses on economically and strategically significant management and control measures.

At least once every calendar quarter, the Supervisory Board receives a written report about the business of the Group and its foreseeable future development. Additionally, the Management Board must inform the Supervisory Board without undue delay of any events likely to have an appreciable influence on the Group.

Group’s most important financial key performance indicators

learnD’s prime objective is to realize sustainable and profitable growth in enterprise value. Trends in learnD’s **most important financial key performance indicators (KPIs)** are, therefore, defining factors and essential basis for the Group’s lasting success.

The Group’s business is managed primarily using the following most important financial KPIs:

- **Revenue**
- **Adjusted EBITDA**

Both financial KPIs facilitate a comprehensive comparison of the Group’s business performance across various reporting periods. Internally, the Management Board utilizes these financial KPIs to inform a range of operational decisions. This includes the analysis the Group’s financial performance, strategic planning, and the formulation of annual budgets. The definitions of these financial KPIs are shown in the following table below:

Revenue	Revenue according to IFRS Accounting guideline. Revenue arises mainly from the design, installation, and maintenance services for BMS.
Adjusted EBITDA	Adjusted EBITDA is defined as earnings before interest, income taxes, depreciation and amortisation (“EBITDA”), further adjusted for non-recurring items. These non-recurring items relate to expenses incurred where management believes adjustments should be made due to their non-recurring or non-operational character, alongside the remaining costs incurred on the level of the Company (corporate expenses).

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The most important financial KPI's are shown in the table below:

Financial Key Performance Indicators	Year ended		Change %
	31 December 2024	31 December 2023	
	£	£	
Revenue	54,065,457	32,112,791	68%
Adjusted EBITDA	6,218,715	2,573,183	142%

See section 2 for further details.

1.7 Research and Development

learned is investing significant resources in technology to create opportunities to upsell our online energy monitoring and optimisation services to customers. For example, the Group is currently developing a central data platform which represents the culmination of key technology projects undertaken by the learned labs team. This platform is believed to put the learned engineers in a strong position to develop bespoke solutions to solve the problems of individual customers. Through this platform, learned aims to generate insights to help customers identify potential opportunities for optimisation in their BMS.

The investment in technology is reflected in the research and development expenditures (including research and development expenditures capitalised into intangible assets and recognised in the statement of comprehensive income), which amounted to £731,029 for the financial year ended 31 December 2024 representing a decrease of 36% from £1,142,582 for the financial year ended 31 December 2023. Over the longer term, learned's investments in technology are believed to increase the capacity to upsell online energy monitoring and optimisation services to customers and, as a result, increase revenue and EBITDA margin.

The vast majority of R&D is carried out in-house with specialist contractors used where needed, if skills are not available within the learned developer team.

1.8 Employees

In the financial year 2024, the Group had employed an average of 378 employees, representing an increase of 167 compared to the previous year (2023: 211). The overall increase in the head count is attributed to the Group's acquisition of Crucible Holding Limited, Ashdown Controls Group and Smart Control Systems Limited, reflecting the Group's strategic expansion and integration of new business units.

2. Report on Economic Position**2.1 Macroeconomic and sector-specific conditions**

According to the International Monetary Fund (IMF), global real GDP growth reached 3.2% in 2024. However, economic growth in the Euro area and the UK remained subdued, at 0.8% and 0.9% respectively, throughout the year, primarily due to policy uncertainties, geopolitical tensions, and a shortage of skilled workers, among other factors. Consumer price index (CPI) inflation levels generally dropped in 2024, with the UK falling from 7.3% in 2023 to 2.5% in 2024, and the Eurozone decreasing from 5.4% in 2023 to 2.4% in 2024. In response to these easing inflationary pressures, central banks in Europe and the UK continued to implement accommodative monetary policies, with the Bank of England gradually reducing the official bank rate from 5.25% to 4.75% during the financial year 2024.

Ongoing geopolitical tensions, particularly the conflict in Ukraine, continue to impact energy prices and disrupt supply chains, contributing to heightened uncertainty over future macroeconomic developments. These challenging economic conditions are weighing on both investment and consumption, hindering overall growth. Additionally, the resurgence of trade disputes with the United States and their global trade partners is further exacerbating market volatility and amplifying uncertainty among market participants.

In Great Britain, the wholesale price for electricity fell from £81.84/MWh in January to the year low of £61.54/MWh in mid-February but eventually increased to £88.87/MWh at the end of December in 2024.

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Meanwhile, strengthened European market fundamentals in Q3 2024 contributed to a year-on-year decline in wholesale electricity prices across European markets. In Q3 2024, the European Power Benchmark averaged 78 €/MWh, while electricity consumption in the EU increased by a modest 2% compared to the same period in 2023, according to the latest data from the European Commission at the time of writing this report. In general, the trend shows a stable price development of the market.

The UK's Building Energy Management Systems (BEMS) market maintained stable revenue levels in 2024, closely aligning with the previous year's performance. Industry trends during the year highlighted an expansion in manufacturers' market presence and revenue growth within the systems segment. Additionally, the proportion of installed BEMS solutions continued to rise, underscoring a sustained push toward more integrated and comprehensive energy management offerings.

The market for building management and maintenance services is increasingly competitive and learned faces competition from a diversified group of other companies. learned's main competitors are essentially large, internationally active companies and smaller producers in emerging markets. Moreover, learned competes with local companies such as system integrators and building management companies. The results of operations and the financial performance of the Group's customers may vary based on the impact of changes in the global economy and political environment.

2.2 Results of operations, financial position and assets and liabilities of the Group**2.2.1 Results of operations**

Condensed Consolidated Statement of Comprehensive Income

	Year ended		Change %
	31 December 2024 £	31 December 2023 £	
Revenue	54,065,457	32,112,791	68%
Cost of sales	(34,141,165)	(19,383,187)	76%
Gross profit	19,924,292	12,729,604	57%
Administrative expenses	(21,784,458)	(20,946,243)	4%
Other expenses	-	(48,070,476)	(100)%
Fair value gain on warrants	7,778,673	7,441,613	5%
Finance income	108,898	1,682	6,375%
Finance expense	(2,595,983)	(738,803)	251%
Income tax	141,235	143,705	(2)%
Profit (loss) for the period	3,572,658	(49,438,919)	(107)%

The development of individual income and expense items is presented in the following sections:

Revenue by area of activity	Year ended		Change %
	31 December 2024 £	31 December 2023 £	
Strategic accounts and projects	40,791,260	24,257,918	68%
Services	12,186,833	6,373,452	91%
Data enabled services	1,087,364	1,481,421	(27)%
Total	54,065,457	32,112,791	68%

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Revenue by region	Year ended		Change %
	31 December 2024	31 December 2023	
	£	£	
United Kingdom	43,719,541	30,937,710	41%
Rest of the world	10,345,916	1,175,081	780%
Total	54,065,457	32,112,791	68%

In the financial year 2024, the Group's total **revenues** increased by 68% to £54,065,457. While the revenues from Services are continuously growing, the major portion of the revenues was generated from Strategic accounts and projects. This increase is mainly driven by the acquisition of Crucible Holding Limited and the Ashdown Controls Group in February 2024, as well as Complete Energy Controls Ltd ("CEC"), which was acquired in May 2023. Additionally, the group experienced organic revenue growth within strategic accounts and projects and services in learned UK. For details, please refer to note 6 included in the following consolidated financial statements.

By contrast, revenues in Data enabled services dropped by 27%. The Group registered a decline in revenues in the Data enables services operations due to the decrease in software subscription revenue from a large customer.

In the United Kingdom revenue grew by 41% attributable to the acquisition of Crucible Holding Limited as well as Complete Energy Controls Ltd ("CEC"), which was acquired in May 2023. The increase in revenue from the rest of the world of £9,170,835 was mainly due to the acquisition of Ashdown Controls Group, which primarily operates in the Republic of Ireland.

Cost of sales increased by 76% to £34,141,165. The increase in cost of sales is directly linked to the acquisitions of Crucible Holding Limited and the Ashdown Controls Group in February 2024. Additionally, the acquisition of CEC in May 2023 is now fully reflected in the 2024 costs. This increase is consistent with the corresponding growth in revenue from the newly acquired businesses.

Other expenses in the amount of £48,070,476 in the financial year ended 31 December 2023 were initially recognised in relation to the share listing expenses for the de-SPAC Transaction closed on 18 January 2023. For details, please refer to *Note 5.1 – De-SPAC Transaction* in the notes to the consolidated financial statements for 2023.

The Group recognized a **fair value gain on warrants** for 7,500,000 Class A warrants and 7,145,833 Class B warrants of learned SE (together the "warrants"). These warrants were part of the liabilities assumed by learned Ltd from learned SE during the de-SPAC Transaction. The fair value of these warrants decreased from €0.97 per Class A warrant and €1.22 per Class B warrant as at 31 December 2023, to €0.45 per Class A warrant and €0.48 per Class B warrant as at 31 December 2024. This decline in fair value resulted in a gain of £7,778,673 (€9,187,916) for the period.

Finance expenses increased by 251% to £2,595,983, mainly due to higher interest expenses for loans and borrowings, totalling £2,167,787, up from £508,442 in 2023. This increase is largely attributable to a new loan agreement the Group entered with P Capital Partner AB as arranger, along with several banks as original lenders, providing the Group with three credit facilities totalling EUR 30 million. These new loan facilities incurred interest expenses of £1,902,822 during the reporting period.

In 2024, the Group reported a consolidated **Profit** of £3,572,658, a significant increase from the £49,438,919 loss in 2023. This significant increase is primarily related to the non-recurring share listing expense recognised in accordance with IFRS 2 in the prior period, resulting from the de-SPAC Transaction.

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Profitability

Adjusted EBITDA totalled £6,218,715 in the financial year ended 31 December 2024 (2023: £2,573,183). The adjustments to EBITDA totalling £5,665,490 in the financial year ended 31 December 2024 (2023: £57,665,162) include the following non-recurring items:

	Year ended	
	31 December 2024	31 December 2023
	£	£
Adj. EBITDA	6,218,715	2,573,183
<i>Non-recurring items:</i>		
Expenses resulting from the de-SPAC Transaction	-	(49,331,317)
Cash bonus payments	-	(3,406,183) ¹
Corporate expenses	(1,319,824)	(1,488,276)
Expenses related with the reorganisation of the Group	(1,229,038)	(195,159)
Share-based payment compensation	(1,168,551)	(2,661,316) ¹
Transaction costs related to acquisition of new subsidiaries	(661,409)	(578,923)
Realised synergies pro-forma	(636,735)	-
Adjustment to historical accrued revenue	(442,178)	
Other expenses	(207,756)	(3,988)
Total EBITDA Adjustments	(5,665,490)	(57,665,162)
EBITDA	553,226	(55,091,979)
Depreciation and amortisation	(2,413,391)	(1,195,137)
Finance costs	5,291,588	6,704,491
Profit (loss) before tax for the period	3,431,423	(49,582,624)

The pro forma adjustment for realised synergies in the financial year ended 31 December 2024 reflects cost savings arising from post-acquisition restructuring and workforce optimisation initiatives undertaken in 2024 to integrate acquired operations. The adjustment of expenses related with the reorganisation of the Group increased by £1,033,879 in comparison to 2023. The increase resulted from a series of reorganisation of the Group related to the two new acquisitions in 2024, including obtaining the new financing to fund the two new acquisitions and the transfer of the ownership of learnt Ltd from learnt SE to learnt S.à r.l.

¹ The comparative figures were adjusted due to the split of bonus payments of £6,067,499 in the financial year 2023 into cash bonus payments of £3,406,183 and the share-based payment compensation of £2,661,316 to align with the presentation of EBITDA adjustments in the financial year 2024.

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The group operates a central treasury management function, headed and controlled by learnd Ltd. For learnd, the management of liquidity and central financing holds significant importance.

The financial policy of learnd is meticulously designed to always prioritize and ensure the solvency of the Group. This policy is also aimed at minimizing the risks associated with financing activities. Additionally, a key objective of learnd's financial strategy is to optimize its cost of capital, thereby enhancing financial efficiency and stability within the Group. Cash is forecasted and monitored daily to ensure the business can meet its short- and long-term needs. This approach reflects a prudent and strategic focus on maintaining financial health and mitigating financial risks.

Capital structure

The following table provides an overview on the outstanding loans within the Group as at 31 December 2024:

Loans and borrowings	Original currency	Matures in	Interest type	Effective interest rate in %	Nominal value (in GBP)	Carrying amount (in GBP)
31 December 2024						
Facility A	GBP	February 2029	Variable-rate interest	14.49	7,500,000	7,248,882
Facility B	EUR	February 2029	Variable-rate interest	13.2	7,237,141	6,938,456
Shareholder loan AFT Tech	GBP	December 2028	Fixed-rate interest	5.0	3,762,470	3,762,470
Shareholder loan GFJ Holding	EUR	December 2025	Fixed-rate interest	2.5	917,201	917,201
Chepstow loan	EUR	December 2025	Fixed-rate interest	2.5	526,730	526,730
Ryan Mac Ban	EUR	August 2025	Fixed-rate interest	12.0	257,887	257,887
Total					20,201,428	19,651,624

On 9 February 2024, learnd Acquisition S.à r.l entered into a loan agreement with P Capital Partner AB as arranger and multiple banks as original lenders. Under this agreement, the Group secured three credit facilities totalling €30 million. These facilities include Acquisition Facility in the amount of €12.5 million, Facility A in the amount of €7.5 million, and Facility B in the amount of €17.5 million reduced by the EUR-equivalent amount of €7.5 million. All three credit facilities have a term of five years and bear variable interest rates.

On 23 February 2024, Facility A and Facility B were fully utilized, with £7,500,000 from Facility A and €8,728,070 (£7,237,141) from Facility B being drawn down by learnd Ltd and by learnd Acquisition S.à r.l, respectively. These funds were used for the payment of the cash considerations and transaction costs associated with the two acquisitions. Additionally, part of the draw down by learnd Limited was used to repay existing bank loans from ThinCats, which include a principal repayment of £2,481,481 and accrued interest of £24,935 as of the repayment date in February 2024.

In the financial year ended 31 December 2022, KVI Aimteq Limited, as one of the Group's shareholders, provided a shareholder loan of £3,000,000 to learnd Ltd ("Shareholder loan AFT Tech"). In September 2022, as part of AFT Tech Ventures AG's acquisition of all shares held by KVI Aimteq Ltd, the loan note along with its accumulated interest was transferred to AFT Tech Ventures AG ("AFT Tech"), with the acquisition finalised on 17 November 2022. On 22 February 2024, the Group has entered into a "Loan Reorganization Agreement" to rearrange the existing shareholder loan from learnd Ltd to learnd SE. Through the rearrangement, learnd SE has become the borrower of the Shareholder loan AFT Tech and lends the loan to learnd Acquisition S.à r.l, who then lends the loan further to learnd Ltd. The loan term has been changed from without a set repayment schedule to repayment date of 31 December 2028. The interests are payable on the repayment

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date. As a result of this rearrangement, the Shareholder loan AFT Tech including principal and interest have been reclassified from current to non-current liabilities. The balance of the Shareholder loan AFT Tech as at 31 December 2024 comprises of £3,000,000 principal and £762,470 interest outstanding.

Since 31 May 2022, GFJ Holding GmbH & Co.KG ("GFJ Holding"), a shareholder of the Company, provided the Company under several shareholder loan agreements with £1,372,293 (€1,655,000) in thirteen instalments. On 30 January 2023, the two parties entered into a shareholder loan agreement to rearrange these loans into one loan ("Shareholder loan GFJ Holding"). The Shareholder loan GFJ Holding has a fixed repayment date on 31 December 2025 and bears interest at an annual rate of 2.5%. It is unsecured. The amount of £545,516 (€656,000) has been repaid on 14 November 2024. The Shareholder loan GFJ Holding balance as at 31 December 2024 comprises £828,351 (€999,000) principal and £88,850 (€107,154) interests.

On 11 November 2024 learnd SE has received a new loan of €633,000 from Chepstow GmbH ("Chepstow loan"). The Chepstow loan bears a fixed interest rate of 2.5% and is due on 31 December 2025 with interest payable on the maturity date. The Chepstow loan balance as at 31 December 2024 comprises £524,871 (€633,000) principal and £1,859 (€2,242) interest.

On 16 August 2023, Learnd SE entered into a loan agreement with Ryan Mac Ban ("Ryan Mac Ban loan") in the amount of €267,118 to finance the Company's future expenditures. The loan is repayable at a fixed term of two years with interest payments due on an annual basis.

The Group acquired **other loans** from the acquisition of CEC in May 2023, which was obtained by CEC from Coronavirus Business Interruption Loan Scheme (CBILS) in UK. This loan has been fully repaid on 24 September 2024.

Investments

The Group's **investment volume** (investments in property, plant and equipment and intangible assets) increased to £11,967,325 as at 31 December 2024, exceeding the previous year's level of 4,123,693 This increase is primarily attributed to the acquisitions of Crucible Holding Limited, Ashdown Controls Group and Smart Control Systems Limited.

As a result of these acquisitions, the Group's intangible assets increased by £9,371,334, mainly due to the recognition of customer relationships and goodwill and property, plant and equipment increased by £558,813.

Condensed Consolidated Statement of Cashflow

The condensed consolidated statement of cashflow can be summarised as follows:

	Year ended		Change absolute
	31 December 2024	31 December 2023	
	£	£	
Net cash generated from operating activities	576,533	(6,567,077) ²	7,143,610
Net cash used in investing activities	(7,335,839)	(1,724,345)	(5,611,494)
Net cash used in financing activities	8,432,943	8,378,021 ^{2,3}	54,922

Net cash generated from operating activities amounted to £576,533 in the reporting year, a significant increase from the previous year's figure of £(6,567,077). This increase is largely attributable to the payments for the de-SPAC transaction in 2023, while no such payments occurred in 2024, as well as the cash inflows

² The comparative figures were adjusted due to the revised presentation of a loan, which resulted in the decrease in "Net cash generated from operating activities" and the increase in "Net cash used in financing activities" by £242,430.

³ The comparative figures were adjusted due to the revised presentation of restricted cash acquired by learnd Ltd from learnd SE in connection with the de-SPAC transaction in 2023 by analogy of the reverse acquisition accounting according to IFRS 3. In this adjustment the restricted cash (cash in escrow) amounting to £925,922 of learnd SE as of 18 January 2023 has been reclassified to the line item "capital reorganisation (reverse acquisition)", which resulted in the increase in "Net cash used in financing activities".

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generated from the operating activities of the two newly acquired businesses of Crucibles Holding Limited and Ashdown Controls Group in 2024 and CEC contributed cash inflows for the whole year in 2024.

Net cash outflows used in investing activities increased by £5,611,494. This increase was mainly attributable to the net cash outflow of £5,730,245 used for the acquisition of Crucible Holding Limited and the Ashdown Controls Group (net of cash acquired). In comparison, in the financial year ended 31 December 2023, the net cash outflows used in the acquisition of Complete Energy Controls Ltd was £914,744.

Net cash inflows generated from financing activities increased slightly by £54,922 from £8,378,021 to £8,432,943. During the financial year ended 31 December 2024, the proceeds from loans and borrowings increased by £14,265,501 due to the proceeds from two new loan facilities obtained from P Capital Partner AB. This was offset by the repayment of loans to ThinCats totalling £2,579,838, increased interests paid mainly due to the new loan facilities of £1,820,302, lower proceeds from the issuance of class A shares in the amount of £5,382,427, and the settlement of the discounting facility in the amount of £1,331,097 in Ashdown Group after the acquisition. Additionally, in the financial year ended 31 December 2023, additional cash outflows of £2,681,532 for the non-recurring de-SPAC Transaction closed on 18 January 2023 were included in the net cash inflows generated from financing activities.

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2.2.3 Assets and Liabilities

Condensed consolidated statement of financial position

	31 December 2024	as % of total assets	31 December 2023	as % of total assets	Change in %
Non-current assets	25,105,749	54%	12,598,479 ^{4,5}	51% ^{4,5}	99%
Current assets	21,076,394	46%	12,103,400 ^{4,5}	49% ^{4,5}	74%
Total assets	46,182,143	100%	24,701,879	100%	87%
Equity	(1,801,876)	(4%)	(12,838,854)	(52)%	(86)%
Non-current liabilities	27,113,433	59%	19,505,632 ⁶	79% ⁶	39%
Current liabilities	20,870,586	45%	18,035,101 ⁶	73% ⁶	16%
Total equity and liabilities	46,182,143	100%	24,701,879	100%	87%

As at 31 December 2024, **total assets** amounted to £46,182,143, representing a 87% increase. This growth was mainly attributable to the following effects:

Non-current assets increased by £12,507,270 to £25,105,749. This increase was primarily driven by the recognition of goodwill amounting to £8,107,928, and customer relationships valued at £1,135,407 as intangible assets, both arising from the acquisitions of Crucible Holding Limited, the Ashdown Controls Group and Smart Control Systems Limited. £2,055,751 increase was attributable to the increase of right-of-use assets mainly due to the acquisition of Crucible Holding Limited, the lease of a new property and the increase in the size of the fleet in line with the increase in employee numbers.

Current assets totalled £21,076,394, resulted in a £8,972,993 increase from the previous year. This growth was mainly caused by an increase in trade and other receivables contributed by the acquired businesses of Crucible Holding Limited and the Ashdown Controls Group, which amounted to £5,826,987 as at 31 December 2024, as well as an increase in cash and cash equivalent by £1,670,236 mainly contributed by these two newly acquired businesses. Additionally, there was an increase in trade and other receivables of the existing business due to timing differences.

Equity increased from £(12,838,854) to £(1,801,876), mainly driven by the proceeds from the sale of treasury shares of learned SE totalling £3,227,635 (£4,477,139), as well as 310,465 treasury shares valued at £2,200,000 for the acquisition of Crucible Holding Limited, 230,303 new shares issued with value at £1,621,460 for the acquisition Ashdown Controls Group and 21,688 treasury shares valued at (£149,993) for the acquisition of Smart Control Systems Limited. Additionally, retained earnings increased by £3,572,659 during the financial year ended 31 December 2024.

Non-current liabilities increased by £7,607,801 as at 31 December 2024. This increase was primarily driven by the drawn down of £14,887,264 loans and borrowings under the new loan agreement, along with the increase in non-current lease liabilities of £1,657,656 attributed to the acquisitions and newly leased automobiles. Additionally, the reclassification of AFT loans in the amount of £3,762,470 from current to non-current liabilities, triggered by the loan rearrangement, contributed to this increase. These factors were partially offset by the decrease in the fair value of the class A and class B warrants by £8,256,074 and the full repayment of the ThinCats loan amounting to £2,579,838 in 2024.

Current liabilities amounted to £20,870,586 as at 31 December 2024, which represents an increase of £2,835,485 from the previous year's figure of £18,035,101. This increase is primarily due to an increase in

⁴ The comparative figures were adjusted due to the revised presentation of deferred tax assets from current to non-current assets in accordance with IAS 1.56.

⁵ The comparative figures were adjusted due to the reclassification of R&D credits and claims of £321,795 from deferred tax assets to trade and other receivables in accordance with IAS 12.5.

⁶ The comparative figures were adjusted due to the revised presentation of a loan, which resulted in the increase in Loans and borrowings (non-current) by £232,139 and short-term borrowings by £10,291, while trade and other payables was decreased by £242,430.

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trade and other payables, which increased from £13,095,117 to £17,975,726. This increase is largely attributed to the acquisitions of Crucible Holding Limited and the Ashdown Controls Group in 2024. Further increase in current liabilities is attributable to the reclassification of the remaining balance of Shareholder loan GFJ Holding in the amount of £917,201 to current liabilities based on the maturity date, as well as the newly obtained Chepstow loan in the amount of £526,730. These increases were partially offset by the reclassification of AFT loans of £3,762,470 from current to non-current liabilities, following the loan rearrangement.

2.2.4 Overall statement

The Management Board views the overall business development as substantially positive for the Group, specifically given the current economic challenges. The core business has demonstrated resilience, and the effectiveness of the growth strategy has been validated, specifically with the underlying growth of recurring revenue and the addition of Crucible Holding Limited and the Ashdown Controls Group, expanding the Group's operations in the UK and in Ireland.

3. Report on Risks and Opportunities**3.1. Risk and opportunities management system**

A prerequisite for the long-term success of our Group is to identify risks and opportunities at an early stage and to exploit or manage them. learnt has established a range of controls over financial reporting and business activities, which undergo evaluation via a continuous program of self-assessment.

learnd operates in an environment where it is subject to a large number of risks and opportunities. These are defined as events and developments with a certain likelihood of occurrence, capable of exerting a material negative or positive impact, financially or otherwise, on the Group's achievement of its forecasts and targets. The Group places great emphasis on risk management as a crucial component of its operations, viewing it as key to ensuring transparency regarding potential risks and opportunities, thereby enhancing its decision-making processes.

The Group regularly analyses and reviews all risks and opportunities to which its business is subject, and the Management Board of the Company has considered their potential impact, their likelihood, controls that the Group has in place and steps the Group can take to mitigate such risks. This ensures accountability, transparency, and review of progress against the identified risks.

The identified risks from operating activities, along with their potential adverse effects on earnings, have not undergone a significant change compared to the previous year.

3.2. Risks

Internally, the materiality of the risks described below has been assessed based on the probability of their occurrence and the expected magnitude of their negative impact on the Group. These risks are presented in categories depending on their nature. They are currently considered primarily on a qualitative basis and, initially before risks measures are considered. Accordingly, these risks are not set out in any particular order and learnt recognises that the risks mentioned may materialize individually or cumulatively over time.

Macroeconomic and political risks

The global economic growth outlook for 2025 continues to be marked by uncertainty. Our results of operations and the financial performance of customers may vary based on the impact of changes in the global economy and political environment. The UK, where the majority of revenues is generated, and other markets in which learnt operates are currently subject to a very high degree of volatility and uncertainty caused by a number of factors, including (but not exclusively) labour constraints, supply chain cost inflation and disruptions, the risk of regional or global recessions, the resurgence of trade disputes with the United States and their global trade partners and the Russia-Ukraine war.

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In 2025, inflation in the Euro area is anticipated to remain moderate at 2.1%. By contrast, the UK is likely to face a higher rate of 2.9%. This upward pressure is further compounded by global increases in wholesale energy prices, which are expected to push UK energy costs even higher.

The Russia-Ukraine war has led to increased energy prices and inflation, initially boosting demand for energy-efficient services. However, the longer-term effects include global supply chain disruptions and material shortages due to sanctions against Russia. This has resulted in economic challenges in the UK, such as higher inflation and interest rates, and reduced credit availability, potentially impacting business operations and customer activities adversely.

Credit and counterparty risks

The Group is exposed to certain financial risks related to our customers' payment cycles. learned carries substantial accounts receivable balances from a number of customers. The potential inability or unwillingness of customers that represent a portion of our accounts receivable balance to pay such balances in a timely fashion could adversely affect our business. A customer may become unable or unwilling to timely pay its balance due to a general economic slowdown, economic weakness in its industry, the financial solvency of its business or the filing for bankruptcy. If the Group is unable to collect our receivables from, or bill our unbilled services to, our customers, the Group's financial condition and cash flows could be adversely affected.

Cashflow and liquidity risks

learned faces financial risk as it may seek additional funds to support growth, technological advancements, competitive responses, acquisitions, or to manage financial liabilities. The unpredictability of capital requirements, influenced by economic, financial, or political instability, could necessitate further capital. Financing through equity could dilute current equity holders, while debt financing could restrict business operations through covenants and allocate a significant portion of cash flows to debt servicing, limiting growth and operational flexibility.

Currency Risk

The Group is exposed to translation and transaction foreign exchange risk, with 19% of its revenue derived from foreign currencies (2023: 4%). Although, most of the revenue is priced and invoiced in sterling, it occasionally invoices in relevant foreign currencies and all revenues generated in the acquired Ashdown Controls Group are priced and invoiced in Euro. The Group is currently using a natural hedge to manage currency risk, as it does purchase some equipment from Europe, incurs costs in Luxemburg after the Business Combination with learned SE and uses Euro to settle the acquisition or service costs, as well as settles all purchase activities conducted in the acquired Ashdown Controls Group in Euro.

Interest Rate Risk

As at 31 December 2024, the Group is exposed to interest rate risk, due to the variable interest rates of the newly obtained Facility A and Facility B. The actual interest rates have been reduced by 0.49% for Facility A and by 0.67% for Facility B in 2024 and the Group expects further reduction in the interest rates. Therefore, the Group considers the interest rate risk is not material as at 31 December 2024.

learned's future financial performance, influenced by market conditions and interest rates, is crucial for meeting debt obligations and obtaining refinancing on favourable terms. Unfavourable borrowing conditions may increase financing costs, negatively impacting operations, and growth prospects.

Operative Risks

The building management and maintenance services market is growing increasingly competitive, with learned facing challenges from a wide range of competitors, including potential new entrants from abroad. These competitors, often with more substantial brand recognition and resources, may offer more competitive pricing and invest more in developing and marketing their services, potentially weakening learned's market position. An inability to swiftly adapt to this competitive environment could lead to reduced demand for learned's services, pressure to lower prices, and negatively impact growth and profit margins. Failure to compete effectively might result in the loss of current customers and difficulty in attracting new ones.

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Legal and regulatory risks

The Group's business includes rights to intellectual property. In some cases, these can be breached by third parties, which requires us to take legal action. learned constantly monitors its intellectual property to ensure that all material rights remain in full force and effect. In addition, the Group have engaged patent and trademark lawyers who support learned in this respect.

3.3 Opportunities

While learned faces several risks, there are also numerous opportunities for the Group. By the most relevant opportunities, as outlined below, learned means possible future developments or events which, if they occur, could lead to substantial positive deviations from the Group's forecasted growth and profitability targets. Opportunity management is deeply integrated in the strategy, planning, and reporting processes and an important element of the Group's management approach.

Strong Market Opportunity

Through the significant operational histories of our key acquisitions, Aimteq and Comfort Controls, both part of learned UK, the Group positions itself as early movers in a growing market. The BMS market, a mature and competitive sector, is anticipated to expand significantly. Similarly, substantial growth is forecasted in other related market segments, including the global energy management market and the smart grid market. These projections underline the potential for growth and expansion in our market areas, aligning with our strategic objectives and capabilities.

Buy-and-Build Opportunity

learned's buy-and-build acquisition strategy could permit the Group to gain further sector expertise and deepen its customer relationships and access to buildings, enabling significant growth in learned's enterprise value over time.

Once learned has acquired a target, the Group has the opportunity to create additional enterprise value through multiple arbitrages between the acquisition valuation and its valuation.

learned sees the opportunity to harness operational synergies as a cornerstone for growth, focusing on:

- Achieving shared services and back-office cost efficiencies across its acquisitions.
- Extracting cost and revenue synergies to enhance pricing power with suppliers and customers.
- Streamlining human capital costs through strategic departures and redundancies among senior staff following acquisitions.

Following company acquisitions, learned proactively leverages the opportunity to implement technology solutions at new customer sites to enhance the appeal and profitability of its core BMS services, simultaneously opening avenues for upselling additional products and services.

Increased Stickiness via Technology

learned leverages technology and data to enhance outcomes and customer loyalty, actively developing and upgrading its offerings to expand its customer base. The integration of learned's technology into customer BMS operations offers an opportunity to deepen engagement and uncover optimization opportunities. This approach drives demand for learned's on-site services, creating new recurring revenue streams and strengthening its existing maintenance services.

Proprietary Platform

learned estimates it has access to a significant portion of large non-residential buildings in the UK through its market share. The Group's strategy involves safely connecting these buildings with its cloud-based building management technologies, enabling the collection of data from customers' BMS. learned plans to aggregate this data on its developing open data platform for continuous analysis and monitoring. The incorporation of "smart alerts" further enhances this system by providing real-time notifications of issues, facilitating immediate response to any problems.

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Looking ahead, learnd aims to introduce additional technology-driven services, including cloud-hosted systems, improved building visibility through web-based dashboards and a smartphone app, and dynamic demand response in partnership with utilities. These initiatives are expected to further yield energy savings, enhance customer retention, improve margins, and contribute positively to the energy grid and net-zero transition.

4. Outlook

The forecast report of the learnd takes into account relevant facts and events that were known at the time of known at the time the Group management report was prepared, and which could influence future business development.

General economic conditions

Economic momentum in the Euro area and the UK is forecasted to strengthen in 2025, but at a tempered rate, as geopolitical factors continue to weigh on investor and consumer confidence. More specifically, GDP growth in the UK is expected to increase (+1.6% real GDP growth), fuelled by a substantial increase in public spending, while the Euro area is poised to benefit from recovering domestic demand (+1.0% real GDP growth) in 2025. However, expansion remains challenged by aforementioned geopolitical tensions, trade frictions, political and policy uncertainties, and lingering skill shortages in key sectors.

The inflation rate is expected to be at 2.1% in the Euro area, while levels are expected to be higher in the UK with 2.9% for 2025. Moreover, due to rising global wholesale prices for energy, energy prices in the UK are forecasted to rise in 2025.

Business Performance

The outlook is based on the forecast macroeconomic developments and the current internal Group plans for the internal plans of the Group for the 2025 financial year. These do not consider any significant deterioration or improvement of the described parameters beyond the statements made above, which could have a described parameters that could have a negative or positive impact on European economic development or the business or the business development of the Group. The underlying planning assumptions do not currently take into account any possible business-relevant consequences of the Russian-Ukrainian or the Israeli–Palestinian conflict.

For the financial year 2025, learnd's management expect strong growth in revenue with modest growth in adjusted EBITDA.

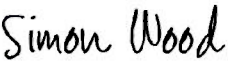
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5. Corporate Governance

As a Luxembourg company whose shares are traded on the Frankfurt Stock Exchange, learnd is not obliged to comply with the Luxembourg corporate governance rules that apply to companies whose shares are traded in Luxembourg, or to the German corporate governance rules that apply to listed companies in Germany. The Company has chosen not to voluntarily apply either the Luxembourg or the German corporate governance system in its entirety.

learnd SE
Luxembourg, 30 April 2025

Signed by:

070CB15E98AB480...
Simon Wood
Member of the Management Board

DocuSigned by:

C351789A8D884EF...
John Clifford
Member of the Management Board

To the Shareholders of

learnrd S.E.

R.C.S. Luxembourg B255487
9, rue de Bitbourg
L-1273, Luxembourg
Grand Duchy of Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **learnrd S.E.** (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "Réviseur d'Entreprises Agréé" for the Audit of the consolidated Financial Statements » section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter:	Recognition of revenue
<p>Description of key audit matter:</p>	<p>The amount of revenue amounting to GBP 54,065,457 (note 7) is dependent on the appropriate estimation of the percentage of completion at the period-end of projects that span beyond the period-end based upon the costs incurred or accrued in the period to date, in accordance with International Financial Reporting Standard 15 Revenue Recognition (“IFRS 15”). Therefore, we considered the risk that the revenue is not accurate as a significant risk.</p> <p>The Group has procedures and processes in place to manage the commercial, technical, and financial aspects of sales contracts and the risk of material misstatement is that accounting for the Group’s sale contracts does not accurately reflect the timing of recognition.</p>
<p>Our response:</p>	<p>Our audit procedures to address the risk of material misstatement relating to revenue recognition, which was considered to be a significant risk, included:</p> <ul style="list-style-type: none"> • Evaluating and testing of the design and implementation of the relevant controls over process activities, specifically on controls over cut-off; • Performing of standard audit procedures on revenues of the operating entities to verify occurrence /measurement of sales by reconciling a sample of revenue transactions to sales order/contracts, invoices, completion certificates and bank statements; • Obtaining General Conditions of Sale • Performing of cut-off testing on sales transactions recorded around year-end to ensure that they have been recognized in the appropriate period; • Recalculating accrued revenue and related revenue amounts for a sample of revenue transactions after agreeing the projected revenue to a contract/quote; • Testing of the post year-end invoices and where these have been paid to subsequent bank statements to confirm the occurrence of the accrued revenue at year-end. • Challenging management assessment and obtention of explanations for loss-making contracts to assess appropriateness of their treatment including the accounting for similar ongoing projects; <p>We assessed the completeness and adequacy of the disclosures in Note 4 ‘Significant accounting judgements, estimates and assumptions’, Note 6 ‘Segmental information’ and Note 7 ‘Revenue’ to the Consolidated Financial Statements.</p>
<p>Key audit matter:</p>	<p>Business combination accounting (acquisition of Crucible Holding Limited, Ashdown HVAC Controls Limited, ACS Maintenance Limited, Ashdown Control Switch Gear Limited)</p>
<p>Description of key audit matter</p>	<p>During the financial year, the Group completed the acquisitions of Crucible Holding Limited and Ashdown Controls Group, which were accounted for as a business combination in accordance with IFRS 3 Business Combinations. The total consideration transferred amounted to GBP 6,361,195 and GBP 4,753,299 respectively, and the transactions resulted in the recognition of goodwill of GBP 3,599,626 and GBP 4,358,309 respectively and identifiable intangible assets of GBP 707,000 and GBP 428,407 respectively.</p> <p>Accounting for business combinations involves complex and judgmental estimates, including determining the acquisition date, identifying and measuring the fair value of assets acquired and liabilities assumed, and estimating the fair value of contingent consideration. The valuation of intangible assets, in particular, required the use of significant assumptions, such as discount rates, customer attrition rates, and royalty rates.</p> <p>Given the financial significance of the acquisitions, the inherent estimation uncertainty, and the judgment involved in applying the acquisition method, we considered this area to be a key audit matter.</p>

<p>Our response:</p>	<p>Our procedures included, among others:</p> <ul style="list-style-type: none"> • Evaluating whether the transactions met the definition of a business combination and whether the acquisition method was appropriately applied in accordance with IFRS 3. • Reviewing the share purchase agreement and related documentation to understand the terms and determine the components of the consideration transferred. • Evaluating the identification of the acquisition date based on the point at which control was obtained. • Assessing the purchase price allocation performed by management, with the involvement of our valuation specialists, in order to: <ul style="list-style-type: none"> ○ Evaluate the methodology used and the appropriateness of the valuation models applied; ○ Assess the reasonableness of key assumptions, including discount rates, attrition rates, and projected cash flows; ○ Evaluate the completeness and valuation of intangible assets recognized. • Verifying the calculation and recognition of goodwill arising from the transaction. • Evaluating the accounting entries in the consolidated financial statements for consistency with IFRS 3 requirements, including the treatment of contingent consideration and deferred taxes. • Evaluating the adequacy of disclosures in note 3.1.1, note 5 and note 13 to the consolidated financial statements regarding the acquisitions, including description of the transactions, key assumptions, and the allocation of consideration.
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Other matter

We hereby draw your attention to the fact that the consolidated financial statements of the Group as at 31 December 2024 have not been prepared in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format (“ESEF Regulation”) requiring public companies in the European Union to publish their financial statements under such a format.

Other information

The Management Board is responsible for the other information. The other information comprises the information stated in the consolidated annual report including the management report and the Corporate Governance Statement but does not include the consolidated financial statements and our report of the “Réviseur d’Entreprises Agréé” thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 this fact. We have nothing to report in this regard.

Responsibilities of the Management Board and Those Charged with Governance for the consolidated Financial Statements

The Management Board is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Management Board determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Management Board is responsible for assessing the Group’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 Management Board either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Management Board is responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format as amended (“the ESEF Regulation”).

Responsibilities of the “Réviseur d’Entreprises Agréé” for the Audit of the consolidated Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “Réviseur d’Entreprises Agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Conclude on the appropriateness of Management Board’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “Réviseur d’Entreprises Agréé” to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “Réviseur d’Entreprises Agréé”. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on Other Legal and Regulatory Requirements

We have been appointed as “Réviseur d’Entreprises Agréé” by the General Meeting of the Shareholders on 19 June 2024 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 1 year.

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the consolidated management report. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the consolidated financial statements of the Group as of 31 December 2024 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Group, it relates to:

- Financial statements prepared in valid xHTML format;
- The XBRL markup of the Consolidated Financial Statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as of 31 December 2024, have not been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in the EU Regulation No 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

Luxembourg, 30 April 2025

For Forvis Mazars, Cabinet de révision agréé
5, rue Guillaume J. Kroll
L-1882 LUXEMBOURG

Signed by:

305E8B7D69EF4B4..

Oana BENTEL
Réviseur d’Entreprises Agréé

LEARND SE

CONSOLIDATED FINANCIAL STATEMENTS 2024

LEARND SE

CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE FINANCIAL YEAR ENDED

31 DECEMBER 2024

LEARND SE

CONSOLIDATED FINANCIAL STATEMENTS 2024

COMPANY INFORMATION

Directors	S J Wood J Clifford V R I Hatton
Registered number	B255487
Registered office	9, rue de Bitbourg L-1273 Luxembourg Grand Duchy of Luxembourg
Independent auditors	Forvis Mazars Luxembourg S.A., 5, Rue Guillaume J. Kroll, L-1882 Luxembourg

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CONSOLIDATED FINANCIAL STATEMENTS 2024

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CONSOLIDATED FINANCIAL STATEMENTS 2024

Consolidated Statement of Comprehensive Income

	Notes	Year ended	
		31 December 2024 £	31 December 2023 £
Revenue	7	54,065,457	32,112,791
Cost of sales	8	(34,141,165)	(19,383,187)
Gross profit		19,924,292	12,729,604
Administrative expenses	9	(21,784,458)	(20,946,243)
Other expenses – share listing expense		-	(48,070,476)
Operating loss		(1,860,166)	(56,287,116)
Fair value gain on warrants	26	7,778,673	7,441,613
Finance income		108,898	1,682
Finance expense	10	(2,595,983)	(738,803)
Profit / (Loss) before tax		3,431,423	(49,582,624)
Income tax	11	141,235	143,705
Profit / (Loss) for the period		3,572,658	(49,438,919)
Other comprehensive income			
<i>Items that can be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		685,399	198,050
Total comprehensive profit / (loss) for the period		4,258,057	(49,240,869)
Basic profit / (loss) per share	12	0.26	(4.19)
Diluted profit / (loss) per share	12	0.25	(4.19)

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CONSOLIDATED FINANCIAL STATEMENTS 2024

Consolidated Statement of Financial Position

	Notes	31 December 2024 £	31 December 2023 (Revised) £
Non-current assets			
Intangible assets	13	19,611,026	9,744,737
Property, plant and equipment	14	820,606	235,376
Right-of-use assets	15	4,562,570	2,506,819
Deferred tax assets	11	111,547	111,547 ^{7,8}
Total non-current assets		25,105,749	12,598,479^{7,8}
Inventories	16	818,092	623,921
Trade and other receivables	17	16,819,021	9,710,434 ⁸
Cash and cash equivalents	18	3,439,281	1,769,046
Total current assets		21,076,394	12,103,400^{7,8}
Total assets		46,182,143	24,701,879
Share capital		473,157	439,218
Share premium		37,141,892	31,334,071
Foreign currency translation reserve		883,449	198,050
Share-based payments reserve		3,696,537	2,759,377
Retained earnings		(43,996,911)	(47,569,570)
Total equity	19	(1,801,876)	(12,838,854)
Lease liabilities (non-current)	15	3,509,780	1,852,124
Class A warrants at fair value	26	2,798,483	6,322,339
Class B warrants at fair value	26	2,844,087	7,576,306
Loans and borrowings	22	17,949,807	3,743,588 ⁹
Provisions	23	11,276	11,276
Total non-current liabilities		27,113,433	19,505,632⁹
Lease liabilities (current)	15	1,193,043	726,639
Trade and other payables	24	17,975,726	13,095,117 ⁹
Short term borrowings	22	1,701,817	4,213,345 ⁹
Total current liabilities		20,870,586	18,035,101⁹
Total liabilities		47,984,019	37,540,733
Total equity and liabilities		46,182,143	24,701,879

⁷ The comparative figures were adjusted due to the revised presentation of deferred tax assets from current to non-current assets in accordance with IAS 1.56.

⁸ The comparative figures were adjusted due to the reclassification of R&D credits and claims of learnd Ltd amounting to £321,795 from deferred tax assets to trade and other receivables in accordance with IAS 12.5.

⁹ The comparative figures were adjusted due to the revised presentation of a loan, which resulted in the increase in Loans and borrowings (non-current) by £232,139 and short-term borrowings by £10,291, while trade and other payables was decreased by £242,430.

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CONSOLIDATED FINANCIAL STATEMENTS 2024

Consolidated Statements of Changes in Equity

£	Share capital	Share premium	Retained earnings	Foreign currency translation reserve	Share-based payments reserve	Total shareholders' equity
Balance at 31 December 2023	439,218	31,334,071	(47,569,570)	198,050	2,759,377	(12,838,854)
Profit for the period	-	-	3,572,659	-	-	3,572,659
Other comprehensive income for the period	-	-	-	685,399	-	685,399
Total comprehensive profit for the period	-	-	3,572,659	685,399	-	4,258,058
Equity-settled share-based payment	-	-	-	-	937,159	937,159
Issuance of new shares	7,547	1,613,913	-	-	-	1,621,460
Issuance of treasury shares	26,392	4,193,908	-	-	-	4,220,300
Total transactions with owners	33,940	5,807,821	-	-	937,159	6,778,920
As at 31 December 2024	473,157	37,141,892	(43,996,911)	883,449	3,696,537	(1,801,876)

£	Share capital	Share premium	Retained earnings	Foreign currency translation reserve	Share-based payments reserve	Total shareholders' equity
Balance at 31 December 2022	95	-	1,869,349	-	98,061	1,967,505
Loss for the period	-	-	(49,438,919)	-	-	(49,438,919)
Other comprehensive income for the period	-	-	-	198,050	-	198,050
Total comprehensive loss for the period	-	-	(49,438,919)	198,050	-	(49,240,869)
Share capital restructuring	244,919	(244,919)	-	-	-	-
Reverse acquisition of GFJ SPAC	134,345	22,563,705	-	-	-	22,698,049
Equity-settled share-based payment	-	-	-	-	2,661,316	2,661,316
Issuance of treasury shares	59,859	9,015,286	-	-	-	9,075,145
Total transactions with owners	439,123	31,334,071	-	-	2,661,316	34,434,510
As at 31 December 2023	439,218	31,334,071	(47,569,570)	198,050	2,759,377	(12,838,854)

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CONSOLIDATED FINANCIAL STATEMENTS 2024

Consolidated Statement of Cash Flows

	Notes	Year ended	
		31 December 2024	31 December 2023 (Revised)
		£	£
Profit / (Loss) for the period		3,572,658	(49,438,919)
Adjustments for:			
Depreciation and Amortisation	13, 14, 15	2,413,391	1,195,137
Finance expenses	10	2,487,085	715,595
Share based payment charge		1,202,415	2,661,316
Non-cash share listing expense		-	48,070,476
Transaction costs on acquisition of subsidiaries	5	-	78,208
Loss on disposal of development costs		-	248,285
Gain on disposal of right of use asset		-	(1,019)
Fair value (gains) on warrants	26	(7,778,673)	(7,441,613)
Income tax expenses	11	(141,235)	(143,705)
Change in operating assets and liabilities			
(Increase)/decrease in debtors		(3,013,061)	(1,937,205)
(Increase)/decrease in inventories		(119,243)	242,428
(Decrease)/increase in creditors		1,743,048	(801,823) ¹¹
Cash flows from operating activities			
Cash generated from operating activities		366,385	(6,552,839)¹¹
Income tax paid		-	(88,331)
Income tax received		210,148	74,093
Net cash from operating activities		576,533	(6,567,077)¹¹
Cash flows from investing activities			
Purchase of intangible assets	13	(935,535)	(255,398)
Purchase of tangible assets	14	(388,717)	(158,247)
Acquisition of subsidiaries, net of cash acquired	5	(5,730,245)	(914,744)
Capitalised expenditure for research and development	13	(281,342)	(395,956)
Net cash used in investing activities		(7,335,839)	(1,724,345)
Cash flows from financing activities			
Proceeds from issuance of class A shares	19	1,606,175	6,991,428
Capital reorganisation (reverse acquisition)		-	2,681,532 ¹⁰
Proceeds from loans and borrowings	25	14,265,501	242,430 ¹¹
Repayments of loans and borrowings	25	(2,798,227)	(413,942)
Proceeds from shareholder loans	25	535,910	695,224
Repayment of shareholder loans	25	(555,383)	(695,224)
Payments of lease liabilities	15	(1,046,643)	(655,063)
Interest paid		(2,243,293)	(432,597)
Payments of other finance costs		-	(35,767)
Settlement of discounting facility		(1,331,097)	-
Net cash from financing activities		8,432,943	8,378,021^{10,11}
Net increase in cash and cash equivalents		1,673,638	86,599¹⁰
Effects of exchange rate changes on cash and cash equivalents		(3,403)	3,309
Restricted cash (cash in escrow)		-	- ¹⁰
Cash and cash equivalents at start of period		1,769,046	1,679,138

¹⁰ The comparative figures were adjusted due to the revised presentation of restricted cash acquired by leamd Ltd from leamd SE in connection with the de-SPAC transaction in 2023 by analogy of the reverse acquisition accounting according to IFRS 3. In this adjustment the restricted cash (cash in escrow) amounting to £925,922 of leamd SE as of 18 January 2023 has been reclassified to the line item "capital reorganisation (reverse acquisition)", which resulted in the restatement of the line item "capital reorganisation (reverse acquisition)" to £2,681,532.

¹¹ The comparative figures were adjusted due to the revised presentation of a loan, which resulted in the increase in "Proceeds from loans and borrowings" by £242,430, while "(Decrease)/increase in creditors" was decreased by £242,430.

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Cash and cash equivalents at end of period	18	3,439,281	1,769,046
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1. General information

The learnd Group (hereinafter also referred to as “learnd” or the “Group”), comprises the parent entity learnd SE, Luxembourg, Luxembourg (the “Company”), and its direct and indirect subsidiaries. The Company is registered with the Luxembourg Trade and Companies Register under number B255487. On 23 April 2024, the Company changed its registered office from 5, Heienhaff, L-1736 Senningerberg, Luxembourg to 9, rue de Bitbourg, L-1273 Luxembourg, Luxembourg.

The principal activities of the Group include the design, installation, service and maintenance of Building Management Systems (“BMS”) and Building Energy Management Systems, and the provision of associated bureau services.

Learnd SE was originally known as GFJ ESG Acquisition I SE (“GFJ Acquisition”) a special purpose acquisition company (SPAC), established for the purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area or the United Kingdom or Switzerland in the form of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction. Since 19 October 2021, the Company has been listed on the regulated market of the Frankfurt Stock Exchange (General Standard) in Germany.

On 27 October 2022, GFJ Acquisition and learnd Limited (“learnd Ltd”) entered into a business combination agreement (as amended on 9 December 2022) whereby GFJ Acquisition became the legal parent of learnd Ltd and its subsidiaries by way of contribution of all shares in learnd Ltd into GFJ Acquisition in exchange for the issuance of new public shares (the “Business Combination” or “Transaction”). On 18 January 2023, the Business Combination was consummated and GFJ Acquisition changed its name to learnd SE. The Business Combination is accounted for as a reverse acquisition in accordance with International Financial Reporting Standards as endorsed by the European Union (“IFRS”). learnd Ltd was deemed to be both the accounting acquirer and the predecessor entity in the subsequent filings of the combined company. Therefore, the comparable consolidated financial statements represent the consolidated financial statements of learnd Ltd for all periods prior to 18 January 2023. For further explanations to the Transaction, please refer to *Note 5.1 – De-SPAC Transaction* in the notes to the consolidated financial statements for 2023.

In the financial year ended 31 December 2024, the Group structure of learnd SE has made the following changes:

On 26 February 2024, learnd Ltd acquired 100% of the share capital of Crucible Holding Limited, a UK business, and its subsidiaries, thereby obtaining control.

On 23 February 2024, learnd acquired 100% of the issued capital of three Irish incorporated and tax resident companies: Ashdown HVAC Controls Limited, ACS Maintenance Limited, and Ashdown Control Switch Gear Limited (collectively Ashdown Controls Group), Irish business, thereby obtaining control.

On 23 February 2024, learnd Acquisition S.à r. l (a company incorporated on 27 November 2023), the direct subsidiary of the Company, acquired the entire issued share capital of learnd Limited from learnd SE in exchange for an issuance of new ordinary shares in learnd Acquisition S.à r.l to learnd SE.

In August 2024, learnd Ltd acquired the building energy management business of Smart Control Systems Limited via an “Asset Purchase Agreement”. The business of Smart Control Systems Limited was integrated into Learnd UK Limited.

On 1 October 2024, the net assets and the operating business of Complete Energy Controls Limited were hived into learnd UK Limited.

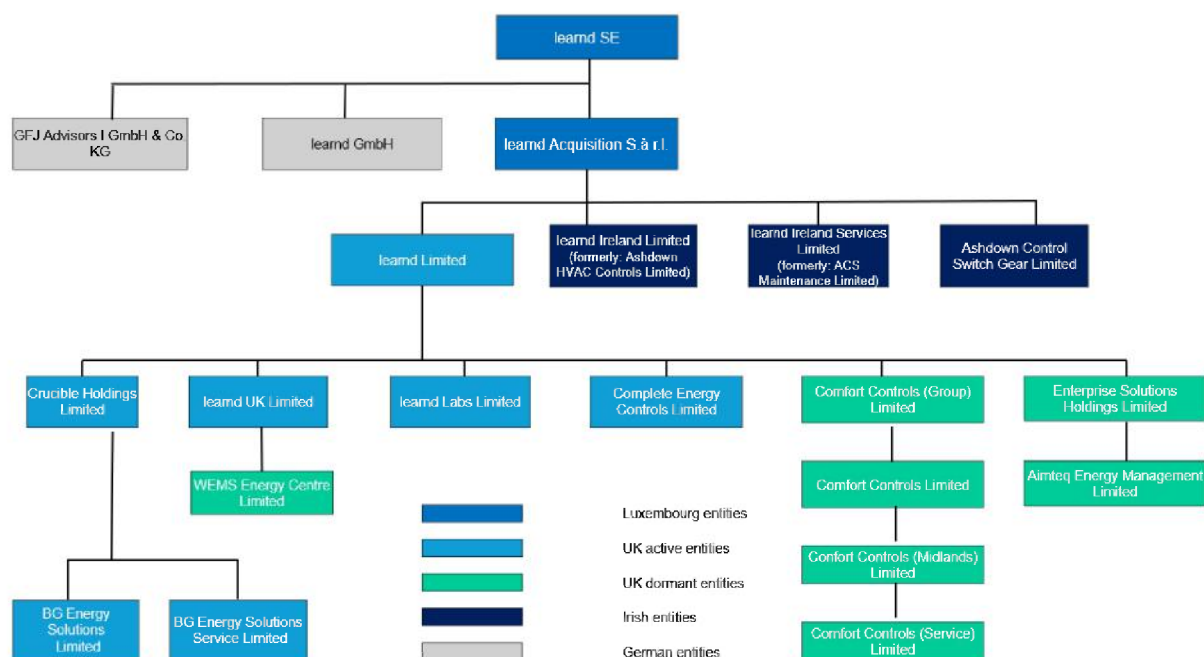
On 1 January 2025, the net assets and the operating business of Crucible Holding Limited and its subsidiaries, were hived into learnd UK Limited.

On 14 March 2025 the group's subsidiary Ashdown HVAC Controls Limited has changed its name to learnd Ireland Limited and ACS Maintenance Limited has changed its name to learnd Ireland Services Limited.

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As at 31 December 2024, the Group structure of Learnd SE with 100% direct and indirect shareholdings is as follows:



2. Basis of preparation

The consolidated financial statements for the financial year ended 31 December 2024 with comparable financial year ended 31 December 2023 of the Group have been prepared in accordance with IFRS as endorsed by the EU and were authorized for issue by the Company's Management Board on 30 April 2025.

The preparation of the consolidated financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment and complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in *Note 4 – Significant accounting judgements, estimates and assumptions*.

2.1 Going concern

The Group headed by the Company forms an operating model with a central treasury function. As a result, the Directors consider that the Group is expected to generate sufficient cash inflows from operations, which together with the existing finance arrangements, would enable the Group to meet its foreseeable future going concern and therefore, the going concern basis can be applied.

The Directors have reviewed the Group's business activities together with the future developments, performance and position of the Group. This going concern assessment has given consideration to the Group's available cashflow, business model, strategy, principal risks and recent financial outlook. It has considered a range of future scenarios, and the forecasts prepared contain certain assumptions about future sales and margins as well as timings of cash flows, and performance.

The Directors going concern assessment is also based on the support of the current majority shareholder, AFT Tech Ventures, by way of not calling upon the payment of the loan (see *Note 29 – Related Party transactions*) in the going concern period being at least 12 months from the date of signing this audited consolidated financial statements unless the Group is able to and still meet other obligations

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as they fall due. AFT Tech Ventures and the Group has entered into a “Intercompany Facility Agreement” in February 2024 and agreed the repayment date of the loan to 31 December 2028.

The Directors have reviewed in detail and are confident that the Group is expected to be able to operate within their current funding levels in the range of future scenarios considered. The Directors have therefore continued to adopt the going concern basis of accounting in preparing the consolidated financial statements.

2.2 Measurement basis

The consolidated financial statements have been prepared on the basis of historical costs. This does generally not apply to derivative financial instruments, as they are recognised at fair value as at the balance sheet date. A corresponding explanation is provided in the context of the respective accounting policies.

2.3 Functional and presentation currency

The functional currency of each of the Company’s subsidiaries is the currency of the primary economic environment in which each entity operates. The consolidated financial statements are presented in GBP, which is the functional and reporting currency of the accounting acquirer learnd Ltd and its subsidiaries.

The Group used the following exchange rates to translate the consolidated financial statements of learnd SE from Euro into GBP:

Average rate EUR - GBP		Year-end spot rate EUR-GBP	
2024	2023 ¹²	2024	2023
0.84662	0.86903	0.82918	0.86905

2.4 Current vs. non-current classification

An asset is classified as current if it is expected to be realized or consumed within the Group’s normal operating cycle of one year. All other assets are classified as non-current.

A liability is classified as current if it is expected to be settled within the Group’s normal operating cycle of one year. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are presented as non-current in the consolidated statement of financial position.

3. Summary of significant accounting policies**3.1 Basis of consolidation**

The consolidated financial statements include the balances and results of the Company and its wholly owned subsidiaries as at 31 December 2024.

All transactions and balances between Group companies are eliminated on consolidation and there are no unrealized gains and losses on transactions between Group companies (except for foreign currency transaction gains or losses). Amounts reported in the consolidated financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

3.1.1 Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of

¹² Average rate for the period of 19 January 2023 to 31 December 2023.

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the acquisition-date fair values of assets transferred, liabilities incurred, and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement.

Assets acquired and liabilities assumed are measured at their acquisition-date fair values. The excess of cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of net assets of the subsidiary acquired, the difference is recognized directly in the consolidated statement of comprehensive income. Acquisition costs are expensed as incurred.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill.

Goodwill recognized represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

On acquisition, goodwill is allocated to cash-generating units that are expected to benefit from the combination.

3.1.2 Reverse acquisition

In a business combination effected primarily by exchanging equity interest, the acquirer is usually the entity that issues its equity interests. However, in some business combinations, commonly called "reverse acquisitions" the issuing entity is the acquiree. A reverse acquisition occurs when the entity that issues securities (the legal acquirer) is identified as the acquiree for accounting purposes (the accounting acquirer). The entity whose equity interests are acquired (the legal acquiree) must be the acquirer for accounting purposes for the transaction to be considered a reverse acquisition. The accounting acquiree must meet the definition of a business for the transaction to be accounted as reverse acquisition.

When the accounting acquiree is not a business, the recognition and measurement principles of IFRS 3 do not apply to the transaction which should be accounted for in accordance with IFRS 2 instead. The transaction remains however a reverse acquisition and the guidance of IFRS 3 in this respect remains applicable.

Post business combination, the financial statements will be presented as a continuation of the financial statements of the accounting acquirer. The IFRS 2 accounting for the merger is the following:

- The assets and liabilities of the accounting acquirer recognised and measured at their pre-combination carrying amounts in accordance with relevant IFRS;
- The assets and liabilities of the accounting acquiree recognised and measured in accordance with relevant IFRS;
- The retained earnings and other equity balances of the accounting acquirer before the business combination recognised in accordance with relevant IFRS;
- The equity structure (i.e. the number and type of equity interests issued) reflects the equity structure of the legal acquirer, including the shares issued to effect the combination:
 - Share capital – The share capital account of the accounting acquirer is carried forward. However, the balance is adjusted to reflect the par value and types of the outstanding share capital of the legal acquirer, including the number of shares the legal acquirer issued to effect the acquisition to the shareholders of the legal acquiree and Backstop Investors (as defined in *Note 5.1 De-SPAC Transaction* in the notes to the consolidated financial statements for 2023) in this transaction.
 - Share premium – The share premium account of the accounting acquirer is carried forward and adjusted for any change in par value of the outstanding capital stock and is increased to reflect the difference between the par value and the fair value of the shares issued to the shareholders of the legal acquiree and Backstop Investors (as defined in *Note 5.1 De-SPAC Transaction* in the notes to the consolidated financial statements for 2023).
- The expense recognised, for the difference of the fair value of the shares deemed to have been issued by the accounting acquirer and the carrying amount of the accounting acquiree's

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identifiable net assets, is considered as a payment for a service of a stock exchange listing for the shares of the accounting acquirer ("share listing expense").

3.1.3 Subsidiaries

Subsidiaries are entities directly or indirectly controlled by the Company. The Company controls an entity when it is exposed to, or has the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control commences until the date on which control ceases. All subsidiaries have a reporting date of 31 December 2024.

List of subsidiaries

Besides the Company, the following subsidiaries are included in the scope of consolidation as at 31 December 2024:

Name	Principal place of business, Country	Sum of the direct and indirect shares as at 31 December 2024
GFJ Advisors I GmbH & Co. KG ⁽¹⁾	Essen, Germany	100%
learnd GmbH (formerly GFJ Advisors I GmbH) ⁽¹⁾	Essen, Germany	100%
learnd Acquisition S.à r.l. ⁽³⁾	Senningerberg, Luxembourg	100%
learnd Limited	London, United Kingdom	100%
learnd UK Limited ⁽²⁾	Manchester, United Kingdom	100%
learnd labs Limited ⁽²⁾	Manchester, United Kingdom	100%
WEMS Energy Centre Limited ⁽²⁾	Manchester, United Kingdom	100%
Complete Energy Controls Ltd. ⁽²⁾	Bellshill, United Kingdom	100%
Crucible Holdings Limited ⁽²⁾	Sheffield, England	100%
BG Energy Solutions Limited ⁽⁴⁾	Sheffield, England	100%
BG Energy Solutions Service Limited ⁽⁴⁾	Sheffield, England	100%
learnd Ireland Limited (formerly Ashdown HVAC Controls Limited) ⁽⁵⁾	Dublin, Ireland	100%
learnd Ireland Services Limited (formerly ACS Maintenance Limited) ⁽⁵⁾	Dublin, Ireland	100%
Ashdown Control Switch Gear Limited	Dublin, Ireland	100%

- (1) learnd GmbH is the general partner of GFJ ESG Advisors I GmbH & Co. KG, while the Group is the limited partner of GFJ ESG Advisors I GmbH & Co. KG. GFJ ESG Advisors I GmbH & Co. KG and learnd GmbH together are called the "SE entities".
- (2) Indirectly through learnd Ltd. WEMS Energy Centre Limited is a dormant entity since inception.
- (3) learnd Acquisition S.à r.l was incorporated by learnd SE in November 2023 for the acquisition of Ashdown Controls Group and the takeover of the shares in learnd Ltd. from the Company in 2024 described in *Note 1 – General information*.
- (4) Indirectly through learnd Ltd. and directly under Crucible Holdings Limited

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- (5) Ashdown HVAC Controls Limited changed its name to learnd Ireland Limited and ACS Maintenance Limited changed its name to learnd Ireland Services Limited on 14 March 2025.

Please refer to *Note 5 – Business Combinations* for additions to the scope of consolidation during the year 2024.

3.2 Foreign currency translation**Foreign Currency Transactions**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

All foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within “administrative expenses”.

Translation of foreign operations

Assets and liabilities of the foreign operations of the Group are translated into GBP at the rate of exchange prevailing at the reporting date. The consolidated financial statement of comprehensive income is translated at average exchange rates. The currency translation differences are recognized and presented in the consolidated statement of comprehensive income within “other comprehensive income”.

3.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Management Board which makes the Group’s strategic decisions. See *Note 6 - Segmental information*.

3.4 Revenue**Overview**

Revenue arises mainly from the design, installation and maintenance services for building management systems.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

The Group often enters into customer contracts to supply a bundle of products and services, for example BMS hardware, software and commissioning. The contract is then assessed to determine whether it contains a single combined performance obligation or multiple performance obligations. If applicable the

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total transaction price is allocated amongst the various performance obligations based on their relative stand-alone selling prices.

The transaction price is determined by the agreed value of the contract. No variable consideration is applicable to contracts. Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

When a contract asset is recognised for contract costs, it is amortised on a systematic basis as the goods or services to which the assets relate are transferred to the customer. The asset is assessed for indications of impairment and impairment tests are carried out if there are such indicators, to bring the contract asset down to recoverable amount.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other payables in its consolidated statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset under other receivables or a receivable in its consolidated statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

The Group has elected to apply the practical expedient whereby the promised amount of consideration does not need to be adjusted for the effects of a significant financing component if the entity expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Bespoke solutions

The Group also supplies customers with bespoke BMS solutions that include customised hardware and software and an installation service that enables the solution to interface with the customer's existing systems. The Group has determined that the hardware, software and installation service are each capable of being distinct as, in theory, the customer could benefit from them individually by acquiring these other elements elsewhere. However, the Group also provides a significant service of integrating these items to deliver a working solution such that, in the context of the actual contract, there is a single performance obligation to provide that solution.

The Group has assessed that control of these solutions transfers to the customer over time. This is because each solution is unique to the customer (has no alternative use) and the terms of the contract state the Group is entitled to a right to payment for the work completed to date. Revenue for these performance obligations is recognised as the customisation or integration work is performed, using the cost-to-cost method to estimate progress towards completion. Costs that are generally incurred are considered to be proportionate to the entity's performance, so the cost-to-cost method provides a faithful depiction of the transfer of goods and services to the customer. The cost of uninstalled materials is excluded from the calculation because the Group assesses that including these costs could overstate its progress towards delivering the solution.

Construction of BMS systems

The Group enters into contracts for the design, development and installation of BMS systems. Due to the high degree of interdependence between the various elements of these projects, they are accounted for as a single performance obligation. The Group recognises the related revenue over time because the systems are constructed at the customer sites and the customer controls the asset as it is constructed. When a contract also includes promises to perform after-sales services, these services represent a second performance obligation that is also satisfied over time (for the same reasons as the Group's maintenance contracts) but over a different period. The total transaction price is allocated between the two distinct performance obligations based on relative stand-alone selling prices considering their market prices if the Group is going to sell the services in separate transactions. Starting from and including 2024, the after-sales services are all agreed in separate service contracts, which are determined based on market price. Therefore, the allocation of transaction price is not applicable for this type of contracts anymore in 2024.

To depict the Group's progress in satisfying these performance obligations, and to establish when and to what extent revenue can be recognised, the Group measures its progress by comparing actual costs including the cost of hours spent to date with the total estimated costs including the cost of hours required

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to design, develop, and install each system. The cost-to-cost basis provides the most faithful depiction of the transfer of goods and services to each customer due to the Group's ability to make reliable estimates of the total costs including the number of hours required to perform, arising from its significant historical experience constructing similar systems. In the early stage of some of these contracts the Group is unable to make a reliable estimate of the outcome of the project but still expects to recover its costs. The Group then recognises revenue equal to the costs incurred until it can make a reliable estimate.

Contract services

The Group provides a BMS monitoring service where the customers' BMS system is monitored, maintained and controlled remotely by a team of the Group. Customers enter a contract for the service of between one to five years. Revenue is recognised on a straight-line basis across the terms of the contract.

Remedial services

The Group offers remedial works to customers as required, revenue is recognised on completion.

3.5 Employee benefits

The Group provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the consolidated statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

3.6 Share-based payments

The Group granted remuneration in the form of share-based payments, whereby management and employees render services as a consideration for equity instruments of the Company (equity-settled arrangements). Equity-settled arrangements are measured at fair value (excluding the effect on non-market based vesting conditions) at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest.

Where share options are awarded to certain employees, the fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income with a corresponding increase in equity (share-based payments reserve) over the period in which the service and, where applicable, the performance conditions are fulfilled (vesting period). Service and non-market performance conditions are considered by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market performance conditions are factored into the grant date fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market performance condition.

The fair value of the award also considers non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with fair value of goods and services received.

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3.7 Finance income

Interest income is recognised in the consolidated statement of comprehensive income as finance income using the effective interest method.

3.8 Finance expenses

Finance costs include interest expenses from loans and borrowings as well as interest expenses from leasing.

Interest expenses from loans and borrowings are charged to the consolidated financial statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issuance costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.9 Income taxes

Tax expense recognised in the consolidated statement of comprehensive income comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

The calculation of current and deferred tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax

Deferred income taxes are calculated using the liability method. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the amounts used for tax purposes.

Deferred tax assets are recognised to the extent it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognized in full, although IAS 12 specifies limited exemptions. As a result of these exemptions the Group does not recognize deferred tax on temporary differences relating to goodwill, or to its investments in subsidiaries.

The Group does not offset deferred tax assets and liabilities unless it has a legally enforceable right to do so and intends to settle on a net basis.

The carrying amounts of deferred tax are reviewed at the end of each reporting period and adjusted if needed.

3.10 Earnings (loss) per share

Basic earnings per share is calculated by dividing net profit (loss) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****3.11 Intangible assets****Goodwill**

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses. Refer to *Note 13 – Intangible assets* for a description of impairment testing procedures.

Other intangible assets

Other intangible assets include customer relationships, development costs and software licenses. Acquired intangible assets are initially recognized at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

An intangible asset acquired as part of a business combination is recognized outside goodwill if the asset is separable or arises from contractual or legal rights and its fair value can be measured reliably.

Development expenditure is recognized as an intangible asset only if all of the following conditions are met:

- it is probable that the asset created will generate future economic benefits
- it is technically feasible that the asset can be completed so that it will be available for use or sale and there are sufficient available resources to complete it; and
- the development costs can be measured reliably

The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognised in the consolidated statement of comprehensive income in the period in which it is incurred. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Amortisation is charged to the administrative expenses in the consolidated statement of comprehensive income. Intangible assets with a finite life are amortised on a straight-line basis over their expected useful lives, as follows:

	Years
Customer Relationships	5-7
Development costs	2-5
Software	3

3.12 Property, plant and equipment

Fixtures and fittings and office equipment are initially recognized at acquisition cost and are subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation expenses are presented within administrative expenses in the consolidated statement of comprehensive income. Depreciation is recognized on a straight-line basis to write down the cost less estimated residual value. The following useful lives are applied:

	Years
Fixtures and fittings	3
Office equipment	3-5

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in the consolidated statement of comprehensive income either within other income or other expenses.

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3.13 Leases

The Group assesses whether a contract is or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

The Group has elected to apply the practical expedient to account for each lease component and any non-lease components as a single lease component.

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability in its consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease or if that cannot be determined the Group's incremental borrowing rate. The incremental borrowing rate is the estimated rate that the Group would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced by lease payments that are allocated between repayments of principal and finance costs. The finance cost is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

The lease liability is reassessed when there is a change in the lease payments. Changes in lease payments arising from a change in the lease term or a change in the assessment of an option to purchase a leased asset. The revised lease payments are discounted using the Group's incremental borrowing rate at the date of reassessment when the rate implicit in the lease cannot be readily determined. The amount of the remeasurement of the lease liability is reflected as an adjustment to the carrying amount of the right-of-use asset. The exception being when the carrying amount of the right-of-use asset has been reduced to zero then any excess is recognized in the consolidated statement of comprehensive income.

Payments under leases can also change when there is either a change in the amounts expected to be paid under residual value guarantees or when future payments change through an index or a rate used to determine those payments, including changes in market rental rates following a market rent review. The lease liability is remeasured only when the adjustment to lease payments takes effect and the revised contractual payments for the remainder of the lease term are discounted using an unchanged discount rate. Except for where the change in lease payments results from a change in floating interest rates, in which case the discount rate is amended to reflect the change in interest rates.

Were any changes to the lease necessary in response to business needs, the Group will enter into negotiations with landlords to either increase or decrease available space or to renegotiate amounts payable under the respective leases.

If the Group were to increase office capacity and therefore agree with the landlord to pay an amount that is commensurate with the stand-alone pricing adjusted to reflect the particular contract terms, the contractual agreement is treated as a new lease and accounted for accordingly.

In other instances, the Group may negotiate a change to a lease such as reducing the amount of office space taken, reducing the lease term or by reducing the total amount payable under the lease, all of which were not part of the original terms and conditions of the lease. In these situations, the Group does not account for the changes as though there is a new lease. Instead, the revised contractual payments are discounted using a revised discount rate at the date the lease is effectively modified.

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The remeasurement of the lease liability corresponds with a reduction in the carrying amount of the right-of-use asset to reflect the full or partial termination of the lease for lease modifications that reduce the scope of the lease. Any gain or loss relating to the partial or full termination of the lease is recognized in the consolidated statement of comprehensive income. The right-of-use asset is adjusted for all other lease modifications.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. These leases relate to items of office equipment such as desks, chairs, and certain IT equipment. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in the consolidated statement of comprehensive income on a straight-line basis over the lease term.

3.14 Inventories

Inventories are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, inventories are assessed for impairment, if inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognized immediately in the consolidated statement of comprehensive income.

3.15 Impairment of non-financial assets

Goodwill has an indefinite useful life and therefore is not subject to amortisation but is tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount that the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

3.16 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.16.1 Financial assets

Initial recognition and measurement

The Group recognises a financial asset when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date i.e. the date that the Group commits to purchase or sell the asset.

The Group's financial assets comprise trade receivables and cash and cash equivalents in the consolidated statement of financial position.

Cash and cash equivalents in the consolidated statement of financial position comprise readily accessible cash at bank and in hand. There are no bank accounts which have an original maturity of more than three months, or which are subject to significant restrictions over access. Such amounts would not be presented as cash and cash equivalents but instead would be shown separately as short-term investment or other financial assets with appropriate disclosure of the related terms. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

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Trade receivables are amounts due from customers for goods provided and services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Subsequent measurement and gains and losses

The Group classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity’s business model for managing the financial assets; and
- The contractual cash flow characteristics of the financial asset.

Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses are recognised in profit and loss when the asset is derecognised, modified or impaired. The Group includes in this category cash and cash equivalents and trade receivables.

Trade receivables are initially recognised at fair value and subsequently held at amortised cost, less provision for impairment. Appropriate allowances for estimate irrecoverable amounts are recognised in profit or loss.

Financial assets measured at fair value through profit or loss (FVTPL)

These assets are subsequently measured at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss. The Group does not measure any financial assets at fair value through profit or loss as at 31 December 2024 and 2023.

Impairment of financial assets

The Group has chosen to apply the simplified approach for expected credit losses (“ECL”) under IFRS 9 to its financial assets.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 180 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

The Group recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group’s approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. There is no probability assumed for receivables not yet due.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024**Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for cash at bank and trade receivables are deducted from the gross carrying amount of the corresponding assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Derecognition

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

3.16.2 Financial liabilities**Initial recognition and measurement**

The Group recognises a financial liability when it becomes a party to the contractual provisions of the instrument.

The Group's financial liabilities include trade payables and accrued liabilities and loans and borrowings. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Furthermore, the Group classifies Class A and Class B warrants as financial liabilities measured at fair value through profit or loss because they do not meet the criteria for treatment as equity under IAS 32.

Trade and accrued payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within 12 months or less. If not, they are presented as non-current liabilities.

Subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. A financial liability is classified at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including an interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortised costs under the effective interest method. Interest

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expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.17 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.18 Provisions, contingent assets and contingent liabilities

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain.

Restructuring provisions are recognized only if a detailed formal plan for the restructuring exists and management has either communicated the plan's main features to those affected or started implementation. Provisions are not recognized for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group is virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognized if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****3.19 Standards issued but not yet effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of authorization of issue of the Group's consolidated financial statements and that might have an impact on the Group's consolidated financial statements are disclosed below. The Group intends to adopt the new and amended standards and interpretations, if applicable, when they become effective.

Standards/Interpretation		Date of application
Amendments to IAS 21	Lack of Exchangeability	January 1, 2025
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements Volume 11	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Available for optional adoption/ effective date deferred indefinitely

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of comprehensive income, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of comprehensive income, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements.

All other new accounting standards or amendments listed above are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

4. Significant accounting judgements, estimates and assumptions

When preparing the financial information, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. Actual results may differ from the judgements, estimates and assumptions made by management.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****Fair values on acquisition of new subsidiaries**

The fair value of assets acquired on the acquisition of new subsidiaries involved the estimation of future cash flows to be generated over a number of years. The estimation of the fair values requires the combination of assumptions including recoverability of debtors and project completion percentages.

Recoverable value of debtors

The Group makes an estimate of the recoverable value of trade and other debtors, in line with IFRS 9 and the ECL model. The loss allowances of trade and other debtors are based on assumptions about risk of default and expected loss rates. When assessing impairment of trade and other debtors, management used judgement in making these assumptions and selecting the inputs to the impairment calculation, considering factors including the current credit rating of the debtor, the ageing profile of debtors, historical experience, expected future recovery, as well as forward-looking estimates at the end of the reporting period. Details of the key assumptions and inputs please refer to *Note 27.1 Credit Risk*.

Revenue recognition on long term contracts

The Group estimates the percentage of completion at the period end of projects that span the period end based upon the costs incurred or accrued in the period to date, in accordance with IFRS15.

Inventory provision

The Group estimates the stock provision based on a year's worth of stock supply and net realisable value of the individual stock lines.

Provisions

Provisions are made for warranties on installations, and against future costs for certain historic projects which were material. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

Recoverable value of goodwill

The Group makes an estimate of the recoverable value of the goodwill arising from the acquisition of subsidiaries. When assessing the recoverable value of goodwill, management considers past performance, forecasted performance and the latest financial position of the subsidiaries.

Recoverable value of intangible assets

Management makes an estimate of the recoverable value of intangible assets. When assessing impairment of intangible assets, management considers factors including the historic cashflows generated from the intangible assets and those cashflows forecasted to be generated by the corresponding intangible assets.

Fair value of share-based payments

Management estimates the fair value at the grant date of the share options granted. Management uses a valuation technique (Black Scholes) to assist which in itself requires a number of subjective inputs including the assessed share price, volatility and risk-free rate at the date of the grant. The Group has granted share options with service and non-market performance conditions. The likelihood and the timing of the conditions being met is assessed as part of the Group's best estimate and reflected in the number of share options that are expected to vest. Details of the key assumptions and inputs please refer to *Note 20 – Share-based payments*.

Recoverable value of capitalised development costs

Management assesses impairment of capitalised developments costs on a project-by-project basis, management considers the cashflows forecasted to be generated by each of the projects.

Classification and measurement of Warrants

The Management Board assessed the classification of warrants in accordance with IAS 32 under which the warrants do not meet the criteria for equity treatment and must be recorded as derivatives. Accordingly, the Company classifies the Class A warrants and Class B warrants as liabilities at their fair value and adjust them to fair value at each reporting period. This liability is subject to re-measurement at each balance sheet date until exercised, and any change in fair value is recognized in the consolidated statement of comprehensive income. The fair value of Class A warrants is determined based on its quoted market price or independently valued using Binomial Tree method and the Monte Carlo method

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for periods when there are no observable trades, as at each relevant date. Likewise, the Class B warrants which are not listed to the stock exchange are also independently valued using the Binomial Tree method and the Monte Carlo method to determine its fair value.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group measures the fair value of an instrument using the quoted price in an active market for that instrument, if such price is available. A market is regarded as "active" if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In determining the appropriate fair value measurements for Class A and Class B warrants, the Group involves an independent external valuation expert, who uses appropriate valuation techniques. The independent external valuation expert regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in the active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in 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).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measure fair values of financial assets and financial liabilities is included in *Note 26 – Financial instruments*.

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5. Business Combinations

5.1 Acquisition of Crucible Holding Limited

On 26 February 2024, learnd Ltd acquired 100% of the share capital of Crucible Holding Limited, a UK business, and its subsidiaries, thereby obtaining control. The acquisition was made to leverage the target's installation base for its own proprietary software and consolidate its geographical outreach within the UK market. The details of the business combination are as follows:

	£
Fair value of consideration transferred	
Initial cash consideration	4,161,195
Share-based consideration	2,200,000
Total	6,361,195
Recognised amounts of identifiable net assets	
Intangible assets (Customer relationships)	707,000
Intangible assets (software)	488,000
Property, plant and equipment	40,316
Right-of-use assets	384,607
Total non-current assets	1,619,923
Trade and other receivables	1,910,521
Cash and cash equivalents	1,155,081
Inventories	56,829
Other debtors	48,761
Total current assets	3,171,192
Trade and other creditors	(869,279)
Taxation & social security	(165,497)
Other creditors	(362,384)
Corporation Tax Liability	(247,779)
Lease liabilities	(113,572)
Total current liabilities	(1,758,511)
Lease liabilities	(271,035)
Total non-current liabilities	(271,035)
Identifiable net assets	2,761,569
Goodwill on acquisition	3,599,626
Consideration transferred settled in cash	4,161,195
Cash and cash equivalents acquired	(1,155,081)
Net cash outflow on acquisition	3,006,114
Acquisition costs charged to expenses	121,181

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The closing accounts of Crucible Holding Limited and thus the purchase price allocation have been finalized as of 31 December 2024. The changes in the purchase price allocation in comparison to that disclosed in the note "Subsequent events" in the 2023 annual consolidated financial statements are due to the information not available when the 2023 annual consolidated financial statements were authorized, which has further development in the second half of 2024 and lead to further changes in comparison to the information that was disclosed in the unaudited interim condensed financial statements as at 30 June 2024.

Acquired receivables

The trade receivables comprise gross contractual amounts due of £1,115,042, of which £110,381 was expected to be uncollectable at the date of acquisition. As a result, the fair value of trade receivables amounted to £1,004,661.

The other receivables included in trade and other receivables relate to contract assets of £905,860, resulted in the fair value of trade and other receivables totalling £1,910,521.

Consideration transferred

The acquisition of Crucible Holding Limited was initially settled in cash amounting to £4,407,367 paid out at closing date and shares amounting to £2,200,000 (310,465 shares) issued on 23 February 2024.

On approval of the completion accounts at the closing, it was determined that learnd was due a repayment of £246,172 from the sellers, which was received in June 2024. The repayment reduced the consideration settled in cash by £246,172 to a net cash consideration of £4,161,195.

The fair value of the 310,465 ordinary shares issued was based on the listed share price of the Company on 23 February 2024 of €8.3 (£7.1) per share.

Acquisition related costs amounting to £121,181 are not included as part of the consideration transferred and have been included in "administrative expenses" in the consolidated statement of comprehensive income.

Goodwill

Goodwill of £3,599,626 at acquisition related to the engineers and reputation of the business as well as expected synergies with the existing business. Goodwill impairment test was performed as part of the annual impairment. There is no indication for impairment as at 31 December 2024.

Contribution to Group results

Crucible Holding Limited contributed £6,762,324 of revenue and a loss of £(4,694,537) to consolidated statement of comprehensive income for the period from 27 February 2024 to 31 December 2024.

If the acquisition of Crucible Holding Limited had already taken place on 1 January 2024, the estimated consolidated pro forma revenue would have been £55,258,421 and the consolidated profit would have been £2,100,678 for the reporting period. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of the acquisition would have been the same if the acquisition had occurred on 1 January 2024.

5.2 Acquisition of Ashdown HVAC Controls Limited, ACS Maintenance Limited, and Ashdown Control Switch Gear Limited

On 23 February 2024, learnd acquired 100% of the issued capital of three Irish incorporated and tax resident companies: Ashdown HVAC Controls Limited, ACS Maintenance Limited, and Ashdown Control Switch Gear Limited (collectively Ashdown Controls Group), Irish business, thereby obtaining control. For this purpose, an acquisition vehicle learnd Acquisition S.à r.l was founded by learnd SE already in 2023. Following the legal step plan, the acquisition vehicle acquired 68% of the issued share capital and learnd SE acquired the remaining 32% of the issued share capital in the three entities of the Ashdown Controls Group. At the same time, learnd SE transferred its 32% shares in the three entities of the Ashdown Controls Group to the acquisition vehicle. Therefore, as of the closing of this business acquisition, learnd Acquisition S.à r.l holds 100% shares in the three entities of the Ashdown Controls

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Group. The acquisition was made to expand the Group's client base and geographic outreach into Ireland.

The details of the business combination are as follows:

	€
Fair value of consideration transferred	
Cash consideration	3,569,837
Retention	100,000
Share-based consideration	1,900,000
Total	5,569,837
Recognised amounts of identifiable net assets	
Customer Relationships	502,000
Property, plant and equipment	607,566
Total non-current assets	1,109,566
Trade and other receivables	1,975,889
Cash and cash equivalents	377,745
Inventories	21,424
Other debtors	327,983
Total current assets	2,703,042
Trade and other creditors	(660,254)
Taxation & social security	(363,528)
Other creditors	(95,861)
Loans	(139,521)
Invoice Discounting Facility	(1,575,599)
Finance Leases	(528,467)
Corporation Tax	13,465
Total current liabilities	(3,349,765)
Identifiable net assets	462,843
Goodwill on acquisition	5,106,994
Consideration transferred settled in cash	3,569,837
Cash and cash equivalents acquired	(377,745)
Net cash outflow on acquisition	3,192,092
Acquisition costs charged to expenses	395,961

The closing accounts of the Ashdown Controls Group and thus the purchase price allocation have been finalized as of 31 December 2024. The changes in the purchase price allocation in comparison to that disclosed in the note "Subsequent events" in the 2023 annual consolidated financial statements are due to the information which were not available when the 2023 annual consolidated financial statements were authorized.

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The trade receivables comprise gross contractual amounts due of €1,874,199 (£1,599,442), of which €227,085 (£193,794) was expected to be uncollectable at the date of acquisition. As a result, the fair value of trade receivables amounted to €1,647,114 (£1,405,647).

The other receivables included in trade and other receivables relate to accrued income of €328,775 (£280,577), resulted in the fair value of trade and other receivables totalling €1,975,889 (£1,686,224).

Consideration transferred

Learnd Acquisition S.à r.l acquires 68% of the issued share capital of these three companies with a cash consideration of €3,569,837 (£3,046,499) and a retention payment of €100,000 (£85,340). Learnd SE acquires the remaining 32% of the issued share capital in exchange for an issue of 230,303 new Public (Class A) shares of the Company amounting to €1,900,000 (£1,621,460).

The fair value of the 230,303 ordinary shares issued by Learnd SE was based on the official closing share price of the Company, as reported on XETRA on the trading day preceding the date of the Share Purchase Agreement. The Share Purchase Agreement was signed on 14 February 2024, therefore, the share price was the closing price on 13 February 2024 of €8.25 (£7.04) per share. Learnd SE transferred its 32% shares in the three entities of the Ashdown Controls Group to Learnd Acquisition S.à r.l.

The Group incurred acquisition-related costs of €395,961 (£337,913) relating to external legal fees and due diligence costs. These costs have been included in “administrative expenses” in the consolidated statement of comprehensive income.

Goodwill

Goodwill of €5,106,994 (£4,358,309) at acquisition related to the engineers and reputation of the business and expected synergies with the existing business. Goodwill impairment test was performed as part of the annual impairment. There is no indication for impairment as at 31 December 2024.

Contribution to Group results

These three companies contributed £6,878,122 of revenue and profit of £114,118 to the consolidated statement of comprehensive income for the period from 23 February 2024 to 31 December 2024.

If the acquisition had already taken place on 1 January 2024, the estimated consolidated pro forma revenue would have been £54,691,183 and the estimated pro forma profit would have been £754,333 for the reporting period. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2024.

5.3 Acquisition of Smart Control Systems Limited

In August 2024, Learnd Ltd acquired the building energy management business of Smart Control Systems Limited via an “Asset Purchase Agreement”. This transaction is considered as a business combination according to IFRS 3. The acquisition was made to acquire the target’s customer base and knowledge from its engineers.

The acquisition of Smart Controls Limited was settled in 21,688 treasury shares amounting to €178,492 (£149,993) issued on the closing date of 31 July 2024 using an effective share price of €8.23.

Due to the immaterial effects of the acquisition on the financial position, liquidity and financial performance of the Group, the Group did not perform purchase price allocation according to IFRS 3, nor prepare the disclosure according to IFRS 3. Instead, the Group only recognized goodwill in the same amount as the consideration of €178,492 (£149,993).

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6. Segmental information

The Group consists of one operating reportable segment, because the Management Board, who are also the chief operating decision makers (CODM), assesses the profitability of the Group on a company-wide basis. Adjusted EBITDA is used to measure performance, as the management is of the opinion that this information is useful for the evaluation of the Group in comparison with other companies operating in the same sectors.

The CODM reviews the Group's business activities by the following three categories, which bundle the main products and services:

Strategic accounts and projects

Strategic accounts include major customers such as British Telecommunications plc ("BT") and Atlas Edge, there are multiple revenue streams within these including installations, projects and service contracts. Projects relate to large installation projects spanning a period of up to 1 year.

Services

This includes revenue from service contracts which are either straight line monthly or a number of visits in a year which are charged once complete. Remedials are also included here which are effectively small installations and projects.

Data enabled services

This includes BT software development which is part of the BT contracts. Additionally, revenue related to the ROC is included in this line. The ROC is the remote operations centre which includes service contracts with customers managed remotely. Subscription revenue is also included here, this relates to new software offerings where customers pay a subscription for the service.

The BMS activities result in multiple revenue streams however are intrinsically linked and as such are considered to be one operating segment and two cash generating units for goodwill impairment test purposes.

Information about reportable segments

The CODM uses the measures of revenue and adjusted EBITDA to assess operating segments' performance to make decisions regarding the allocation of resources.

Adjusted EBITDA is defined as earnings before interest, income taxes, depreciation and amortisation ("EBITDA"), further as adjusted for non-recurring items. These non-recurring items relate to expenses incurred where management believes adjustments should be made due to their non-recurring or non-operational character as well as remaining costs incurred on the level of the Company (corporate expenses).

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Adjusted EBITDA amounted to £6,218,715 for the financial year ended 31 December 2024, compared to £2,573,183 for the financial year ended 31 December 2023. Adjustments to EBITDA, totalling £5,665,490 in 2024 (2023: £57,665,162), include the following non-recurring items:

	Year ended	
	31 December 2024	31 December 2023
	£	£
Adj. EBITDA	6,218,715	2,573,183
<i>Non-recurring items:</i>		
Expenses resulting from the de-SPAC Transaction	-	(49,331,317)
Cash bonus payments	-	(3,406,183) ¹³
Corporate expenses	(1,319,824)	(1,488,276)
Expenses related with the reorganisation of the Group	(1,229,038)	(195,159)
Share-based payment compensation	(1,168,551)	(2,661,316) ¹³
Transaction costs related to acquisition of new subsidiaries	(661,409)	(578,923)
Realised synergies pro-forma	(636,735)	-
Adjustment to historical accrued revenue	(442,178)	-
Other expenses	(207,756)	(3,988)
Total EBITDA Adjustments	(5,665,490)	(57,665,162)
EBITDA	553,226	(55,091,979)
Depreciation and amortisation	(2,413,391)	(1,195,137)
Finance costs	5,291,588	6,704,491
Profit (loss) before tax for the period	3,431,423	(49,582,624)

The breakdown of revenue by business areas reviewed by CODM is as follows:

	Year ended	
	31 December 2024	31 December 2023
	£	£
Strategic accounts and projects	40,791,260	24,257,918
Services	12,186,833	6,373,452
Data enabled services	1,087,364	1,481,421
	54,065,457	32,112,791

Geographical Information

The breakdown of revenue by geographic location is as follows:

	Year ended	
	31 December 2024	31 December 2023
	£	£
United Kingdom	43,719,541	30,937,710
Rest of world	10,345,916	1,175,081
	54,065,457	32,112,791

¹³ The comparative figures were adjusted due to the split of bonus payments of £6,067,499 in the financial year 2023 into cash bonus payments of £3,406,183 and the share-based payment compensation of £2,661,316 to align with the presentation of EBITDA adjustments in the financial year 2024.

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The Group's non-current assets are located as follows:

	Year ended	
	31 December 2024	31 December 2023
	£	£
United Kingdom	20,204,285	12,920,274
Rest of World	4,901,465	-
	25,105,749	12,920,274

7. Revenue

The principal activities of the Group include the design, installation, service and maintenance of Building Management Systems ("BMS") and Building Energy Management Systems, and the provision of associated bureau services.

Revenue is 100% recognized from revenue with customers. Please refer to *Note 6 - Segmental information* for further information regarding the breakdown of revenues by business area and geographical location.

The following table provides information on contract liabilities from contracts with customers:

	31 December 2024	31 December 2023
	£	£
Contract assets	4,931,052	2,791,706
Contract liabilities	1,915,254	699,688

The contract assets relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This occurs when the Group issues an invoice to the customer.

The contract liabilities relate to the advance consideration received from customers for projects, for which revenue is recognised over time. They will be recognised as revenue when the performance obligation is satisfied, which is expected to occur in the following year. The amount of £455,985 recognised in contract liabilities at the beginning of the period has been recognised as revenue in the financial ended 31 December 2024.

Contract assets are included in trade and other receivables and contract liabilities are included in trade and other payables in the consolidated statement of financial position. The increase in contract assets are in part due to the acquisition of Crucible Holding Limited which had contract assets of £622,091 as at 31 December 2024. The remaining increase is primarily due to the invoice timing on large projects in learnt Ltd. The increase in contract liabilities is mainly due to the acquisition of Ashdown, which had £291,745 contract liabilities as at 31 December 2024. The remaining difference is due to more instances where the billing cycle was ahead of the work completed in learnt Ltd.

There was no revenue recognised in the financial year ended 31 December 2024 and 2023 from performance obligations satisfied (or partially satisfied) in previous periods.

Major Customer

Revenue from one customer of the Group represented approximately 9% of total revenue (2023: 15%).

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****8. Cost of sales**

Cost of sales can be broken down as follows:

	Year ended	
	31 December 2024	31 December 2023
	£	£
Internal labour	13,057,126	7,364,406
External labour	7,082,428	4,647,509
Subcontractors	3,073,416	1,247,050
Products	7,152,713	3,729,853
Consumables	3,396,700	2,326,306
Other	378,782	68,063
	34,141,165	19,383,187

The labour costs presented in the cost of sales include the personal expenses of engineers and project team members directly attributable to generating revenues.

9. Administrative expenses

Administrative expenses can be broken down as follows:

	Year ended	
	31 December 2024	31 December 2023
	£	£
Personnel expenses	11,153,032	13,012,020
Legal and professional	2,718,049	3,896,443
Depreciation and amortisation	2,413,391	1,195,137
Travel and subsistence	1,694,260	1,049,971
Insurance	852,067	328,727
Adjustment to historical accrued revenue	442,178	-
Costs related with the reorganization of the group	224,613	195,159
Recruitment	129,429	165,210
Other	2,157,438	1,103,577
	21,784,458	20,946,243

Other administrative expenses mainly include expenditures for consultancy services and marketing activities. The adjustment to historical accrued revenue relate to a historical issue in the subsidiaries which were purchased by learnt Group before 2023 and the corresponding accrued revenue (contract asset) was written off in the financial year ended 31 December 2024.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****10. Finance income and expense**

Finance income includes foreign exchange gains of £108,898 (2023: £(9,649)).

Finance expenses can be broken down as follows:

	Year ended	
	31 December 2024	31 December 2023
	£	£
Loans and borrowings interest	1,981,601	310,464
Shareholder loan interest	186,186	197,978
IFRS 16 lease interest	238,943	127,779
Foreign exchange losses	28,222	-
Other finance costs	161,031	102,582
	2,595,983	738,803

11. Income tax

The amounts recognized in the consolidated statement of comprehensive income are as follows:

	Year ended	
	31 December 2024	31 December 2023
	£	£
Current tax expense		
Corporation tax	141,235	143,705
Total current tax expense	141,235	143,705
Deferred tax		
Origination and reversal of temporary differences	-	-
Total deferred tax expense	-	-
Tax expense on continuing operations	141,235	143,705

The applicable income tax rate for 2024 is 24.94% (2023: 24.94%), the Luxembourgish tax rate, as the Company is domiciled in Luxembourg.

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The reconciliation of effective tax rate is as follows:

	Year ended	
	31 December 2024	31 December 2023
	£	£
Profit/(loss) on ordinary activities before tax	3,431,423	(49,582,624)
Expected taxes using the Company's corporation tax rate (2024: 24.94%; 2023: 24.94%)	(855,797)	12,365,907
Effects of:		
Expenses not deductible for tax purposes (learnd Ltd.)	(196,952)	(55,945)
Expenses not deductible for tax purposes (learnd SE)	-	(11,988,777)
Current-year tax losses and temporary differences for which no deferred tax asset is recognized	819,943	(879,119)
Fixed asset timing differences	95,385	5,825
Research and development ("R&D") expense	180,000	236,274
Other tax changes	192,464	217,057
Tax rate difference	(93,809)	(44,927)
Total tax benefit for the period	141,235	143,705
Effective tax rate	4.1%	(0.3)%

Deferred tax balances

Deferred tax assets and liabilities are attributable to the following items:

	31 December 2024	31 December 2023
	£	£
Trade and other payables	2,172	2,172
Loans and borrowings	109,375	109,375
Total of Deferred tax assets (gross and net)	111,547	111,547¹⁴

Unrecognised deferred tax assets

Deferred tax assets are recognized against tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable benefits is probable. The Group did not recognize a potential deferred tax asset of learnd Limited of £29,218 (2023: £29,218) in respect of losses amounting to £116,870 (2023: £116,870) that can be carried forward against future taxable income, on the grounds that at the balance sheet date their utilisation is not considered probable. Deferred tax assets have not been recognised in respect of the loss of learnd SE incurred during the years ended 31 December 2023 and 2024, as it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom. Unused tax losses of the Company can be used within a period of 17 years as per Luxembourg tax law.

¹⁴ The comparative figures were adjusted due to the reclassification of R&D credits and claims of learnd Ltd amounting to £321,795 from deferred tax assets to trade and other receivables in accordance with IAS 12.5.

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12. Earnings per Share

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Year ended	
	31 December 2024	31 December 2023
	£	£
Net profit (loss) for the period	3,572,659	(49,438,919)
Weighted average number of ordinary shares issued	13,785,985	11,786,549
Basic earnings (losses) per share attributable to the ordinary equity holders of the Company	0.26	(4.19)
Effect of share options on issue	400,008	-
Weighted average number of ordinary shares issued (diluted)	14,185,993	11,786,548
Diluted earnings (losses) per share attributable to the ordinary equity holders of the Company	0.25	(4.19)

As at 31 December 2024, 14,645,833 warrants are excluded from the diluted weighted average number of ordinary shares calculation, because their effect would have been anti-dilutive, as their exercise price exceeds the average market price.

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on the quoted market prices for the period during which the options were outstanding.

For the financial year ended as at 31 December 2023, basic and diluted losses per share attributable to the ordinary equity holders of the Company are the same, as 14,645,833 warrants and 495,000 options outstanding were excluded from the dilutive weighted average number of shares calculation, because their effect would have been anti-dilutive due to the consolidated loss of the Group in the financial year ended as at 31 December 2023.

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13. Intangible assets

Reconciliation of carrying amount

(a) Intangible assets for the fiscal year ended 31 December 2024:

	Develop- ment costs £	Software licenses £	Patent £	Customer relation- ships £	Goodwill £	Total £
Cost						
At 1 January 2024	1,339,478	602,437	-	910,596	7,672,471	10,524,982
Acquisition of subsidiary	-	488,000	-	1,135,407	8,107,928	9,731,334
Additions	281,342	435,535	500,000	-	-	1,216,877
Impact of foreign currency translation	-	-	-	(12,158)	(123,684)	(135,843)
At 31 December 2024	1,620,820	1,525,972	500,000	2,033,844	15,656,714	21,337,351
Amortisation						
At 1 January 2024	273,919	324,085	-	182,241	-	780,245
Charge for the year	249,972	357,590	20,274	319,202	-	947,038
Impact of foreign currency translation	-	-	-	(959)	-	(959)
At 31 December 2024	523,891	681,675	20,274	500,484	-	1,726,324
Net book value						
At 31 December 2024	1,096,929	844,297	479,726	1,533,360	15,656,714	19,611,026

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b) Intangible assets for the fiscal year ended 31 December 2023:

	Development costs £	Software licenses £	Customer relationships £	Goodwill £	Total £
Cost					
At 1 January 2023	1,191,807	347,039	110,596	5,167,508	6,816,950
Acquisition of subsidiary	-	-	800,000	2,504,963	3,304,963
Additions	395,956	255,398	-	-	651,354
Disposals	(248,285)	-	-	-	(248,285)
At 31 December 2023	1,339,478	602,437	910,596	7,672,471	10,524,982
Amortisation					
At 1 January 2023	187,054	210,838	53,455	-	451,347
Acquisition of subsidiary	-	-	106,667	-	106,667
Charge for the year	86,865	113,247	22,119	-	222,231
At 31 December 2023	273,919	324,085	182,241	-	780,245
Net book value					
At 31 December 2023	1,065,559	278,352	728,355	7,672,471	9,744,737

The net book value of development costs includes internally generated capitalised development costs that meet the definition of an intangible asset. Wages totalling £281,342 in 2024 (2023: £395,956) were capitalized as part of development costs included in intangible assets. The Group recognized research and development expenditure of £449,687 as an expense for the financial year ended 31 December 2024 (2023: £746,626).

The additions to intangible assets in the financial year ended 31 December 2024 mainly relate to the additions to customer relationships of £1,135,407, the additions to software licenses of £488,000 and the additions to goodwill of £8,107,928 recognised on the acquisition of Crucible Holding Limited, the Ashdown Controls Group in February 2024 and the acquisition of Smart Control Systems Limited via an "Asset Purchase Agreement" (see Note 5 – Business Combinations for further details).

The amortisation charge of development costs, software and customer relationships of £947,038 (2023: £328,898) is included in administrative expenses in the statement of comprehensive income.

Impairment tests for goodwill

Goodwill impairment reviews are undertaken annually. The Group manages its operations under one strategy and therefore has one operating segment and two cash generating units ("CGU"). The CGU is expected to benefit from the synergies of the business combinations in which the goodwill arises as set out below and is compared to its recoverable amount.

The recoverable amount was determined based on value-in-use calculation, covering a five-year forecast, followed by an extrapolation of expected cash flows for the remaining useful life using a growth rate determined by management. The present value of the expected cash flows is determined by applying a suitable discount rate reflecting current market assessments of the time value of money and risks.

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Growth rates years 1 - 4		Growth rates in perpetuity		Discount rates	
2024	2023	2024	2023	2024	2023
8 - 35%	6 - 52%	2%	2%	10%	10%

Were cashflows in perpetuity to not be included in management’s value in use calculation in respect of the segment, no impairment would be required within 5 years.

As part of the impairment review management performed sensitivity analysis on the assumptions used. Sensitivity analysis was applied to forecasted EBITDA for the following four years, the discount rate used and the perpetuity growth rate.

This is an area that management believe that changes are reasonably possible however sensitivity analysis showed that the discount rate would need to vary significantly to the rate used before an impairment would be required.

Management’s forecasts are robust however it is reasonably possible to assume forecasted EBITDA could vary. The sensitivity analysis shows that forecasted EBITDA would need to be significantly lower than expected before an impairment is required. Management do not believe that forecasted EBITDA will vary to this extent.

Growth rates

The growth rates reflect the long-term average growth rates determined by management to be prudent and relevant to the industries and markets in which the Group operates.

Discount rates

The discount rates reflect appropriate adjustments relating to market rate risk and specific risk factors.

Cash flow assumptions

Management’s key assumptions include steady growth in profit and improving profit margins, based on past experience in this market and the Group’s future plans. Cash flow projections reflect steady growth in profit and improving profit margins.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****14. Property, plant and equipment**

(a) Property, plant and equipment for the fiscal year ended 31 December 2024:

	Motor Vehicles £	Fixtures & fittings £	Office equipment £	Total £
Cost				
At 1 January 2024	45,352	271,454	860,926	1,177,732
Additions	24,273	13,047	422,980	460,300
Acquisition of subsidiary	386,970	141,299	30,544	558,813
Disposals	(117,559)	-	-	(117,559)
Impact of foreign currency translation	(10,712)	(4,003)	-	(14,715)
At 31 December 2024	328,324	421,797	1,314,450	2,064,571
Depreciation				
At 1 January 2024	45,352	241,017	655,987	942,356
Charge for the year	117,125	67,410	166,866	351,401
Disposals	(47,735)	-	-	(47,735)
Impact of foreign currency translation	(1,219)	(837)	-	(2,057)
At 31 December 2024	113,523	307,589	822,853	1,243,965
Net book value				
At 31 December 2024	214,802	114,208	491,597	820,606

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(b) Property, plant and equipment for the fiscal year ended 31 December 2023:

	Motor Vehicles	Fixtures & fittings	Office equipment	Total
	£	£	£	£
Cost				
At 1 January 2023	45,352	263,500	682,317	991,169
Additions	-	7,954	150,292	158,246
Acquisition of subsidiary	-	-	28,316	28,316
At 31 December 2023	45,352	271,454	860,926	1,177,732
Depreciation				
At 1 January 2023	45,352	195,704	500,350	741,406
Charge for the year	-	45,313	136,450	181,763
Acquisition of subsidiary	-	-	19,187	19,187
At 31 December 2023	45,352	241,017	655,987	942,356
Net book value				
At 31 December 2023	-	30,437	204,939	235,376

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15. Leases

Right-of-use assets

The Group makes the use of leasing arrangements principally for the provision of office space, the warehouse and motor vehicles. The rental contracts for offices are typically negotiated for terms of between 2 and 10 years. Lease terms for motor vehicles are 3 or 4 years. Property leases are negotiated on an individual basis and contain a wide variety of different terms and conditions whereas motor vehicle leases are more standardised. There are no extension options for the leases

The consolidated statement of financial position shows the following amounts relating to leases for the financial year ended 31 December 2024:

	Land & buildings £	Plant & equipment £	Total £
Cost			
At 1 January 2024	1,171,498	3,306,957	4,478,455
Additions	1,508,600	1,277,496	2,786,096
Acquisition of subsidiary	55,037	329,570	384,607
At 31 December 2024	2,735,135	4,914,023	7,649,158
Depreciation			
At 1 January 2024	518,448	1,453,188	1,971,636
Charge for the year	245,831	869,121	1,114,952
At 31 December 2024	764,279	2,322,309	3,086,588
Net carrying value			
At 31 December 2024	1,970,856	2,591,714	4,562,570

The consolidated statement of financial position shows the following amounts relating to leases for the financial year ended 31 December 2023:

	Land & buildings £	Plant & equipment £	Total £
Cost			
At 1 January 2023	1,171,498	2,135,973	3,307,471
Additions	-	1,211,780	1,211,780
Disposals	-	(40,796)	(40,796)
At 31 December 2023	1,171,498	3,306,957	4,478,455
Depreciation			
At 1 January 2023	398,862	917,464	1,316,326
Charge for the year	119,586	564,890	684,476
Disposals	-	(29,166)	(29,166)
At 31 December 2023	518,448	1,453,188	1,971,636
Net carrying value			
At 31 December 2023	653,050	1,853,769	2,506,819

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Lease liabilities	31 December 2024 £	31 December 2023 £
Current	1,193,043	726,639
Non-current	3,509,780	1,852,124
	4,702,823	2,578,763

Amounts recognised in the consolidated statement of comprehensive income for the period

	Year ended	
	31 December 2024 £	31 December 2023 £
Interest expense relating to lease liabilities	238,943	127,779
Depreciation for right-of-use assets	1,114,952	684,475
Expenses for short term leases and low value leases	91,345	51,594
	1,445,240	863,848

The Group has elected not to recognize a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

Amounts recognised in the consolidated statement of cash flows

The following lease payments are recorded in the consolidated statement of cash flows, of which payments for lease liabilities including principal portion and interests are presented in cash flows from financing activities and payments for short term lease contracts and payments for low value asset leases are presented in cash flows from operating activities:

	Year ended	
	31 December 2024 £	31 December 2023 £
Payments for lease liabilities	1,046,643	782,842
Payments for short term lease contracts and low value lease contracts	87,472	49,893
Total cash outflow for leases	1,134,115	832,735

Please refer to *Note 28 – Commitments and contingencies* for lease commitments which have not yet commenced as at 31 December 2024 and 2023.

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	31 December 2024	31 December 2023
	£	£
Work in progress	157,160	170,373
Finished goods	833,180	625,796
Provisions	(172,248)	(172,248)
	818,092	623,921

There is no material difference between the replacement cost of the stock and its carrying amount.

In the financial year ended 31 December 2024, no movement in stock provisions has been recognized within cost of sales (2023: credit to inventories of £15,103).

The cost of sales in respect of inventory was £630,298 (2023: £3,729,853).

17. Trade and other receivables

Trade and other receivables include mainly trade receivables and accrued income from contracts with customers, tax debtors, prepayments, and other non-financial receivables. The breakdown of trade and other receivable is as follows:

	31 December 2024	31 December 2023
	£	£
Financial assets		
Trade receivables (net)	9,115,532	5,169,475
Total financial assets	9,115,532	5,169,475
Non-financial assets		
Accrued income	3,822,561	2,791,706
COS prepayments	666,312	-
Tax debtors	204,456	1,084,842
R&D credits and claims	158,256	321,795 ¹⁵
Prepayments	674,289	314,709
Other receivables	2,177,615	27,907
Total non-financial assets	7,703,489	4,540,959¹⁵
Total trade and other receivables	16,819,021	9,710,434¹⁵

Accrued income results from revenue recognised from contracts with customers according to IFRS 15 but has not reached the agreed billing term, which belongs to contract assets.

Trade receivables are stated after provisions for impairment of £321,855 (2023: £180,058).

¹⁵ The comparative figures were adjusted due to the reclassification of R&D credits and claims of learnt Ltd amounting to £321,795 from deferred tax assets to trade and other receivables in accordance with IAS 12.5.

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	31 December 2024	31 December 2023
	£	£
Trade receivables	9,437,387	5,349,533
Provisions for bad debts	(321,855)	(180,058)
Trade receivables (net)	9,115,532	5,169,475

Further information for provisions of bad debts, please refer to *Note 27.1 - Credit risk*.

In the financial year ended 31 December 2024, the movement in provision for impairment of trade receivables resulted in a net expense to the consolidated statement of comprehensive income of £141,797 (31 December 2023: net expense to the consolidated statement of comprehensive income of £1,138).

18. Cash and cash equivalents

	31 December 2024	31 December 2023
	£	£
Cash at bank	3,438,004	1,767,938
Cash in hand	1,277	1,108
Cash at bank and in hand	3,439,281	1,769,046

As at 31 December 2024 the Group had no restricted cash.

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The different shareholder classes can be summarized as follows:

	learnd Ltd (£0.00001 nominal value)		Learnd SE (formerly GFJ Acquisition) (£0.0384 nominal value)			
	Ordinary Shares	Series A Shares	Class A Shares	Class B1 Shares	Class B2 Shares	Class B3 Shares
As at 1 Jan, 2023	2,000,000	7,500,000				
Capital reorganization	(2,000,000)	(7,500,000)	7,289,581			
Shares issued in recapitalization, net of redemptions			16,984	1,250,000	1,250,000	1,250,000
Treasury shares sold to Backstop investors			230,000			
Treasury shares issued/ sold after de-SPAC Transaction			1,788,516			
As at 31 Dec, 2023	-	-	9,325,081	1,250,000	1,250,000	1,250,000
Class B shares converted to class A shares			3,750,000	(1,250,000)	(1,250,000)	(1,250,000)
Treasury shares issued / sold during the year			818,443			
New class A shares issued for the acquisition of Ashdown Controls Group			230,303			
As at 31 Dec, 2024	-	-	14,123,827	-	-	-

Prior to the de-SPAC Transaction, the accounting acquirer learnd Ltd had 9,500,000 shares with a par value of £0.00001, which resulted in a share capital of £95. On 18 January 2023 learnd Ltd and GFJ Acquisition (now the Company) consummated the Business Combination which led to learnd Ltd listing on the Frankfurt Stock Exchange and a capital reorganization of the learnd Group. See *Note 5.1 – De-SPAC Transaction* in the notes to the annual consolidated financial statements for 2023 for further information. The share capital of the accounting acquirer is carried forward and then adjusted to reflect the number and type of shares, including the par value of the outstanding share capital of the legal acquirer Learnd SE (formerly GFJ Acquisition).

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On 18 January 2023, in connection with the De-SPAC Transaction, an increase of the share capital in the amount of £244,919 due to the share capital restructuring of learnD Ltd and an increase in share capital in the amount of £134,345 from the deemed issued shares consideration of learnD Ltd to reverse acquire GFJ Acquisition, including the shares purchased by the backstop investors as part of the de-SPAC Transaction. For further information, please refer to *Note 5.1 - De-SPAC Transaction* in the notes to the annual consolidated financial statements for 2023.

The movements in the share capital resulted from the following adjustments to reflect the par value, the number and the types of the shares of the legal acquirer GFJ Acquisition resulted from the de-SPAC Transaction as described in note 3.1.2, as well as the change of treasury shares after the consummation of the de-SPAC Transaction from 19 January 2023 to 31 December 2023.

Class A Shares:

- On 15 October 2021, GFJ Acquisition had issued 15,000,000 redeemable public shares (or “Class A Shares”) with a par value of €0.0384 per share, together with ½ Class A Warrants for an aggregate price of €10.00 per unit. The proceeds were temporarily held in escrow and were released upon the consummation of de-SPAC Transaction.
- In connection with the de-SPAC Transaction, 14,983,016 Class A shares were redeemed by GFJ Acquisition’s holders of Public Shares for a price of €10.20 per share, resulting in 16,984 Class A shares outstanding with a net share capital of £571 (€652) after the redemption.
- Out of redeemed Class A shares described above, 230,000 Class A shares were purchased by backstop investors for a price of €10.00 per share, resulting in the increase in share capital of £7,731 (€8,832) and decrease in share premium of the same amount. The remaining redeemed shares were kept as treasury shares.
- As part of the de-SPAC Transaction, 7,289,581 new Public Shares (“Class A Shares”) with par value of €0.0384 were issued to learnD Ltd.’s Shareholders in exchange for the 9,500,000 shares of learnD Ltd, which were contributed to GFJ Acquisition, resulting in the increase in share capital of £244,919 (€279,825) and decrease in share premium of the same amount.

Class B Shares:

- In 2021, GFJ Acquisition had issued 3,750,000 sponsor shares (“Class B shares”) at a par value of €0.0384 per share, with share capital in the amount of €144,000. GFJ Acquisition created three classes of Class B Shares, namely Class B1, Class B2 and Class B3 Shares, (together as “Class B Shares”). Upon and following the completion of the de-SPAC Transaction, the Sponsor Shares convert on a one-on-one basis into Public Shares in accordance with the following schedule:
 1. Class B1 Shares convert into Class A Shares on the earlier date of the trading day following the first anniversary of the consummation of the de-SPAC Transaction, or post consummation of the de-SPAC Transaction, on which the closing price of the Class A Shares for any 20 trading days within a 30 days trading period exceeds €12,00 (“Lock-up End Date”);
 2. Class B2 Shares convert into Class A Shares on the later date of the Lock-up End Date or post consummation of the de-SPAC Transaction, the trading day after which the closing price of the Class A Shares for any 10 trading days within a 30 day trading period exceeds €12,00;
 3. Class B3 Shares convert into Class A Shares on the later date of the Lock-up End Date or post consummation of the de-SPAC Transaction, the trading day after which the closing price of the Class A Shares for any 10 trading days within a 30 day trading period exceeds €14,00.

After the closing of the de-SPAC Transaction from 19 January 2023 to 31 December 2023, 1,545,630 treasury shares (“Class A Shares”) were sold to private investors, 230,558 shares were given as part of the consideration for acquiring Complete Energy Controls Ltd on 5 May 2023, and 12,328 shares were given to an external service provider to settle certain service fee with the market price for the service

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received in the amount of €90,000 in September 2023. As at 31 December 2023, there were 12,964,500 treasury shares held by the Company.

In the financial year ended 31 December 2024, 445,587 treasury shares were sold to private investors generating cash proceeds of £1,606,175 (€1,900,499) and 5,333 treasury shares were given to an external service provider to settle certain service fee with the market price for the service received in the amount of £33,977 (€40,000). Additionally, 310,465 treasury shares were given out as share-based consideration with a value of £2,200,000 for the acquisition of Crucible Holding Limited. For the acquisition of Smart Control Systems Limited, further 21,688 treasury shares were given as the share-based consideration with amount of €178,482 (£149,993). On 23 July 2024, the Group has issued 30,000 treasury shares to three members of the Supervisory Board as part of their fixed remuneration for financial year 2024 with a fair value of €243,000 (£204,297) at a closing price on 23 July 2024 of €8.1 (£6.8) per share. On 14 August 2024, further 5,370 shares were issued to one member of the Supervisory Board as part of the fixed remuneration per financial year starting in 2024 with a fair value of €42,423 (£36,392) at a closing price on 14 August 2024 of €7.9 (£6.8) per share.

Additionally, 230,303 new shares were issued as share-based consideration with a value of £1,621,460 (€1,900,000) for the acquisition of Ashdown Controls Group.

In 2024, the 3,750,000 Class B Shares were fully converted into Class A Shares (Class B1 Shares were converted on 19 January 2024 and Class B2 and B3 Shares were converted on 19 June 2024).

Hence, 14,123,827 Class A Shares were outstanding as at 31 December 2024, each with a normal value of €0.0384, and leading the share capital in the amount of £473,157 (€542,356). As at 31 December 2024, there are 12,146,057 treasury shares held by the Company, resulting in a total number of shares issued as 26,269,884.

Share premium

Prior to the de-SPAC Transaction, no share premium was recognized by the accounting acquirer learnd Ltd. As at the closing date of the de-SPAC Transaction on 18 January 2023, the share premium of the accounting acquirer learnd Ltd was adjusted for the share premium of the legal acquirer GFJ Acquisition. These adjustments are described in the following. All amounts in euro were converted into GBP using the exchange rate of 0.8753 as at 18 January 2023 as listed in note 2.3 to the annual consolidated financial statements for 2023.

As at incorporation the share capital of the Company was €120,000 represented by 12,000,000 redeemable class B shares without nominal value.

In 2021, the sole shareholder resolved to convert the existing 12,000,000 class B shares into 3,125,000 class B shares divided into 1,041,667 Class B1 shares, (ii) 1,041,667 Class B2 shares and (iii) 1,041,666 Class B3 shares.

In 2021, the sole shareholder of GFJ Acquisition contributed an amount €380,000 (£332,614) to the equity of the Company without issuance of shares.

The issuance of 15,000,000 Class A Shares completed on 15 October 2021, resulted in an increase in share premium in the amount of €149,349,000 (£130,725,180).

At the same date the Management Board of GFJ Acquisition has decided to increase the Company's share capital by an amount of €24,000 through the issuance of 208,333 Class B1 Shares, 208,333 Class B2 Shares and 208,334 Class B3 Shares for an aggregate price of €100,000, which resulted in an increase in share premium of €76,000 (£66,523).

In connection with the de-SPAC Transaction, the following transactions resulted in the changes in share premium:

- the redemption of 14,983,016 Class A Shares of GFJ Acquisition with €10.20 per share, resulted in a decrease in share premium of €152,251,415 (£133,265,664).
- The purchase of 230,000 Class A shares by Backstop Investors with €10 per share, resulted in an increase in share premium of €2,291,168 (£2,005,459).
- a decrease in the amount of £244,919 resulting from the share restructuring of learnd Ltd

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Additionally, the share premium includes the share listing expense in the amount of £48,070,476 recognized according to IFRS 2 as a result of the de-SPAC Transaction. For further information, please refer to *Note 5.1 – De-SPAC Transaction* of the annual consolidated financial statements for 2023.

GFJ Acquisition's accumulated loss for the period from inception of 2 June 2021 until 18 January 2023, which is the period before the de-SPAC Transaction, was reclassified to share premium, resulting in a decrease in share premium of €28,985,358 (£25,370,884).

Furthermore, the issuance of 1,788,516 treasury shares after the consummation of the de-SPAC Transaction from 19 January to 31 December 2023 resulted in an increase in share premium amounting to £9,015,286. Share premium amounted to £31,334,071 as at 31 December 2023.

The issuance of 1,048,746 shares from 1 January to 31 December 2024 described above under "Share capital" resulted in an increase in share premium amounting to £5,807,821. Share premium amounted to £37,141,892 as at 31 December 2024.

Foreign currency translation reserves

Foreign currency translation differences arise on translation of the Company to the presentation currency of GBP of the Group amounting to £883,449 as at 31 December 2024 and are recognized in other comprehensive income (31 December 2023: £198,050).

Retained earnings

Retained earnings include the accumulated profit attributable to the shareholders. As at 31 December 2024, the retained earnings amount to £(43,996,911) (31 December 2023: £(47,569,570)).

Share-based payments reserve

As at 31 December 2024, the share-based payments reserve amounts to £3,696,537 (31 December 2023: £2,759,377). This includes an amount of £937,159 which was recognized for the fair value of the share-based options under IFRS 2 in the financial year ended 31 December 2024 (2023: £2,661,316).

For further information, please refer to *Note 20 - Share-based payments*.

20. Share-based payments

Prior to the de-SPAC Transaction, the Group headed by learnd Ltd provides share options to certain employees and executive directors as remuneration (the "learnd Ltd. SOS"). Pursuant to the learnd Ltd. SOS, the Management Board may in its discretion grant share options, entitling the beneficiary to acquire a certain number of shares at a certain exercise price. Under the learnd Ltd. SOS 475,000 share options were granted on 7 July 2021 and further 52,500 were granted on 16 December 2022. The share options granted in 2021 and 2022 have the following vesting period depending on an exit event: 25% of options granted vested immediately, 25% of options vest 12 months after grant date, 25% of options granted vest 24 months after grant date and 25% of options granted vest 36 months after grant date. All options will become vested and exercisable on a takeover event. All options generally expire on the earlier of cessation of employment or tenth (10th) anniversary of date of grant.

These share options are measured at fair value at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period. The amount recognized as an expense is adjusted to reflect the actual number of options that are expected to vest. As at 31 December 2022, there were in total 27,500 options forfeited, resulted in 500,000 options still outstanding.

In connection with the de-SPAC Transaction, the Group assumed the obligations under learnd Ltd's previously established share option scheme for certain of its employees and executives (the "learnd SOS"). Pursuant to the learnd SOS, the Management Board may in its discretion grant share options, entitling the beneficiary to acquire a certain number of shares at a certain exercise price. In this respect, the Group entered into several option agreements and thereunder granted 500,000 options to employees as replacements of the original share options granted by learnd Ltd to the same employees which were still outstanding. At the same time, the original share option agreements were terminated. Under the new

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option agreements, the options are exercisable either on an exit event or on a board decision. If the option holders cease to be an employee of the Group before the occurrence of an exit event or board decision, their options will be forfeited immediately, except in limited circumstance that are approved by the board on a case-by-case basis. Therefore, the exit event or board decision for the exercisability of the share options is a non-market performance condition and is considered by adjusting the number of share options expected to vest at each reporting date. The newly granted options by the Group were accounted for as modifications to the original learnd Ltd share options and under IFRS 2 the incremental fair value of share options granted to the Group employees as a result of the amendment to the learnd SOS should be estimated and recognized. The incremental fair value granted is the difference between the fair value of the new share options and that of the original share options, both estimated as at the grant date of the new share options. The terms of the newly granted options are not beneficial to the employees as of 31 December 2023, as the exercisability is conditional upon an exit event or board decision and learnd's assessment was less than more likely than not as at 31 December 2023. Therefore, no expenses were recognised for the newly granted options of this program as at 31 December 2023. During the financial year ended 31 December 2023, there were 5,000 options forfeited, resulting in 495,000 options still outstanding as at 31 December 2023.

On 11 November 2024, the Group granted 55,450 share options to certain of its employees under the learnd SOS. Under the 2024 option agreements, these share options will vest in full on the third anniversary of the grant date, but still subject to the exercise requirement under the learnd SOS, that the options are only exercisable either on an exit event or with a board decision. The exercise condition is considered as a non-market performance condition, which leads to a variable vesting period, based on the estimation of the exit event. As of the reporting date, the Group assessed the probability of such an event occurring as more than more likely than not (>50%) and the most likely exercise date to be 31 December 2030. These share options are measured at fair value at the date of the grant. The fair value is expensed on a straight-line basis over the estimated vesting period until 31 December 2030. The amount recognized as an expense is adjusted to reflect the estimated number of options that are expected to vest and exercise on the estimated exercise date.

On 22 November 2023, supervisory board approved to grant the two founders of learnd limited ("Founders", and each a "Founder") with 150,000 share options, each, in acknowledgment of the exceptional work the Founders put into the Company, and its subsidiaries, and in consideration for the excellent performance during the de-SPAC Transaction. The Founders are entitled to purchase shares of the Company with the same exercise price under learnd SOS.

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The following table sets forth information regarding the outstanding employee share-based options as at 31 December 2024 and 2023:

	No. of shares options	Weighted average exercise price per share option
Outstanding as at 31 December 2022	500,000	£0.01
<i>Thereof exercisable</i>	-	-
Granted	800,000	€0.04
Cancelled	(500,000)	£0.01
Forfeited	(5,000)	€0.04
Exercised	-	-
Outstanding as at 31 December 2023	795,000	€0.04
<i>Thereof exercisable</i>	300,000	€0.04
Granted	55,450	€0.04
Forfeited		
Exercised	-	-
Outstanding as at 31 December 2024	850,450	€0.04
<i>Thereof exercisable</i>	300,000	€0.04

The share options outstanding as at 31 December 2024 have a weighted-average remaining contractual life of 8.5 years (2023: 9.4 years)

Measurement of fair values

The fair value at the grant date is determined using the Black-Scholes model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the historical share price at grant date and expected price volatility of the underlying share, the risk-free interest rate for the term of the option and the correlations and volatilities of peer group companies.

In determining the share price for the options grant in the financial year ended 31 December 2022 management took into account the consideration paid for the Group's acquisitions and calculated the relevant EBITDA multiple. The multiple was then applied to the EBITDA of the learnt Group.

The share prices for the options granted in the financial year ended 31 December 2024 and 2023 are determined using the share price of the Company at the respective grant dates.

Historical volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term (if available). The expected term of the instruments has been based on management expectation.

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The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans were as follows:

	Share options - 2024
	learned SOS
Fair value per option at grant date (in EUR)	7.37
Fair value per option at grant date (in GBP)	6.09
Share price at grant date (in EUR)	7.4
Exercise price (in EUR)	0.04
Expected volatility (weighted average)	52.23%
Expected life (weighted average)	6.13
Expected dividends	0.00
Risk-free interest rate (based on government bonds)	2.21%

	Share options – 2023	
	Founder share options	Learned SOS
Fair value per option at grant date (in EUR)	9.86	10.06
Fair value per option at grant date (in GBP)	8.58	8.81
Share price at grant date (in EUR)	9.9	10.2
Exercise price (in EUR)	0.04	0.04
Historical volatility	27.60%	10.15%
Expected life (weighted average)	2.5	3
Expected dividends	0	0
Risk-free interest rate (based on government bonds)	2.81%	2.16%

The incremental fair value of options granted on 18 January 2023 under the learned SOS was GBP 8.45 and GBP 8.49 per option, respectively. As the likelihood of an exist event or board decision was less than mostly likely than not as at 31 December 2023, no expense was recognized for the year ended 31 December 2023. Due to the change of the assumption of the exercisability to more than most likely than not as at 31 December 2024, the incremental fair value of options granted on 18 January 2023 was recognized on a straight-line basis over the estimated vesting period until 31 December 2030.

	Share options – 2021 and 2022 – in GBP	
	2021 grant	2022 grant
Fair value per option at grant date	0.35	0.32
Share price at grant date	0.36	0.33
Exercise price	0.01	0.01

The total share-based payment expense for the year ended 31 December 2024 was £937,159 (2023: £2,661,317). This relates to share options accounted for as equity-settled share-based payment transactions during the year.

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21. Capital management

The Management Board policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the capital-to-overall financing ratio on a regular basis to continually assess the adequacy of the Group's capital structure and capacity.

The capital-to-overall financing ratio for the financial year ended 2024 and 2023 was calculated as follows:

	31 December 2024 £	31 December 2023 £
Total equity	(1,801,876)	(12,838,854)
Capital	(1,801,876)	(12,838,854)
Total equity	(1,801,876)	(12,838,854)
Borrowings	19,651,624	7,956,933 ¹⁶
Lease liabilities	4,702,823	2,578,763
Overall financing	22,552,571	(2,303,159)¹⁶
Capital-to-overall financing ratio	(0.08)	5.57¹⁶

The change in the capital-to-overall financing ratio for the financial year ended 31 December 2024 resulted from the new loan which has been drawn down in February 2024 and the increase in retained earnings of the group without the impact of de-SPAC transaction in 2023 and with the improved operating result in 2024.

Group management is also in constant discussion with its banks to obtain new credit lines and approaching potential investors for issuance of its treasury shares or new Class A shares to always maintain sufficient liquidity for the Group.

For further information regarding the new loan agreement entered on 23 February 2024 and the loan covenants, please refer to *Note 22 – Loans and borrowings*.

¹⁶ The comparative figures were adjusted due to the revised presentation of a loan, which resulted in the increase in Loans and borrowings (non-current) by £232,139 and short-term borrowings by £10,291, while trade and other payables was decreased by £242,430.

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22. Loans and borrowings

Current and non-current loans and borrowing recognised in the Group's consolidated statement of financial position are as follows:

Loans and borrowings	31 December 2024	31 December 2023
	£	£
Current		
Bank loans	-	506,667
Shareholder loan AFT Tech	-	3,612,470
Shareholder loan GFJ Holding	917,201	58,161
Shareholder loan Chepstow	526,730	-
Other loans	257,887	36,047 ¹⁷
Total current	1,701,817	4,213,345¹⁷
Non-current		
Bank loans	14,187,337	2,073,171
Shareholder loan AFT Tech	3,762,470	-
Shareholder loan GFJ Holding	-	1,438,278
Other loans	-	232,139 ¹⁷
Total non-current	17,949,807	3,743,588¹⁷
Total	19,651,624	7,956,933¹⁷

Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

Loans and borrowings	Original currency	Matures in	Interest type	Effective interest rate in %	Nominal value (in GBP)	Carrying amount (in GBP)
31 December 2024						
Facility A	GBP	February 2029	Variable-rate interest	14.49	7,500,000	7,248,882
Facility B	EUR	February 2029	Variable-rate interest	13.2	7,237,141	6,938,456
Shareholder loan AFT Tech	GBP	December 2028	Fixed-rate interest	5.0	3,762,470	3,762,470
Shareholder loan GFJ Holding	EUR	December 2025	Fixed-rate interest	2.5	917,201	917,201
Chepstow loan	EUR	December 2025	Fixed-rate interest	2.5	526,730	526,730
Ryan Mac Ban	EUR	August 2025	Fixed-rate interest	12.0	257,887	257,887
Total					20,201,428	19,651,624

¹⁷ The comparative figures were adjusted due to the revised presentation of a loan, which resulted in the increase in Loans and borrowings (non-current) by £232,139 and short-term borrowings by £10,291, while trade and other payables was decreased by £242,430.

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Loans and borrowings	Original currency	Matures in	Interest type	Effective interest rate in %	Nominal value (in GBP)	Carrying amount (in GBP)
31 December 2023						
ThinCats loans	GBP	May 2027	Variable-rate interest	11.23	2,579,838	2,579,838
Shareholder loan AFT Tech	GBP	No fixed repayment date	Fixed-rate interest	5.0	3,612,470	3,612,470
Shareholder loan GFJ Holding	EUR	December 2025	Fixed-rate interest	2.5	1,496,439	1,496,439
Ryan Mac Ban loan	EUR	August 2025	Fixed-rate interest	12.0	242,430 ¹⁸	242,430 ¹⁸
Other loans	GBP	June 2026	Fixed-rate interest	2.55	25,755	25,755
Total					7,956,933	7,956,933¹⁸

On 9 February 2024, learnd SE, learnd Acquisition S.à r.l and learnd Ltd. together entered into a loan agreement with P Capital Partner AB as arranger and multiple banks as original lenders. Under this agreement, the Group secured three credit facilities totalling €30 million. These facilities include an Acquisition Facility in the amount of €12.5 million available for all the companies in the learnd Group, a Facility A in the amount of £7.5 million available for learnd Limited, and a Facility B in the amount of €17.5 million reduced by the EUR-equivalent amount of £7.5 million available for learnd Acquisition S.à r.l (€8,728,070). All three credit facilities have a term of five years and bear variable interest rates. The undrawn Acquisition Facility bears a fixed interest rate of 2.8%.

On 23 February 2024, learnd Limited fully drew down the Facility A in the amount of £7,500,000 and learnd Acquisition S.à r.l fully drew down the Facility B in the amount of €8,728,070 (£7,237,141) to fund the payments of the cash considerations and transaction costs of the two acquisitions, as well as the settlement of the debt and support the working capital of the two acquired businesses (see Note 5 - Business Combinations).

A part of the draw down by learnd Limited was used to fully repay the bank loans from ThinCats Loans Limited ("ThinCats loans"), which included a principal repayment of £2,481,481 and payment of accrued interest of £24,935 as of the repayment date on 23 February 2024.

The Facility A and Facility B loans are recognized at fair value minus transaction cost at initial recognition and subsequently carried at amortized cost.

On 16 August 2023, Learnd SE entered into a loan agreement with Ryan Mac Ban ("Ryan Mac Ban loan") in the amount of €267,118 to finance the Company's future expenditures. The loan is repayable at a fixed term of two years with interest payments due on an annually basis. This loan was adjusted due to the revised presentation from trade and other payables to loans and borrowings (non-current) by £232,139 and short-term borrowings by £10,291 as at 31 December 2023 and 2024.

The other loan has been fully repaid on 24 September 2024.

On 11 November 2024 learnd SE has received a new loan of €633,000 from Chepstow GmbH ("Chepstow loan"). The Chepstow loan bears a fixed interest rate of 2.5% and is due on 31 December 2025 with interest payable on the maturity date.

The amount of £545,516 (€656,000) of the Shareholder loan GFJ Holding has been repaid on 14 November 2024.

For information regarding shareholder loans please refer to Note 29 – Related party transactions.

¹⁸ The comparative figures were adjusted due to the revised presentation of a loan, which resulted in the increase in Loans and borrowings (non-current) by £232,139 and short-term borrowings by £10,291, while trade and other payables was decreased by £242,430.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****Loan Covenants***Bank loan covenants*

Pursuant to the loan agreement with P Capital Partner AB as arranger and multiple banks as original lenders, the Group must comply with the following financial covenants during the duration of the bank loans:

The Group was required to comply with a maximum “pro forma” net leverage covenant whereby total net debt for the Group on the last day of the relevant period to “pro forma” earnings before interest, taxes, depreciation and amortisation (“Pro Forma EBITDA”) of the Group in the relevant period shall not exceed a ratio for the relevant period listed in the following table.

Pro Forma EBITDA means EBITDA adjusted by:

- (a) deducting any capitalized research and product development costs and expenses;
- (b) including the operating profit before interest, tax, depreciation, amortisation and impairment charges (calculated on the same basis as EBITDA) of a member of the Group (or attributable to a business or assets acquired during the Relevant Period) prior to its becoming a member of the Group or (as the case may be prior to the acquisition of the business or assets, but provided such acquisition was a Permitted Acquisition (other than in relation to the acquisition of assets));
- (c) excluding the operating profit before interest, tax, depreciation, amortisation and impairment charges (calculated on the same basis as EBITDA) attributable to a member of the Group (or to any business or assets) disposed of;
- (d) before taking into account any exceptional items; and
- (e) taking into account any Pro Forma Cost Savings resulting from any Permitted Acquisition (assuming for such purpose that such Permitted Acquisition has been consummated at the beginning of such Relevant Period) (without double counting any cost savings or other cost synergies already achieved and, therefore, having been taken into account when determining EBITDA)

For the following relevant periods, the Group shall ensure to comply with the following “pro forma” net leverage covenants:

Relevant Period ending on	“Pro Forma” Net Leverage
31 December 2024	2.9:1
31 March 2025	3.5:1
30 June 2025	3.3:1
30 September 2025	3.6:1
31 December 2025	2.9:1
31 March 2026	2.9:1
30 June 2026	2.8:1
30 September 2026	2.8:1
31 December 2026	2.3:1
31 March 2027	2.3:1
30 June 2027	2.1:1
30 September 2027	2.1:1
31 December 2027	1.6:1
31 March 2028	1.6:1
30 June 2028	1.5:1
31 September 2028	1.5:1
31 December 2028	1.0:1

In the event that there is a breach of the “pro forma” net leverage covenant, the Group shall have the right to cure such breach in accordance with the following:

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- i. within ten (10) Business Days after the date on which the relevant Compliance Certificate is required to be delivered, learned SE delivers a written confirmation to the Facility Agent of its intention to provide New Shareholder Injections to remedy such financial covenant breach; and
- ii. within twenty (20) Business Days after the date on which the relevant Compliance Certificate is required to be delivered (together with the time period in paragraph (i) above, the "Cure Exercise Period"), learned SE receives any New Shareholder Injections in Cash (the "Cure Amount"),

in which case "pro forma" net leverage shall be recalculated giving effect to a "pro forma" decrease of total net debt solely for the purpose of measuring "pro forma" net leverage in relation to compliance with the "pro forma" net leverage covenant and not for any other purpose (including, without limitation, not for the purpose of a reduction of any margin), by an amount equal to the Cure Amount (an "Equity Cure").

Furthermore, the Group was required to comply with an interest cover whereby the Group shall maintain a minimum interest cover of 2.00:1. Interest cover means the ratio of pro forma EBITDA to net finance charges.

As at 31 December 2024, the Group was in compliance with all financial covenants set by the facility agreements with the banks. Accordingly, the loan is classified as a non-current liability as at 31 December 2024.

The Group expects to comply with the quarterly covenants for at least 12 months after the reporting date.

23. Provisions

The provision consists of warranty provisions learned Limited provided to customers for installation services on site.

No changes have incurred during the financial year 2024.

24. Trade and other payables

Trade and other payables include mainly trade payables, accrued liabilities, and other non-financial liabilities including deferred income from contracts with customers, other tax payables and payroll related payables. Due to the short-term due date, management determines the book value of trade payables and accrued liabilities approximates to their fair value at the reporting date.

The breakdown of trade and other payables is as follows:

	31 December 2024	31 December 2023
	£	£
Financial liabilities		
Trade payables	5,851,382	3,280,103
Accrued liabilities	4,710,173	6,696,490
	10,561,554	9,976,593
Non-financial liabilities		
Deferred income	1,623,509	699,688
Other taxation and social security	2,991,548	2,101,270
Other payables	2,799,115	317,566 ¹⁹
	7,414,172	3,118,524¹⁹
Total trade and other payables	17,975,726	13,095,117¹⁹

¹⁹ The comparative figures were adjusted due to the revised presentation of a loan, which resulted in the increase in Loans and borrowings (non-current) by £232,139 and short-term borrowings by £10,291, while trade and other payables was decreased by £242,430.

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25. Notes to the consolidated statement of cash flows

The following table provides a reconciliation between the opening and closing balances in the consolidated statement of financial position. The changes from financing cash flows of loans and borrowings and lease liabilities are presented separately.

Loans and borrowings & Lease liabilities (Reconciliation of movements)	Lease Liabilities	Loans and borrowings	Total
£			
Balance as at 1 January 2024	2,578,763	7,956,933	10,535,696
Proceeds from loans and borrowings	-	14,265,501	14,265,501
Repayments of loans and borrowings	-	(2,798,227)	(2,798,227)
Proceeds from shareholder loans	-	535,910	535,910
Repayment of shareholder loans	-	(555,383)	(555,383)
Payments of the principal portion of lease liabilities	(1,046,643)	-	(1,046,643)
Repayment of invoice discounting facility	-	(1,331,097)	(1,331,097)
Interest paid	(238,943)	(2,004,350)	(2,243,293)
Total Changes from financing cash flows	(1,285,586)	8,112,355	6,826,769
Liability-related			
Changes in consolidation scope	384,607	1,448,967	1,833,574
Changes from disposals	-	-	-
New lease liabilities	2,786,096	-	2,786,096
Interest expense	238,943	2,167,787	2,406,730
Impact of foreign currency translation	-	(34,418)	(34,418)
Total liability-related other changes	3,409,646	3,582,336	6,991,982
Balance as at 31 December 2024	4,702,823	19,651,623	24,354,447

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Loans and borrowings & Lease liabilities (Reconciliation of movements)	Lease Liabilities	Loans and borrowings	Total
£			
Balance as at 1 January 2023	2,034,695	6,433,267	8,467,962
Proceeds from loans and borrowings	-	242,430 ²⁰	242,430
Repayments of loans and borrowings	-	(413,942)	(413,942)
Proceeds from shareholder loans	-	695,224	695,224
Repayment of shareholder loans	-	(695,224)	(695,224)
Payments of the principal portion of lease liabilities	(655,063)	-	(655,063)
Interest paid	(127,779)	(304,818)	(432,597)
Total Changes from financing cash flows	(782,842)	(476,330)²⁰	(1,259,172)
Liability-related			
Changes in consolidation scope	-	1,438,280	1,438,280
Changes from disposals	(12,649)	-	(12,649)
New lease liabilities	1,211,780	32,291	1,244,071
Interest expense	127,779	529,425	657,205
Total liability-related other changes	1,326,910	1,999,996	3,326,906
Balance as at 31 December 2023	2,578,763	7,956,933²⁰	10,535,696

26. Financial instruments

The following table shows the classification of financial assets and financial liabilities in accordance with IFRS 9 Financial Instruments and their carrying amounts as at 31 December, 2024 and 2023:

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

²⁰ The comparative figures were adjusted due to the revised presentation of a loan, which resulted in the increase in "Proceeds from loans and borrowings" by £242,430.

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31 December 2024 £	Carrying amount		Fair value		
	AC	FVTPL	Level 1	Level 2	Level 3
Financial assets measured at amortised cost					
Cash and cash equivalents	3,439,281	-	-	-	-
Trade receivables	9,115,532	-	-	-	-
	12,554,814	-	-	-	-
Financial liabilities measured at amortised cost					
Loans and borrowings (current and non-current)	19,651,624	-	-	-	-
Trade payables and accrued liabilities	10,561,554	-	-	-	-
Lease liabilities (current and non-current)	4,702,823	-	-	-	-
Financial liabilities measured at FVTPL					
Class A warrants	-	2,798,483	-	-	2,798,483
Class B warrants	-	2,844,087	-	-	2,844,087
	34,916,002	5,642,570	-	-	5,642,570

31 December 2023 £	Carrying amount		Fair value		
	AC	FVTPL	Level 1	Level 2	Level 3
Financial assets measured at amortised cost					
Cash and cash equivalents	1,769,046	-	-	-	-
Trade receivables	5,169,475	-	-	-	-
	6,938,521	-	-	-	-
Financial liabilities measured at amortised cost					
Loans and borrowings (current and non-current)	7,956,933 ²¹	-	-	-	-
Trade payables and accrued liabilities	9,976,594	-	-	-	-
Lease liabilities (current and non-current)	2,578,763	-	-	-	-
Financial liabilities measured at FVTPL					
Class A warrants	-	6,322,339	-	-	6,322,339
Class B warrants	-	7,576,306	-	-	7,576,306
	20,512,289²¹	13,898,645	-	-	13,898,645

²¹ The comparative figures were adjusted due to the revised presentation of a loan, which resulted in the increase in Loans and borrowings (non-current) by £232,139 and short-term borrowings by £10,291.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****Financial instruments measured at amortised costs**

Financial assets that are measured at amortised cost consist of cash and cash equivalents and trade receivables from contracts with customers. Accrued income from contracts with customers (contract assets) recognized according to IFRS 15 is excluded from the table above. All amounts are short-term. Therefore, the net carrying amount of trade receivables is considered a reasonable approximation of fair value.

Financial liabilities that are measured at amortised cost consist of all current and non-current liabilities other than deferred income from contracts with customers (contract liabilities) recognized according to IFRS 15, employee benefit liabilities and tax related liabilities. The net carrying amounts of all financial liabilities are considered a reasonable approximation of their fair values, due to either short-term in nature or bearing market interest rates.

Financial instruments measured at fair value - Class A and Class B warrants

7,500,000 Class A warrants and 7,145,833 Class B warrants of learnt SE had been issued by GFJ Acquisition prior to the de-SPAC Transaction and were part of the liabilities assumed by learnt Ltd from GFJ Acquisition ("renamed to "learnt SE") during the de-SPAC Transaction. The Class A and Class B warrants of learnt SE do not meet the criteria for treatment as equity under IAS 32, which requires the warrants to be recognized as financial liabilities at fair value through profit or loss.

As at 31 December 2024, as well as 31 December 2023, no trades of the Class A warrants were observable, and the Class B warrants are not publicly listed. Hence, the fair value of Class A and Class B warrants were independently valued using the average of Binomial Option Pricing and Monte Carlo models. The significant inputs to the valuation model include the contractual terms of the warrants (i.e. exercise price, maturity), risk free rates of German government bonds and volatility. As learnt SE has consummated a Business Combination with learnt Limited on 18 January 2023, the volatility was calculated as an unobservable input by reference to the volatilities of companies operating in similar sectors of learnt Group ("peers"). Therefore, Class A and Class B warrants constitute level 3 financial instruments. A discount rate for lack marketability was applied for Class B warrants to reflect the transfer restrictions of Class B warrants.

The fair value of warrants decreased from €0.97 per Class A warrant and €1.22 per Class B warrant as at the 31 December 2023 to €0.45 per Class A warrant and €0.48 per Class B warrant as at 31 December 2024, resulting in a decrease in fair value of warrant liabilities and a gain recognised for the financial year ended 31 December 2024 of £7,778,673 (€9,187,916) (for financial year ended 31 December 2023: £7,441,613 (€8,653,125)).

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The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

£	Warrants	
	Class A	Class B
Balance at 1 January 2023	-	-
Assumed in capital reorganisation	8,796,765	12,697,137
Gain included in finance income		
Fair value gain on warrants	(2,411,558)	(5,030,054)
Gain included in other comprehensive income		
Exchange differences on translation of foreign operations	(62,868)	(90,777)
Balance at 31 December 2023	6,322,339	7,576,306
Balance at 1 January 2024	6,322,339	7,576,306
Gain included in finance income		
Net change in fair value	(3,301,818)	(4,476,855)
Gain included in other comprehensive income		
Exchange differences on translation of foreign operations	(222,038)	(225,363)
Balance at 31 December 2024	2,798,483	2,844,087

For the fair value of warrants, reasonably possible changes as at 31 December 2024 to the significant unobservable inputs, holding other inputs constant, would have the following effects:

£	Profit or loss	
	Increase	Decrease
Class A Warrants		
31 December 2024		
5% movement in volatility	900,000	(1,050,000)
Class B Warrants		
31 December 2024		
5% movement in volatility	1,286,250	(1,214,792)

Changes between levels 2 and 3 and changes in measurement methods

There were no changes between the levels of the fair value hierarchy in the 2024 financial year. In addition, there were also no changes in the valuation techniques applied as at 31 December 2024 from 31 December 2023.

27. Financial Risk Management

The Group uses a range of financial instruments to manage the business. The main risks arising from the Group's financial instruments are credit risk, liquidity risk, and market risk including currency risk and interest rate risk. The Directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from the previous year.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****27.1 Credit Risk**

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations. The Group's principal financial assets are cash and cash equivalents and trade debtors. The principal credit risk arises therefore from its trade debtors. In order to manage credit risk, the Directors set limits for customers based on a combination of payment histories and third-party credit references. Where it is not possible to obtain a credit limit, or an amount is requested by the customer in excess of the allocated amount, such cases are reviewed and approved by the Directors accordingly. Credit limits are monitored by the credit controller on a regular basis in conjunction with debt ageing and collection history.

The Group also operates a credit insurance policy which hedges against this risk.

Cash and cash equivalents mainly consists of cash at banks. The corresponding creditworthiness of banks is monitored regularly. The Group determines that its cash and cash equivalents are subject to a very low default risk based on the external ratings and the short remaining terms. No impairment losses on cash and cash equivalents were therefore recognized in the financial years ended 31 December 31, 2024 and 2023.

For trade receivables, the Company applies the simplified approach in IFRS 9, which measures loss allowances at an amount equal to lifetime expected credit losses over the entire expected life of the assets. Under the simplified approach, the Company determines the expected credit losses by considering historical default rates on the basis of historical default data from the last financial year and taking into account forward-looking macroeconomic indicators.

As at 31 December 2024, to measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics by the days past due. The contract assets are related to unbilled work in progress which have not been recognized as trade receivables and therefore not past due. The group has therefore concluded that the contract assets have the same credit risk characteristics as trade receivables not yet due and thus applied no probability assumed for trade receivables not yet due. The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2024 and the corresponding historical credit losses experienced within this period based on their aging profile. 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. The group has identified the unemployment rate of the countries in which it sells its goods and services to be the most relevant factor and adjusted the historical loss rates accordingly based on expected changes in this factor.

As at 31 December 2023, a bad debt provision is recognized on an individual basis under the simplified approach if one or more events with an adverse effect on the debtor's credit rating have occurred. These events are, among others, payment delays, an impending insolvency or concessions by the debtor due to payment difficulties.

Trade receivables are written off directly when their recoverability is no longer reasonably expected. This is the case, for example, when the debtor is determined to be insolvent.

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The following table provides information about the expected credit loss rate and ECL by aging profile for trade receivables as at 31 December 2024:

Credit risk	31 December 2024			
	Gross carrying amount	Credit loss rate in %	Loss allowance	Net carrying amount
	£		£	£
Non-overdue receivables	5,761,322	0.0%	-	5,761,322
1 - 30 days	1,550,869	3.1%	47,409	1,503,461
30 - 60 days	761,436	7.5%	57,219	704,217
60 - 90 days	291,332	13.1%	38,272	253,060
Over 90 days	1,072,429	16.7%	178,955	893,473
Total	9,437,387		321,855	9,115,532

Included in trade receivables as at 31 December 2023 are the following amounts that are past due at the reporting date:

	31 December 2023
	£
Non-overdue receivables and accrued income	3,770,541
1 - 30 days	1,131,703
30 - 60 days	252,991
60 - 90 days	25,622
Over 90 days	168,676
Total	5,349,533
Bad debts provision as at year end	180,058
% of bad debts provision at year end	3%

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Expected credit loss on trade receivables have developed in the financial years ended 31 December 2024 and 2023 as follows:

Balance at 1 January 2024	180,058
Utilisation of impairment	(118,752)
Reversal of impairment	(94,800)
Additional impairment recognised	55,554
Acquisitions	304,175
Impact of foreign currency translation	(4,380)
Balance at 31 December 2024	321,855
Balance at 1 January 2023	185,765
Utilisation of impairment	(7,322)
Reversal of impairment	(46,862)
Additional impairment recognised	48,000
Acquisitions	477
Balance at 31 December 2023	180,058

27.2 Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The group operates a central treasury management function, headed and controlled by learnd Ltd. The table below shows cashflow between periods. Cash is forecasted and monitored daily to ensure the business can meet its short- and long-term needs.

	31 December 2024 £	31 December 2023 £
Cash and cash equivalents at start of year	1,769,046	1,679,138
Net increase in cash and cash equivalents	1,670,236	89,908
Cash and cash equivalents at end of year	3,439,281	1,769,046

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024**

The following table shows the remaining contractual maturities of the Group's financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments:

Liquidity risk	Carrying amount	Total	<1 years	1-5 years	More than 5 years
£					
31 December 2024					
Borrowings	19,651,624	26,789,700	2,000,285	24,789,415	-
Lease liabilities	4,702,823	5,925,679	1,452,074	3,820,926	652,679
Trade payables and accruals	10,561,554	10,561,554	10,561,554	-	-
Warrants	5,642,571	5,642,571	-	5,642,571	-
Total	34,916,002	43,276,933	14,013,913	28,610,341	652,679

Liquidity risk	Carrying amount	Total	<1 years	1-5 years	More than 5 years
£					
31 December 2023					
Borrowings	7,956,933 ²²	8,254,562 ²²	4,274,033 ²²	3,980,528 ²²	-
Lease liabilities	2,578,763	2,985,379	857,885	1,818,971	308,523
Trade payables and accruals	9,976,594	9,976,594	9,976,594	-	-
Warrants	13,898,645	13,898,645	-	13,898,645	-
Total	34,410,934²²	35,115,180	15,108,512	19,698,144	308,523

27.3 Market risk**Currency Risk**

The Group is exposed to translation and transaction foreign exchange risk. 19% the Group's revenue is in foreign currency (2023: 4%). Most of the revenues are priced and invoiced in sterling but occasionally are invoiced in the applicable foreign currencies at Learnd Ltd and all revenues generated in the acquired Ashdown Controls Group are priced and invoiced in Euro. The Group is currently using a natural hedge to manage currency risk, as it does purchase some equipment from Europe, incurs costs in Luxemburg after the Business Combination with learnd SE and uses Euros to settle the acquisition or service costs, as well as settles all purchase activities conducted in the acquired Ashdown Controls Group in Euro.

In 2024 foreign currency translation resulted in other comprehensive income of £685,782 (2023: £198,050) primarily from translating learnd SE financial statements from Euro to sterling, the Group's reporting currency. The foreign currency translation amount from translating the financial statements of Ashdown Control entities from Euro to sterling is not significant. Therefore, the group does not see any significant currency risk in this regard as at 31 December 2024. At the same time, management is closely monitoring the transactions of learnd SE and restructures the function of it within the learnd Group to better control and reduce any potential financial risks exposed to the Group.

²² The comparative figures were adjusted due to the revised presentation of a loan, which resulted in the increase in Loans and borrowings (non-current) by £232,139 and short-term borrowings by £10,291. Further the comparative figures were adjusted to reflect the contractual cash flows of the loans and borrowings based on maturity.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****Interest Rate Risk**

As at 31 December 2024, the Group is exposed to interest rate risk, due to the variable interest rates of the newly obtained Facility A and Facility B. The actual interest rates have been reduced by 0.49% for Facility A and by 0.67% for Facility B in 2024 and the Group expects further reduction in the interest rates. Therefore, the Group considers the interest rate risk is not material as at 31 December 2024.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss and equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

£	Profit or loss	
	Increase	Decrease
	100bp	100bp
31 December 2024		
Facility A	65,426	(61,441)
Facility B	70,545	(77,095)

Other market risks

The Group is not significantly exposed to other market risks.

28. Commitments and contingencies

The group has committed to several car leases as at 31 December 2024. These lease commitments all have durations of 48 to 50 months with different starting dates between January to April 2025 and monthly payment obligations in the total amount of £14,755 including monthly lease payments and maintenance cost (31 December 2023: £5,370).

Learnd Group is not involved in any court or arbitration proceedings that could have a material effect on the financial position of learnd Group.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****29. Related party transactions****Controlling party**

As at 31 December 2024, the ultimate controlling party is Josef Brunner.

Key management personnel

The Group key management personnel are considered to be the statutory Directors in the year, i.e. John Clifford, Simon Wood and Vernon Hatton. Jennifer Rudder was statutory Director as of 31 December 2023 and left learned in May 2024.

In the financial year ended 31 December 2024, the total remuneration of the key management personnel amounts to £1,326,976 (2023: £6,885,982).

Directors' remuneration breakdown is as follows:

	Year ended	
	31 December 2024 £	31 December 2023 £
Short-term employee benefits	1,263,701	4,268,294
Share-based compensation	-	2,574,347
Company contributions to money purchase pension schemes	29,525	43,341
Termination benefits	33,750	-
	<u>1,326,976</u>	<u>6,885,982</u>

There are no other personnel that meet the definition of key management personnel under IAS 24, other than the Directors.

For further information regarding the share-based payments for key management personnel, please refer to *Note 20 – Share-based payments*.

Supervisory Board

Through the De-SPAC transaction learned Limited became a listed company. According to the listing requirements a supervisory board was established in January 2023. During the financial year ended 31 December 2024, the Supervisory Board is composed of the following members:

- Gisbert Rühl
- Josef Brunner
- Stefan Spang
- Karl-Theodor zu Guttenberg

Karl-Theodor zu Guttenberg was entitled as member of the Supervisory Board on 19 June 2024.

The current members of the Supervisory Board are entitled to a fixed remuneration of 10,000 shares per financial year starting in 2024. On 23 July 2024, the Group has issued 30,000 treasury shares to three members of the Supervisory Board as part of their fixed remuneration per financial year starting in 2024 with a fair value of €243,000 (£204,297) at a closing price on 23 July 2024 of €8.1 (£6.8) per share. On 14 August 2024, further 5,370 shares were issued to a member of the Supervisory Board as part of his fixed remuneration for financial year 2024 with a fair value of €42,423 (£36,392) at a closing price on 14 August 2024 of €7.9 (£6.8) per share.

LEARND SE**CONSOLIDATED FINANCIAL STATEMENTS 2024****Related party transactions**

In the financial year ended 31 December 2022, KVI Aimteq Limited, as one of the Group's shareholders, provided a shareholder loan of £3,000,000 to learnd Ltd ("Shareholder loan AFT Tech"). In September 2022, as part of AFT Tech Ventures AG's acquisition of all shares held by KVI Aimteq Ltd, the loan note along with its accumulated interest was transferred to AFT Tech Ventures AG ("AFT Tech"), with the acquisition finalised on 17 November 2022. It is unsecured. During the financial year ended 31 December 2024, the AFT Tech loan was rearranged and transferred from learnd Ltd to Learnd SE. The repayment date has been modified from without a set repayment schedule to 31 December 2028. The interests are payable as of the repayment date of the loan. Therefore, both the principal and interest payable of this loan are reclassified from current to non-current liabilities. The balance of the Shareholder loan AFT Tech as at 31 December 2024 comprises of £3,000,000 principal and £762,470 interest outstanding. The balance of the Shareholder loan AFT Tech as at 31 December 2023 comprises of £3,000,000 principal and £612,470 interest outstanding.

Since 31 May 2022, GFJ Holding GmbH & Co.KG ("GFJ Holding"), the shareholder of the Company, provided the Company under several shareholder loan agreements with £1,372,293 (€1,655,000) in thirteen instalments. On 30 January 2023, the two parties entered into a shareholder loan agreement to rearrange these loans into one loan ("Shareholder loan GFJ Holding"). The Shareholder loan GFJ Holding has a fixed repayment date on 31 December 2025 and bears interest at an annual rate of 2.5%. It is unsecured. The amount of £545,516 (€656,000) has been repaid in 14 November 2024. The Shareholder loan GFJ Holding balance as at 31 December 2024 comprises £828,351 (€999,000) principal and £88,850 (€107,154) interest categorized under "short term borrowings". The Shareholder loan GFJ Holding balance as at 31 December 2023 comprises £1,438,278 (€1,655,000) principal recorded in the consolidated statement of financial position under "loans and borrowings (non-current)", and £58,161 (€66,925) interest categorized under "short term borrowings".

On 11 November 2024 learnd SE has received a new loan of €633,000 from Chepstow GmbH ("Chepstow loan"). Chepstow GmbH is a company controlled by Gisbert Rühl who is a member of the supervisory board. The Chepstow loan bears a fixed interest rate of 2.5% and is due on 31 December 2025 with interest payable on the maturity date. It is unsecured. The Chepstow loan balance as at 31 December 2024 comprises £524,871 (€633,000) principal and £1,859 (€2,242) interest recorded in the consolidated statement of financial position under "short term borrowings".

30. Employees**Employment costs**

Employment costs for the year including directors were as follows:

	Year ended	
	31 December	31 December
	2024	2023
	£	£
Wages and salaries	20,142,232	18,152,058
Social security costs	2,333,687	1,415,214
Pension costs	753,592	437,666
	21,492,443	20,004,938

The Group operates a defined contribution pension scheme and is also making employer contribution to defined contribution private pension plans for the directors and employees who opt to pay to private pensions. The assets of the pension scheme are held separately from those of the Group in an independently administered fund. Total pension payments to the pension scheme and private pensions recognised as an expense during the period amount to £753,592 (2023: £ 437,666). The pension cost charge represents contributions payable by the Group to the fund and the private pension plans and the amount paid in the financial year ended 31 December 2024 amounted to £726,122 (2023: £ 422,680).

LEARND SE

CONSOLIDATED FINANCIAL STATEMENTS 2024

Contributions totalling £125,223 (2023: £ 93,121) were payable to the fund and private pension plans as at 31 December 2024.

Number of employees

The average number of employees (including directors) during the year was **378** (2023: 211).

	Year ended	
	31 December 2024	31 December 2023
Sales and administration	66	45
Management	27	7
Engineering and technical	284	159
	378	211

31. Audit service fees


The total fees charged by our external auditors during the years 2024 and 2023 amounted to:


	Year ended	
	31 December 2024 £	31 December 2023 £
Audit services	465,932	512,014
Other services	-	19,895
	465,932	531,909

32. Subsequent events

No subsequent events occurred after 31 December 2024 that could have a significant impact on the Group's future results of operations, financial position, and net assets.

learn SE
Luxembourg, 30 April 2025

Signed by:

070CB15E98AB480...
Simon Wood
Member of the Management Board

DocuSigned by:

C351789A8D884EF...
John Clifford
Member of the Management Board

learnd SE

Société Européenne

ANNUAL ACCOUNTS

for the year ended 31 December 2024

AND REPORT OF THE

RÉVISEUR D'ENTREPRISES AGRÉÉ

9, rue de Bitbourg

L-1273 Luxembourg

Luxembourg

R.C.S. Luxembourg: B255487

learnd SE
Annual accounts as at 31 December 2024

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learnd SE

Management report for the year ended 31 December 2024

The Management Board of learnd SE (former GFJ ESG Acquisition I SE and hereinafter the "Company") submit their management report with the audited annual accounts of the Company for the year ended 31 December 2024.

Overview

learnd SE was originally incorporated as special purpose acquisition company (SPAC) on 2 June 2021 in Luxembourg and established for the original purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area or the United Kingdom or Switzerland in the form of a merger, capital stock exchange, share purchase, asset acquisition reorganisation or similar transaction.

Since 19 October 2021 the Company has been listed on the regulated market on the Frankfurt stock exchange in Germany. The Company is a listed entity with its class A shares traded in the regulated market of Frankfurt Stock Exchange under the symbol "LRND" and ISIN LU2358378979.

On 27 October 2022, the Company and learnd Limited ("learnd Ltd") entered into a business combination agreement (as amended on 9 December 2022). On 18 January 2023, the Business Combination was consummated and the Company became the legal parent of learnd Ltd and its subsidiaries by way of contribution of all shares in learnd Ltd into the Company in exchange for the Company's issuance of 7.289.581 new public shares (Class A shares) with a par value of EUR 0,0384 (the "Business Combination"). The Company subsequently changed its name to learnd SE to align with name of the operating group learnd Ltd. While learnd SE was the legal acquirer, learnd Ltd was deemed as the accounting acquirer and the predecessor entity in the subsequent filings of the combined company.

On 23 April 2024, the Company changed its registered office from 5, Heienhaff, L-1736 Senningerberg, Luxembourg to 9, rue de Bitbourg, L-1273 Luxembourg, Luxembourg.

The annual financial statements have been prepared in accordance with generally accepted accounting principles in Luxembourg.

The Company is governed by a Management Board and a Supervisory Board. This two-tier governance structure was resolved by an extraordinary shareholders' meeting of the Company held on 18 June 2021. The powers of the Management Board and Supervisory Board are determined by the Luxembourg Company Law, the Articles of Association of the Company, and the internal rules of procedure of both the Management Board and Supervisory Board.

The Company is undertaking continuous control and monitoring measures of the ongoing legal and regulatory landscape. Moreover, the Management Board and the Supervisory Board are supported by leading service providers on the respective legal, accounting and tax domains.

Review and development of the Company's financial position

The following were the main transactions that occurred during the year:

On 13 February 2024, learnd Ltd acquired 100% of the share capital of Crucible Holdings Limited in exchange for cash consideration of GBP 4.161.195,00 and issuance by the Company of 310,465 existing own shares with a value of GBP 2.200.000,00 (equivalent to EUR 2.576.640,00).

learnd SE

Management report for the year ended 31 December 2024

On 23 February 2024, learnd Acquisition, a wholly-owned subsidiary of the Company, issued additional shares which have been subscribed by the Company and paid by contributing shares held in learnd Ltd with aggregate value of EUR 72.895.810,00. On same date, the Company issued 230.303 new shares in exchange for participations in Ashdown HVAC Controls Limited, ACS Maintenance Limited and Ashdown Control Switchgear Limited for an aggregate amount EUR 1.900.000,00.

On 23 February 2024, the Company contributed the shares in Ashdown HVAC Controls Limited, ACS Maintenance Limited and Ashdown Control Switchgear Limited to learnd Acquisition for an amount of EUR 1.900.000,00.

In February 2024, the loan receivable by the Company from learnd Ltd of GBP 1.750.000,00 was transferred to learnd Acquisition in exchange for a loan receivable from learnd Acquisition of the same amount. In addition, following the loan reorganization agreement, the Company assumed a loan payable to AFT Tech Ventures AG for an amount of GBP 3.000.000,00 in exchange for a loan receivable from learnd Acquisition of the same amount. As at 31 December 2024, the total loan receivable by the Company from learnd Acquisition amounts to GBP 4.750.000,00 (equivalent to EUR 5.728.551,10).

During the year, the Company issued 818.443 own shares for total consideration of EUR 8.348.118,60 and incurred a loss of EUR 2.601.654,57. As at 31 December 2024, there are 12.146.057 remaining own shares with a carrying amount of EUR 96.561.153,09 (consisting of the acquisition value of EUR 123.889.781,20 less value adjustment of EUR 27.328.628,11).

During the year, the Company obtained a loan from Chepstow Capital GmbH for an amount of EUR 633.000,00 and made partial repayment of EUR 656.000,00 on the shareholder loan facility with GFJ Holding GmbH & Co KG.

In 2024, the Company's class B shares were converted into class A shares.

Principal risks and uncertainties

The Company has analyzed the risks and uncertainties to which its business is subject, and the Management Board of the Company has considered their potential impact, their likelihood, controls that the Company has in place and steps the Company can take to mitigate such risks.

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People Republic and Lugansk People Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on 24 February 2022.

Due to the growing geopolitical tensions, since February 2022, there has been a significant increase in volatility on the securities and currency markets, as well as a significant depreciation of the ruble against the US dollar and the euro. It is expected that these events may affect the activities of Russian enterprises in various sectors of the economy.

Although the Company's performance, operations and going concern, at the date of this report, have not been significantly impacted by the above, the Management Board continues to monitor the evolving situation and its impact on the financial position and results of the Company.

learnd SE

Management report for the year ended 31 December 2024

Financial risk management objectives and policies

The Company's financial risk management policies and objectives are strictly reviewed and controlled by the Supervisory Board and the Management Board.

Annual Accounts of the Company

The Annual Accounts of the Company are shown on page 13 to page 36. These were prepared in accordance with Luxembourg's legal and regulatory requirements and using the going concern basis of accounting described above.

The loss for the year ended 31 December 2024 of EUR 26.605.729,87 (2023: EUR 28.574.368,69) was mainly attributed to the value adjustment of own shares and the loss on the issue of own shares. It is proposed that the loss for the year ended 31 December 2024 be allocated to profit and loss brought forward at 1 January 2025.

Related party transactions

Main transactions and balances with related parties are disclosed in the notes 3, 4, 6, 7, 9, 12 and 13 of the annual accounts.

Research and development

The Company did not have any activities in the field of research and development during the financial year ended 31 December 2024 and 2023.

Transactions in own shares

During the year, the Company issued 818.443 own shares for total consideration of EUR 8.348.118,60 and incurred a loss of EUR 2.602.654,57. As at 31 December 2024, there are 12.146.057 remaining own shares with a carrying amount of EUR 96.561.153,09 (consisting of the acquisition value of EUR 123.889.781,20 less value adjustment of EUR 27.328.628,11).

Outlook

Following the completion of the Business Combination, the Company conducts its business in line with the activities of learnd Ltd.

Events after the reporting period

There are no significant events after balance sheet date that would have had a significant impact on the financial position of the Company as at the closing date.

learnd SE

Management report for the year ended 31 December 2024

Luxembourg, 30 April 2025

Signed by:

Simon Wood

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Simon Wood

Member of the Management Board

DocuSigned by:

John Clifford

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John Clifford

Member of the Management Board

Signiert von:

Gisbert Rühl

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Gisbert Rühl

Member of the Supervisory Board

learn SE

Corporate governance statement by the Management Board

for the year ended 31 December 2024

The Management Board and the executive management of the Company reaffirm their responsibility to ensure the maintenance of proper accounting records disclosing the financial position of the Company with reasonable accuracy at any time and ensuring that an appropriate system of internal controls is in place to ensure that the Company's business operations are carried out efficiently and transparently.

In accordance with Article 3 of the law of 11 January 2008 on transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, learn SE declares that, to the best of our knowledge, the audited annual accounts for the year ended 31 December 2024, prepared in accordance and in compliance with Luxembourg legal and regulatory requirements applicable to the preparation of annual accounts and are prepared under the historical cost convention, give a true and fair view of the assets, liabilities, financial position as of that date and results for the year then ended.

In addition, management's report includes a fair review of the development and performance of the Company's operations during the year and of business risks, where appropriate, faced by the Company, as well as other information required by the Article 68 of the law of 19 December 2002 on the commercial companies register and on the accounting records and financial statements of undertakings, as amended.

Luxembourg, 30 April 2025

Signed by:



070CB15E98AB480

Simon Wood

Member of the Management Board

DocuSigned by:



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John Clifford

Member of the Management Board

Signiert von:



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Gisbert Rühl

Member of the Supervisory Board

To the Shareholders of

learnd S.E.

R.C.S. Luxembourg B255487

9, rue de Bitbourg
L-1273, Luxembourg
Grand Duchy of Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the Audit of the Annual Accounts

Opinion

We have audited the annual accounts of **learnd S.E.** (the "Company") which comprise the balance sheet as at 31 December 2024, the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 December 2024, and of the results of its operations for the year then ended, in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for Opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "Réviseur d'Entreprises Agréé" for the Audit of the Annual Accounts » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 12 of the financial statements, which describes the impact of an adjustment identified during the current year relating to the Company's own shares. This adjustment was recorded in the financial statements as of and for the year ended 31 December 2024. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter:	Valuation of investments in affiliated undertakings
<p>Description of key audit matter:</p>	<p>learnD S.E., as ultimate parent of the learnD group, holds shares in affiliated undertaking amounting to an aggregate amount of EUR 79,859,623.49 as of 31 December 2024 as disclosed in Note 3 to the annual accounts. No impairment was recorded during the year.</p> <p>As stated in Note 2.2.3 to the annual accounts, value adjustments are made in respect of financial assets so that these are valued at the lower amount to be attributed at the balance sheet date with any resulting impairments reflected in the profit and loss account in the relevant period.</p> <p>If an impairment indicator is identified, the estimated recoverable amount of the shares is determined. The estimated recoverable amount is calculated as the higher of the value-in-use or fair value less costs to sell.</p> <p>The key factors used by management in determining the estimated recoverable amount are:</p> <ul style="list-style-type: none"> • the future revenue and EBITDA assumptions taken from learnD most recent budget and business plan as approved by the Management Board (the “Plan”); • the long-term growth rate used beyond the period covered by the Plan. <p>The outcome of the impairment review could vary significantly if different assumptions were applied in the valuation model.</p> <p>Impairment of shares in affiliated undertakings is considered a key audit matter because of the significant judgement involved regarding the assessment of their recoverable amount.</p>
<p>Our response:</p>	<p>Our audit procedures in relation to the impairment of the shares in affiliated undertakings included the following, among others:</p> <ul style="list-style-type: none"> • We assessed management’s impairment testing by obtaining the supporting model and evaluating the methodology and key assumptions used: <ul style="list-style-type: none"> - future revenue and EBITDA forecasts – we assessed management’s forecasts and tested the underlying values used in the calculations by comparing managements’ forecasts to the latest budget; - long-term growth rate – we have challenged the management about the rates applied; - key inputs – we performed sensitivity analysis on the main assumptions where applicable. • We compared the carrying amount of the shares to their recoverable amount in order to assess whether an impairment exists. • We evaluated the completeness and appropriateness of the disclosures in Note 2.2.3 and Note 3 to the annual accounts.

Other matter

We hereby draw your attention to the fact that the financial statements of the Company as at 31 December 2024 have not been prepared in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format (“ESEF Regulation”) requiring public companies in the European Union to publish their financial statements under such a format.

Other information

The Management Board is responsible for the other information. The other information comprises the information stated in the annual report including the management report and the Corporate Governance Statement but does not include the annual accounts and our report of the “Réviseur d’Entreprises Agréé” thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts, or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 this fact. We have nothing to report in this regard.

Responsibilities of Management Board and Those Charged with Governance for the Annual Accounts

The Management Board is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Management Board determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

The Management Board is responsible for presenting and marking up the annual accounts in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format as amended (“the ESEF Regulation”).

In preparing the annual accounts, the Management Board is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Responsibilities of the “Réviseur d’Entreprises Agréé” for the Audit of Annual Accounts

The objectives of our audit are to obtain reasonable assurance about whether annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “Réviseur d’Entreprises Agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Conclude on the appropriateness of Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "Réviseur d'Entreprises Agréé" to the related disclosures in the annual accounts 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 report of the "Réviseur d'Entreprises Agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on Other Legal and Regulatory Requirements

We have been appointed as "Réviseur d'Entreprises Agréé" by the Annual General Meeting on 19 June 2024 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 2 years.

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the management report. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the annual accounts of the Company as of 31 December 2024 with relevant

statutory requirements set out in the ESEF Regulation that are applicable to the annual accounts. For the Company, it relates to annual accounts prepared in valid XHTML format.

In our opinion, the annual accounts of the Company as of 31 December 2024 have not been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that no prohibited non-audit services referred to in EU Regulation No 537/2014 were provided and that we remained independent of the Company in conducting the audit.

Luxembourg, 30 April 2025

For Forvis Mazars, Cabinet de révision agréé
5, rue Guillaume J. Kroll
L-1882 LUXEMBOURG

Signed by:

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Oana BENTEL
Réviseur d'Entreprises Agréé

Annual Accounts Helpdesk
 Tel. :(+352)247 88 494
 Email : centralebilans@statec.etat.lu

RCSL Nr.: B255487 Matricule: 20218400141

BALANCE SHEET

Financial year from 01/01/2024 to 31/12/2024 (in EUR)

learned SE

9 rue de Bitbourg

1273 Luxembourg

Luxembourg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101	101	102
I. Subscribed capital not called	1103	103	104
II. Subscribed capital called but unpaid	1105	105	106
B. Formation expenses	1107	107	108
C. Fixed assets	1109	79.859.623,49	75.204.491,25
I. Intangible assets	1111	111	112
1. Costs of development	1113	113	114
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115	115	116
a) acquired for valuable consideration and need not be shown under C.I.3	1117	117	118
b) created by the undertaking itself	1119	119	120
3. Goodwill, to the extent that it was acquired for valuable consideration	1121	121	122
4. Payments on account and intangible assets under development	1123	123	124
II. Tangible assets	1125	125	126
1. Land and buildings	1127	127	128
2. Plant and machinery	1129	129	130
3. Other fixtures and fittings, tools and equipment	1131	131	132
4. Payments on account and tangible assets in the course of construction	1133	133	134
III. Financial assets	1135	3	79.859.623,49
1. Shares in affiliated undertakings	1137	79.859.623,49	75.204.491,25
2. Loans to affiliated undertakings	1139	139	140
3. Participating interests	1141	141	142

The accompanying notes form an integral part of the annual accounts.

4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143		143		144	
5. Investments held as fixed assets	1145		145		146	
6. Other loans	1147		147		148	
D. Current assets	1151		151	106.083.648,94	152	142.078.864,60
I. Stocks	1153		153		154	
1. Raw materials and consumables	1155		155		156	
2. Work in progress	1157		157		158	
3. Finished goods and goods for resale	1159		159		160	
4. Payments on account	1161		161		162	
II. Debtors	1163	4	163	9.133.292,92	164	3.368.618,58
1. Trade debtors	1165		165		166	
a) becoming due and payable within one year	1167		167		168	
b) becoming due and payable after more than one year	1169		169		170	
2. Amounts owed by affiliated undertakings	1171		171	6.938.144,51	172	2.169.833,98
a) becoming due and payable within one year	1173		173	1.169.593,41	174	2.169.833,98
b) becoming due and payable after more than one year	1175		175	5.768.551,10	176	
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		177		178	
a) becoming due and payable within one year	1179		179		180	
b) becoming due and payable after more than one year	1181		181		182	
4. Other debtors	1183		183	2.195.148,41	184	1.198.784,60
a) becoming due and payable within one year	1185		185	2.195.148,41	186	1.198.784,60
b) becoming due and payable after more than one year	1187		187		188	
III. Investments	1189		189	96.561.153,09	190	138.592.898,00
1. Shares in affiliated undertakings	1191		191		192	
2. Own shares	1209	5	209	96.561.153,09	210	138.592.898,00
3. Other investments	1195		195		196	
IV. Cash at bank and in hand	1197		197	389.202,93	198	117.348,02
E. Prepayments	1199		199	7.651,25	200	46.326,01
TOTAL (ASSETS)			201	185.950.923,68	202	217.329.681,86

The accompanying notes form an integral part of the annual accounts.

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)		Current year		Previous year
A. Capital and reserves	6	301	169.228.645,56	302	206.634.832,52
I. Subscribed capital	1303	303	1.008.763,55	304	1.078.083,11
II. Share premium account	1305	305	127.750.895,72	306	82.216.435,34
III. Revaluation reserve	1307	307		308	
IV. Reserves	1309	309	107.354.902,59	310	163.620.512,50
1. Legal reserve	1311	311		312	
2. Reserve for own shares	1313	313	96.561.153,09	314	152.826.763,00
3. Reserves provided for by the articles of association	1315	315		316	
4. Other reserves, including the fair value reserve	1429	429	10.793.749,50	430	10.793.749,50
a) other available reserves	1431	431		432	
b) other non available reserves	1433	433	10.793.749,50	434	10.793.749,50
V. Profit or loss brought forward	1319	319	- 40.280.198,43	320	- 11.705.829,74
VI. Profit or loss for the financial year	1321	321	- 26.605.717,87	322	- 28.574.368,69
VII. Interim dividends	1323	323		324	
VIII. Capital investment subsidies	1325	325		326	
B. Provisions	1331	331		332	
1. Provisions for pensions and similar obligations	1333	333		334	
2. Provisions for taxation	1335	335		336	
3. Other provisions	1337	337		338	
C. Creditors	7	435	16.722.278,12	436	10.694.849,34
1. Debenture loans	1437	437		438	
a) Convertible loans	1439	439		440	
i) becoming due and payable within one year	1441	441		442	
ii) becoming due and payable after more than one year	1443	443		444	
b) Non convertible loans	1445	445		446	
i) becoming due and payable within one year	1447	447		448	
ii) becoming due and payable after more than one year	1449	449		450	
2. Amounts owed to credit institutions	1355	355	199.875,00	356	1.812,20
a) becoming due and payable within one year	1357	357	199.875,00	358	1.812,20
b) becoming due and payable after more than one year	1359	359		360	
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361	361		362	

The accompanying notes form an integral part of the annual accounts.

a) becoming due and payable within one year	1363	363	364	
b) becoming due and payable after more than one year	1365	365	366	
4. Trade creditors	1367	367	1.358.511,09	368 2.243.015,00
a) becoming due and payable within one year	1369	369	1.358.511,09	370 2.243.015,00
b) becoming due and payable after more than one year	1371	371		
5. Bills of exchange payable	1373	373		374
a) becoming due and payable within one year	1375	375		376
b) becoming due and payable after more than one year	1377	377		378
6. Amounts owed to affiliated undertakings	1379	379	8.135.272,76	380 2.001.236,61
a) becoming due and payable within one year	1381	381	3.597.693,64	382 346.236,61
b) becoming due and payable after more than one year	1383	383	4.537.579,12	384 1.655.000,00
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385	385		386
a) becoming due and payable within one year	1387	387		388
b) becoming due and payable after more than one year	1389	389		390
8. Other creditors	1451	451	7.028.619,27	452 6.448.785,53
a) Tax authorities	1393	393	756.830,58	394 490.785,53
b) Social security authorities	1395	395		396
c) Other creditors	1397	397	6.271.788,69	398 5.958.000,00
i) becoming due and payable within one year	1399	399	6.271.788,69	400 5.958.000,00
ii) becoming due and payable after more than one year	1401	401		402
D. Deferred income	1403	403		404
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405	185.950.923,68	406 217.329.681,86

The accompanying notes form an integral part of the annual accounts.

Annual Accounts Helpdesk
 Tel. :(+352)247 88 494
 Email : centralebilans@statec.etat.lu

RCSL Nr.: B255487 Matricule: 20218400141

PROFIT AND LOSS ACCOUNT

Financial year from 01/01/2024 to 31/12/2024 (in EUR)

learned SE

9 rue de Bitbourg

1273 Luxembourg

Luxembourg

PROFIT AND LOSS ACCOUNT

	Reference(s)	Current year	Previous year
1. Net turnover	1701 _____ 701	_____ 702	_____
2. Variation in stocks of finished goods and in work in progress	1703 _____ 703	_____ 704	_____
3. Work performed by the undertaking for its own purposes and capitalised	1705 _____ 705	_____ 706	_____
4. Other operating income	1713 _____ 713	167.592,45 714	_____
5. Raw materials and consumables and other external expenses	1671 _____ 671	- 2.160.628,94 672	- 6.457.621,92
a) Raw materials and consumables	1601 _____ 601	_____ 602	_____
b) Other external expenses	1603 8 _____ 603	- 2.160.628,94 604	- 6.457.621,92
6. Staff costs	1605 _____ 605	_____ 606	_____
a) Wages and salaries	1607 _____ 607	_____ 608	_____
b) Social security costs	1609 _____ 609	_____ 610	_____
i) relating to pensions	1653 _____ 653	_____ 654	_____
ii) other social security costs	1655 _____ 655	_____ 656	_____
c) Other staff costs	1613 _____ 613	_____ 614	_____
7. Value adjustments	1657 _____ 657	_____ 658	_____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____ 659	_____ 660	_____
b) in respect of current assets	1661 _____ 661	_____ 662	_____
8. Other operating expenses	1621 9 _____ 621	- 407.170,40 622	- 7.492.350,38
9. Income from participating interests	1715 _____ 715	_____ 716	_____
a) derived from affiliated undertakings	1717 _____ 717	_____ 718	_____
b) other income from participating interests	1719 _____ 719	_____ 720	_____
10. Income from other investments and loans forming part of the fixed assets	1721 _____ 721	585,61 722	_____
a) derived from affiliated undertakings	1723 _____ 723	585,61 724	_____
b) other income not included under a)	1725 _____ 725	_____ 726	_____

The accompanying notes form an integral part of the annual accounts.

11. Other interest receivable and similar income	1727	10	727	487.892,72	728	82.390,23
a) derived from affiliated undertakings	1729		729	264.146,40	730	69.351,73
b) other interest and similar income	1731		731	223.746,32	732	13.038,50
12. Share of profit or loss of undertakings accounted for under the equity method	1663		663		664	
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	5	665	- 13.872.283,90	666	- 14.233.865,00
14. Interest payable and similar expenses	1627	11	627	- 10.816.540,11	628	- 460.811,62
a) concerning affiliated undertakings	1629		629	- 193.775,49	630	- 59.901,38
b) other interest and similar expenses	1631		631	- 10.622.764,62	632	- 400.910,24
15. Tax on profit or loss	1635		635		636	
16. Profit or loss after taxation	1667		667	- 26.600.552,57	668	- 28.562.258,69
17. Other taxes not shown under items 1 to 16	1637		637	- 5.165,30	638	- 12.110,00
18. Profit or loss for the financial year	1669		669	- 26.605.717,87	670	- 28.574.368,69

The accompanying notes form an integral part of the annual accounts.

learnd SE

Notes to the annual accounts as at 31 December 2024

1 General information

learnd SE (formerly GFJ ESG Acquisition I SE and hereinafter the "Company") was incorporated on 2 June 2021 in Luxembourg as a European company (Société Européenne or "SE") based on the laws of the Grand Duchy of Luxembourg ("Luxembourg") for an unlimited period of time. The Company is registered with the Luxembourg Trade and Companies Register under number B255487.

Since 19 October 2021 the Company has been listed on the regulated market on the Frankfurt stock exchange in Germany. The Company is a listed entity with its class A shares traded in the regulated market of Frankfurt Stock Exchange under the symbol "LRND". The Company also has class B shares issued and outstanding as at 31 December 2024 that are not listed on a stock exchange.

Following the Business Combination with learnd Limited on 18 January 2023, the Company changed its name from "GFJ ESG Acquisition I SE" to "learnd SE".

On 23 April 2024, the Company changed its registered office from 5, Heienhaff, L-1736 Senningerberg, Luxembourg to 9, rue de Bitbourg, L-1273 Luxembourg, Luxembourg.

The Company's purpose shall be the creation, holding, development and realisation of a portfolio, consisting of interests and rights of any kind and of any other form of investment in entities in the Grand Duchy of Luxembourg and in foreign entities, in particular in entities developing, producing and distributing climate management solutions and energy-saving technologies, whether such entities exist or are to be created, especially by way of subscription, by purchase, sale, or exchange of securities or rights of any kind whatsoever, such as equity instruments, debt instruments as well as the administration and control of such portfolio.

The Company may further grant any form of security for the performance of any obligations of the Company or of any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of entities as the Company and lend funds or otherwise assist any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of companies as the Company.

The Company may borrow in any form and may issue any kind of notes, bonds and debentures and generally issue any debt, equity and/or hybrid securities in accordance with Luxembourg law.

The Company may carry out any commercial, industrial, financial, real estate or intellectual property activities which it may deem useful in accomplishment of these purposes.

The Company's financial year starts on January 1 and ends on December 31 of each year.

The Company also prepares consolidated financial statements which are published under International Financial Reporting Standards as adopted by the European Union. The consolidated financial statements are published in accordance with the European Single Electronic Format regulation on the Company's website.

learn SE

Notes to the annual accounts as at 31 December 2024

2 Summary of significant accounting policies

2.1 Basis of preparation

The annual accounts have been prepared in accordance with the Luxembourg legal and regulatory requirements under the historical cost convention and on a going concern basis.

Accounting policies and valuation rules are, besides the ones laid down by the Law of 19th December 2002, determined and applied by the directors.

The preparation of these annual accounts requires the use of certain critical accounting estimates. It also requires the Management Board to exercise significant judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. The Management Board believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments 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.

2.2 Significant accounting policies

The following are the significant accounting policies and valuation rules adopted by the Company in the preparation of these annual accounts.

2.2.1 Foreign currency translation

The Company maintains its books and records in Euro ("EUR"). The balance sheet and the profit and loss account are expressed in EUR.

Translation of foreign currency transactions

Foreign currency transactions are translated into EUR using the exchange rates prevailing at the dates of the transactions.

Translation of foreign currency balances as at the balance sheet date

- Financial assets and prepayments denominated in currencies other than EUR are translated at the historical exchange rates;
- Current assets and current liabilities which are economic link (and having similar characteristics) are translated at the exchange rates prevailing at the balance sheet date .
- Other assets denominated in currencies other than EUR are translated at the lower between the exchange rate prevailing at the balance sheet date and the historical exchange rate;
- Other debts denominated in currencies other than EUR are translated at the higher between the exchange rate prevailing at the balance sheet date and the historical exchange rate; and
- Cash at bank and in hand denominated in currencies other than EUR are translated at the exchange rates prevailing at the balance sheet date.

learn SE

Notes to the annual accounts as at 31 December 2024

2 Summary of significant accounting policies (continued)

2.2 Significant accounting policies (continued)

2.2.1 Foreign currency translation (continued)

As a result, realized exchange gains and losses and unrealized exchange losses are recorded in the profit and loss account. Unrealized exchange gains are not recognized unless it arises from cash at bank and in hand.

2.2.2 Formation expenses

Formation expenses include costs and expenses incurred in connection with the incorporation of the Company and subsequent capital increases. Formation expenses are charged to the profit and loss account of the year in which they were incurred.

2.2.3 Financial assets

Shares in affiliated undertakings are valued at acquisition cost including the expenses incidental thereto.

In the case of durable depreciation in value according to the opinion of the Management Board, value adjustments are made in respect of financial assets, so that they are valued at the lower amount to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.2.4 Cash at bank and in hand

Cash at bank and in hand comprises of cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

2.2.5 Debtors

Debtors are recorded at their nominal value. These are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made ceased to apply.

2.2.6 Own shares

Own shares are initially measured at acquisition cost and recognized as an asset with a corresponding non-distributable reserve. Own shares are subsequently remeasured at the lower of cost or market value. These are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made ceased to apply.

learn SE

Notes to the annual accounts as at 31 December 2024

2 Summary of significant accounting policies (continued)

2.2 Significant accounting policies (continued)

2.2.6 Own shares (continued)

In accordance with Luxembourg law, a non-distributable reserve for own shares is created under the capital and reserves section and an amount from the share premium is allocated to the reserve for own shares to equal to the value of the own shares. At each reporting date, the balance of the non-distributable reserve for own shares in equity is adjusted to equal the carrying amount of the investment in own shares and such changes are adjusted to the share premium account.

2.2.7 Prepayment

Prepayments include expenditure incurred during the financial year but relating to a subsequent financial year.

2.2.8 Provisions

Provisions are intended to cover losses or debts which originate in the financial year under review or in the previous financial year, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date they will arise.

Provision relating to previous periods are regularly reviewed and released if the reasons for which the provisions were recorded have ceased to apply.

Provisions for taxation

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years for which the tax return has not yet been filed are recorded under the caption "Other creditors becoming due and payable within one year". The advance payments are shown in the assets of the balance sheet under the "Other debtors becoming due and payable within one year" item.

2.2.9 Creditors

Creditors are recorded at their reimbursement value. Where the amount repayable of a financial liability is higher than the amount of cash received upfront, the related repayment premium is shown in the balance sheet as an asset and is amortized over the period of the related debt on a straight-line method.

2.2.10 Expenses

Expenses are accounted for on an accrual basis.

2.2.11 Income tax

The Company is subject to income taxes in Luxembourg.

learnd SE

Notes to the annual accounts as at 31 December 2024

2 Summary of significant accounting policies (continued)

2.2 Significant accounting policies (continued)

2.2.12 Warrants

The Company has issued class A warrants and class B warrants, which are equity settled instruments and are presented as part of other non available reserves. When such warrants are expected to be equity settled, the Company does not book any provision to cover any surplus of the fair value of those warrants compared to the amounts booked in other non available reserves, as the Company will not suffer any loss in relation to those warrants in the future.

3 Financial assets

Movements in financial assets are as follows:

	31/12/2024	31/12/2023
	EUR	EUR
Gross book value - opening balance	75.204.491,25	31.300,00
Additions during the year	84.292.963,49	75.173.191,25
Transfer for the year	- 79.637.831,25	-
Gross book value - closing balance	79.859.623,49	75.204.491,25
Accumulated value adjustment - opening balance	-	-
Allocation for the year	-	-
Reversals for the year	-	-
Accumulated value adjustment - closing balance	-	-
Net book value - opening balance	75.204.491,25	31.300,00
Net book value - closing balance	79.859.623,49	75.204.491,25

On 27 October 2022, the Company and learnd Ltd entered into a business combination agreement (as amended on 9 December 2022) whereby the Company became the legal parent of learnd Ltd and its subsidiaries by way of contribution of all shares in learnd Ltd into the Company in exchange for the issuance of new public shares (the "Business Combination"). On 18 January 2023, the Business Combination was consummated and the Company issued new public shares with aggregate amount of EUR 72.895.810,00.

In 2023, the Company incorporated learnd Acquisition S.à r.l. ("learnd Acquisition") for EUR 12.000,00 and acquired shares in learnd Ltd - CEC for EUR 2.265.381,25. The Company contributed the shares in learnd Ltd - CEC to learnd Acquisition for an amount of EUR 2.265.381,25.

On 13 February 2024, learnd Ltd acquired 100% of the share capital of Crucible Holdings Limited in exchange for cash consideration of GBP 3.285.000,00 and issuance by the Company of 310,465 existing own shares with a value of GBP 2.200.000,00 (equivalent to EUR 2.576.640,00). The Company recorded the issuance of own shares as investment in learnd Ltd which was subsequently contributed to learnd Acquisition.

learn SE

Notes to the annual accounts as at 31 December 2024

3 Financial assets (continued)

On 23 February 2024, learn Acquisition issued additional shares which have been subscribed by the Company and paid by contributing shares held in learn Ltd with aggregate value of EUR 72.895.810,00. On same date, the Company issued 230.303 new shares in exchange for participations in Ashdown HVAC Control Limited, ACS Maintenance Limited and Ashdown Control Switchgear Limited for an aggregate amount EUR 1.900.000,00.

On 11 April 2024, the Company contributed the shares in Ashdown HVAC Control Limited, ACS Maintenance Limited and Ashdown Control Switchgear Limited to learn Acquisition for an amount of EUR 1.900.000,00.

On 2 August 2024, the Company acquired shares of Smart Control in exchange for issuance of 21,688 existing own shares with a value of EUR 178.492,24. The Company recorded the issuance of own shares as investment in learn Acquisition.

The breakdown of investments as at 31 December 2024 and 31 December 2023 is as follows:

Name of the undertaking	31/12/2024 EUR	31/12/2023 EUR
learn Acquisition S.à r.l.	79.828.323,49	12.000,00
learn Ltd	-	72.895.810,00
learn Ltd - CEC	-	2.265.381,25
learn GmbH (formely GFJ Advisors I GmbH)	28.500,00	28.500,00
GFJ ESG Advisors I GmbH & Co. KG	2.800,00	2.800,00
Total	79.859.623,49	75.204.491,25

Undertakings in which the Company holds at least 20% of the share capital are as follows:

Name of undertaking	Registered office	Ownership %	Last balance sheet date	Net equity at the balance sheet date of the company * EUR	Profit or loss for the financial year * EUR
learn Acquisition S.a r.l.	9, rue de Bitbourg L - 1273 Luxembourg	100%	31/12/2024	77.526.080,67	- 1.998.014,42
learn GmbH (formerly GFJ Advisors I GmbH)	Rüttenscheider Strasse 84 D-45130 Essen	100%	31/12/2024	17.019,16	- 4.113,84
GFJ ESG Advisors I GmbH & Co. KG	Rüttenscheider Strasse 84 D-45130 Essen	100%	31/12/2024	- 168.667,43	- 13.467,43

* Based on unaudited stand-alone accounts

learn SE

Notes to the annual accounts as at 31 December 2024

3 Financial assets (continued)

A thorough impairment testing and analysis was conducted in accordance with Luxembourg GAAP and it has been determined that no permanent impairment indicator exists and therefore no impairment was recorded in the financial statement as at 31 December 2024.

4 Debtors

Amounts owed by affiliated undertakings

Amounts owed by affiliated undertakings are composed of:

	Becoming due and payable within one year EUR	Becoming due and payable after more than one year EUR	Total 31/12/2024 EUR	Total 31/12/2023 EUR
Loan to learn Acquisition (GBP 4.750.000,00)	-	5.728.551,10	5.728.551,10	-
Interest on loan to learn Acquisition	1.104.983,91	-	1.104.983,91	-
Loan to GFJ ESG Advisors I GmbH & Co KG	-	40.000,00	40.000,00	25.000,00
Interest on loan to GFJ ESG Advisors	1.870,36	-	1.870,36	34,72
Loan to learn Limited (GBP 1.750.000,00)	-	-	-	1.983.250,04
Interest on loan to learn Limited	-	-	-	69.317,01
GEM Deposit	-	-	-	29.493,07
Other amounts owed by affiliated undertakings	62.739,14	-	62.739,14	62.739,14
Total	1.169.593,41	5.768.551,10	6.938.144,51	2.169.833,98

Loans to learn Ltd and learn Acquisition

In 2023, the Company advanced to learn Ltd a loan of GBP 1.750.000 (equivalent to EUR 2.110.518,83 as at 31 December 2024) ("Loan 1"). The Loan 1 term is for a period of 5 years with a final repayment date of 31 December 2028. Interest on the Loan 1 is at a rate of 5% per annum. The purpose of the Loan 1 was to finance the acquisition of Learn Ltd - CEC. On 23 February 2024 the Loan 1 was transferred by the Company to learn Acquisition in exchange for a loan receivable from learn Acquisition of the same amount.

On 22 February 2024 in accordance with the loan reorganization agreement, the Company assumed a loan payable to AFT Tech Ventures AG for an amount of GBP 3.000.000,00 (equivalent to EUR 3.618.032,27 as at 31 December 2024) in exchange for a loan receivable from learn Acquisition of the same amount ("Loan 2"). The Loan 2 has a maturity date of 31 December 2028 and an annual interest rate of 5,25%.

During the financial year ended 31 December 2024, the Company earned interest income on the Loan 1 and Loan 2 amounting to EUR 262.896,37 (2023: EUR 69.317,01).

learnd SE

Notes to the annual accounts as at 31 December 2024

4 Debtors (continued)

Other debtors

Other debtors becoming due and payable within one year are composed of:

	31/12/2024	31/12/2023
	EUR	EUR
Tax advances	251.819,84	247.830,09
VAT receivables	1.473.467,18	629.978,40
Other receivables	469.861,39	320.976,11
Total	2.195.148,41	1.198.784,60

5 Own shares

Movements in own shares during the year are as follows:

	Own shares - nominal value	Accumulated value adjustment	Net book value
	EUR	EUR	EUR
Opening balance (As per audited FS 2023)	152.826.763,00	- 14.233.865,00	138.592.898,00
Correction of disposals 2023 (Note 12)	- 20.588.863,20	1.917.590,20	- 18.671.273,00
Adjusted opening balance	132.237.899,80	- 12.316.274,80	119.921.625,00
Additions for the year	-	-	-
Disposals for the year	- 8.348.118,60	- 15.789.874,10	- 24.137.992,70
Reversal of value adjustment from disposal	-	777.520,79	777.520,79
Closing balance	123.889.781,20	- 27.328.628,11	96.561.153,09

The Management Board identified a permanent decline in the value of its own shares for the year ended 31 December 2024. Therefore, an impairment of the own shares amounting to EUR 15.789.874,10 has been recognized as at 31 December 2024 (31/12/2023: EUR 14.233.865,20).

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Notes to the annual accounts as at 31 December 2024

5 Own shares (continued)

Transactions with own shares during the year are as follows:

Transactions	Class A shares	Cost (in EUR)
Opening balance (As per audited FS 2023)	14.983.016,00	152.826.763,00
Correction of disposal 2023 (Note 12)	- 2.018.516,00	- 20.588.863,20
Adjusted opening balance	12.964.500,00	132.237.899,80
Issuance in relation to acquisition of Crucible Holdings Ltd	- 310.465,00	- 3.166.743,00
Issuance in relation to acquisition of Smart Control System	- 21.688,00	- 221.217,60
Issuance of own shares for cash consideration	- 445.587,00	- 4.544.987,40
Issuance as supervisory board remuneration	- 35.370,00	- 360.774,00
Other issuance of own shares	- 5.333,00	- 54.396,60
Closing balance	12.146.057,00	123.889.781,20

On 18 January 2023, the Company redeemed 14,983,016 class A shares in connection with the Business Combination for a total redemption price of EUR 152.826.763,20. The Company decided to continue holding these shares as own shares.

As at 31 December 2024, the net book value of own shares amounts to EUR 96.561.153,09 consisting of 12.146.057 class A shares. During the year, the Company issued a total of 818.443 own shares for a total consideration of EUR 8.348.118,60 resulting to a loss of EUR 2.601.654,57 recorded in the profit and loss account under the caption "Other interest and similar expenses".

6 Capital and reserves

The movements for the year of the capital and reserves accounts are as follows:

	Subscribed capital EUR	Share premium account EUR	Reserve for own shares EUR	Other non- available reserves EUR	Profit or loss brought forward EUR	Profit or loss for the year EUR	Total EUR
Adjusted opening balance (Note 12)	999.919,91	102.499.265,26	119.921.624,94	10.793.749,50	- 11.705.829,74	- 34.545.172,90	187.963.556,97
Issuance of own shares (Note 5)	8.843,64	1.891.156,36	-	-	-	-	1.900.000,00
Release of unrestricted reserve for issuance of own shares (Note 5)	-	8.348.118,60	- 8.348.118,60	-	-	-	-
Re-allocation to available reserves resulting from impairment of own shares (Note 5)	-	15.012.353,25	- 15.012.353,25	-	-	-	-
Allocation of prior year's results to profit or loss brought forward	-	-	-	-	- 35.545.172,90	35.545.172,90	-
Impact of PY adjustments included in the P&L	-	-	-	-	5.970.804,21	-	5.970.804,21
Results for the financial year (Note 12)	-	-	-	-	-	- 26.605.717,87	- 26.605.717,87
Closing balance	1.008.763,55	127.750.895,72	96.561.153,09	10.793.749,50	- 40.280.198,43	- 26.605.717,87	169.228.645,56

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Notes to the annual accounts as at 31 December 2024

6 Capital and reserves (continued)

Subscribed capital and share premium

The Company was incorporated with share capital of EUR 120.000,00 represented by 12.000.000 redeemable class B shares without nominal value.

In 2021, the existing 12.000.000 Class B shares were converted into 3.125.000 Class B shares sub-divided into 1.041.667 Class B1 shares, 1.041.667 Class B2 shares and 1.041.666 Class B3 shares.

In 2021, the equity of the Company was increased by an amount of EUR 380.000,00 without issuance of shares. These monies were used to cover the operating expenses as well as due diligence costs.

In 2021, the Company's share capital was increased by an amount of EUR 576.000,00 to raise it to an amount of EUR 696.000,00 through the issuance of 15.000.000 Class A shares, each without nominal value, for an aggregate subscription price of EUR 149.925.000,00. Out of the total subscription price, EUR 576.000,00 was allocated to the share capital and EUR 149.349.000,00 was allocated to the share premium.

In 2021 the Company's share capital was further increased by an amount of EUR 24.000,00 to raise it to an amount of EUR 720.000,00 through the issuance of 208.333 Class B1 Shares, 208.333 Class B2 Shares and 208.334 Class B3 Shares for an aggregate subscription price of EUR 100.000,00. Out of the total subscription price, EUR 24.000,00 was allocated to the share capital and EUR 76.000,00 was allocated to the share premium.

On 18 January 2023, following the Business Combination Agreement dated 27 October 2022 (as amended), the Business Combination was consummated and the Company acquired 100% of the learnd Ltd shares. Pursuant to the consummation of the Business Combination, the Company issued 7.289.581 new class A shares with par value of €0,0384.

In 2023, a further 1.788.516 public shares Class A shares were issued during 2023. The shares issued were also issued at a par value of EUR 0,0384.

On 23 February 2024, the Company issued 230.303 new Class A shares in exchange for participations in Ashdown HVAC Control Limited, ACS Maintenance Limited and Ashdown Control Switchgear Limited for an aggregate subscription price EUR 1.900.000,00. Out of the total subscription price, EUR 8.843,64 was allocated to the share capital and EUR 1.894.156,36 was allocated to the share premium.

In 2024, the 3.750.000 Class B shares were converted into Class A shares (class B1 shares were converted on 19 January 2024 and class B2 and B3 shares were converted on 19 June 2024).

Legal reserve

In accordance with Luxembourg law, the Company is required to allocate a minimum of 5% of its net profits for each financial year to a legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the subscribed capital. The legal reserve is not available for distribution to the shareholders.

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Notes to the annual accounts as at 31 December 2024

6 Capital and reserves (continued)

Reserve for own shares

On 18 January 2023, the Company redeemed 14.983.016 Class A shares as part of the business combination for a total redemption price of EUR 152.826.763,00. In accordance with the Luxembourg law, the Company created a non-distributable reserve included in the account "Reserve for own shares" and is duly reflected in the annual accounts.

As at 31 December 2024 the balance of the reserve for own shares amount to EUR 96.561.153,09 (31/12/2023: EUR 152.826.763,00). Please refer further to note 5.

Other non-available reserves

In 2021, it was resolved to acknowledge, approve, and authorise in the name and on behalf of the Supervisory Board the issuance, within the framework of the authorised capital of 7.500.000 new Class A Warrants in accordance with the terms and conditions of Class A Warrants, for a subscription price of EUR 75.000,00; and to acknowledge, approve and ratify in the name and on behalf of the Supervisory Board the issuance within the framework of the authorised capital of (i) 6.410.417 new Class B Warrants for an aggregate subscription price of EUR 9.615.625,50, which has been settled by set off against an amount of EUR 1.900.000,00 drawn down under the shareholder loan granted by GFJ Holding GmbH & Co. KG to the Company which loan shall be terminated following such set off and EUR 7.715.625,50 paid in cash, and, (ii) under the additional sponsor subscription of Class B Warrants, an additional number of 735.416 Class B Warrants for the price of EUR 1.103.124,00 in accordance with the terms and conditions of Class B Warrants.

7 Creditors

Trade creditors

Trade creditors are related to accounting, legal and other professional services received by the Company during the financial year.

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Notes to the annual accounts as at 31 December 2024

7 Creditors (continued)

Amounts owed to affiliated undertakings

Amounts owed to affiliated undertakings are made up as follows:

	Becoming due and payable within one year EUR	Becoming due and payable after more than one year EUR	Total 31/12/2024 EUR	Total 31/12/2023 EUR
Payable to learnd Acquisition	931.079,25	-	931.079,25	-
Payable to learnd UK	925.218,17	-	925.218,17	-
Loan from GFJ Holding GmbH & Co KG	999.000,00	-	999.000,00	1.655.000,00
Interest on loan to GFJ Holding GmbH	107.154,34	-	107.154,34	67.276,38
Loan from AFT Tech Ventures	-	3.618.032,27	3.618.032,27	-
Interest on loan from AFT Tech Ventures	-	919.546,85	919.546,85	-
Loan from Chepstow Capital GmbH	633.000,00	-	633.000,00	-
Interest on loan from Chepstow	2.241,88	-	2.241,88	-
Loan from Ryan Mac Ban	-	-	-	267.118,00
Interest on loan from Ryan Mac Ban	-	-	-	11.842,23
Total	3.597.693,64	4.537.579,12	8.135.272,76	2.001.236,61

Payable to learnd Acquisition

The payable to learnd Acquisition relates to invoices paid on behalf of the Company and cash advances to the Company by learnd Acquisition.

Loan from GFJ Holding GmbH & Co KG

As at 31 December 2024, the outstanding amount drawn on the shareholder loan facility was EUR 999.000,00 (31/12/2023: 1.655.000,00) and interest expense incurred during the financial year amounted to EUR 39.877,96 (2023: EUR 59.901,38). The Company made partial repayments amounting to EUR 656.000,00 during the year (2023: nil).

Loan from AFT Tech Ventures

As disclosed in Note 4, on 22 February 2024 in accordance with the loan reorganization agreement, the Company assumed a loan payable to AFT Tech Ventures AG for an amount of GBP 3.000.000,00 (equivalent to EUR 3.618.032,27 as at 31 December 2024) in exchange for a loan receivable from learnd Acquisition of the same amount. The loan has a maturity date of 31 December 2028 and an annual interest rate of 5,00%. The interest expense related to this loan amounted to EUR 151.655,65 for the year (2023: nil).

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Notes to the annual accounts as at 31 December 2024

7 Creditors (continued)

Loan from Chepstow Capital GmbH

In November 2024, the Company, as borrower, entered into a loan agreement with Chepstow Capital GmbH, as lender, for an amount of EUR 633.000 with a maturity date of 31 December 2025 and an annual interest rate of 2,50%. The interest expense related to this loan amounted to EUR 2.241,88 for the year (2023: nil).

Other creditors

Other creditors are made up as follows:

	31/12/2024	31/12/2023
	EUR	EUR
Director bonus	5.958.000,00	5.958.000,00
VAT payable	728.428,80	463.235,54
Withholding tax	22.346,78	27.549,99
Net wealth tax payable	6.055,00	-
Director fees	2.774,30	-
Loan from Ray Mac Ban	311.014,39	-
Total	7.028.619,27	6.448.785,53

As at 31 December 2024, the loan from Ray Mac Ban was reclassified from "amounts owed to affiliated undertakings" to "Other creditors" and the director bonus was reclassified from "amounts owed to affiliated undertakings" to "Other creditors". As at 31 December 2024, the loan from Ray Mac Ban is composed of principal of EUR 267.118,00 and accrued interest of EUR 43.896,39. The interest expense incurred during the year amounted to EUR 32.054,16 (2023: EUR 11.842,23).

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Notes to the annual accounts as at 31 December 2024

8 Other external expenses

Other external expenses are made up as follows:

	2024	2023
	EUR	EUR
Legal and professional fees	- 771.758,64	- 3.992.082,98
Accounting and corporate fees	- 498.191,27	- 215.182,91
Audit fees	- 307.750,00	- 193.391,00
Other professional fees	- 295.890,04	- 1.259.749,00
D&O insurance	- 179.121,35	- 603.457,22
Bank charges	- 86.036,57	- 12.943,20
Notary fees	- 7.114,26	-
Travel expenses	- 5.101,11	-
Contributions to professional associations	- 350,00	- 180.815,61
Other expenses	- 9.315,70	-
Total	- 2.160.628,94	- 6.457.621,92

The legal and professional fees incurred in 2023 included primarily the consultancy, listing fees and advisory fees related to the Business Combination.

9 Other operating expenses

Other operating expenses are mainly composed of:

	2024	2023
	EUR	EUR
Director's fees (Note 14)	- 369.857,90	- 7.094.151,57
VAT non-recoverable	-	- 16.958,27
Other registration fees, stamp duties and mortgage	-	- 380.967,84
Fines, sanctions and penalties (*)	- 37.312,50	- 272,70
Total	- 407.170,40	- 7.492.350,38

(*) The fines and penalties relate to the CSSF administrative fine received in September 2024

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Notes to the annual accounts as at 31 December 2024

10 Other interest receivable and similar income

Other interest receivable and similar income are composed of:

	2024	2023
	EUR	EUR
Derived from affiliated undertakings		
Interest on loans to learnd Acquisition	247.840,67	-
Interest on loans to learnd Ltd	15.055,70	69.317,01
Interest on loans to GFJ ESG Advisors I GmbH & Co KG	1.250,03	34,72
Total derived from affiliated undertakings	264.146,40	69.351,73
Other interest and similar income		
Foreign exchange gain	223.746,32	-
Trade creditor write off	-	13.010,50
Total other interest and similar income	223.746,32	13.010,50
Total	487.892,72	82.362,23

11 Interest payable and similar expenses

Interest payable and similar expenses are mainly composed of :

	2024	2023
	EUR	EUR
Concerning affiliated undertakings		
Interest on loans from AFT Tech Ventures	- 151.655,65	-
Interest on loans from GFJ Holding GmbH & Co KG	- 39.877,96	- 59.901,38
Interest on loans from Chepstow Capital GmbH	- 2.241,88	-
Total concerning affiliated undertakings	- 193.775,49	- 59.901,38
Other interest and similar expenses		
Correction of loss on issuance of own shares in 2023 (Note 12)	- 7.888.394,11	-
Loss on issuance of own shares (Note 5)	- 2.601.654,57	-
Foreign exchange losses	- 100.661,78	- 11.455,63
Interest on loans from Ray Mac Ban	- 32.054,16	- 11.842,23
Bank debit interest	-	- 334.198,83
Other late payment interest	-	- 43.413,55
Total other interest and similar expenses	- 10.622.764,62	- 400.910,24
Total	- 10.816.540,11	- 460.811,62

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Notes to the annual accounts as at 31 December 2024

12 Correction of prior period error

During the year, the Company identified prior period errors in the movements of capital and reserves in the annual accounts for the year ended 31 December 2023 relating to the accounting of (i) the share capital increase, (ii) the share premium variation, and (iii) reserve for own shares.

The table below illustrates the correct movements in capital and reserves during the financial year ended on 31 December 2023:

	Subscribed capital EUR	Share premium account EUR	Reserve for own shares EUR	Other non-available reserves EUR	Profit or loss brought forward EUR	Profit or loss for the period EUR	Total EUR
Opening balance (As per audited FS 2023)	1.078.083,11	82.216.435,34	152.826.763,00	10.793.749,50	- 11.705.829,74	- 28.574.368,69	206.634.832,52
Correction issue of class A shares (1)	- 78.163,20	-	-	-	-	-	- 78.163,20
Correction on issuance of own shares (2)	-	-	- 20.588.863,20	-	-	- 7.888.394,41	- 28.477.257,61
Correction on impairment of own shares (3)	-	-	- 12.316.274,86	-	-	1.917.590,20	- 10.398.684,66
Impact on share premium of the above adjustments	-	20.282.832,17	-	-	-	-	20.282.832,17
Adjusted opening balance	999.919,91	102.499.265,26	119.921.624,94	10.793.750,00	- 11.705.829,00	- 34.545.172,90	187.963.558,21

The impact of the above adjustments are as follows:

	Assets EUR	Equity excluding profit and loss EUR	Profit and loss EUR
Adjustment on share capital	-	- 78.163,20	-
Adjustment related to issuance of own shares (2)	- 20.588.863,20	- 20.588.863,20	- 7.888.394,41
Adjustment related to impairment loss of own shares (3)	1.917.590,20	- 12.316.274,86	1.917.590,20
Impact on share premium	-	20.282.832,17	-
Total	- 18.671.273,00	- 12.700.469,09	- 5.970.804,21

(1) The relates to the Company's issue of 7.289.581 class A shares following the consummation of the Business Combination with learnd Ltd on 18 January 2023, in exchange for the Company's acquisition of 100% equity interest in learnd Ltd for total value of EUR 72.895.810,00. The increase on share capital should only amount to EUR 279.919,91 instead of EUR 358.083,11 as per the audited FS 2023.

(2) In 2023, the Company re-issued a total of 2.018.516 of own shares and incurred a loss of EUR 7.888.394,41. However the Company recorded the full amount received on the issuance of own shares as reduction of equity. This amount should have been included in the result for the financial year 2023.

Consequently, the balance of the non-distributable reserve for own shares in equity should be adjusted by an amount of EUR 20.588.863,20 to equal the carrying amount of the investment in own shares and such changes are adjusted to the share premium account.

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Notes to the annual accounts as at 31 December 2024

12 Correction of prior period error (continued)

(3) As at 31 December 2023, the Company recorded EUR 14.233.865,20 value adjustment on own shares which was based on the original 14.983.016 class A shares redeemed. However there were 2.018.516 of own shares re-issued in 2023 therefore the existing own shares was 12.964.500 as at 31 December 2023. Therefore the value adjustment should have been reduced by EUR 1.917.590,20.

As at 31 December 2023, the value adjustment on own shares should amount to EUR 12.316.274,86. Consequently, the balance of the non-distributable reserve for own shares in equity is adjusted to equal the carrying amount of the investment in own shares and such changes are adjusted to the share premium account.

The errors were corrected in 2024 to reflect the correct amount of own shares reserve in line with the own shares balance as at 31 December 2024. This correction does not impact total equity.

13 Staff

The Company did not employ any staff during the year ended 31 December 2024 (2023: nil).

14 Emoluments granted to the members of the management and supervisory bodies and commitments in respect of retirement pensions and former members of those bodies

	2024 EUR	2023 EUR
Director's fees	- 369.857,90	- 112.230,57
Director bonus	-	- 1.023.921,00
Founder bonus	-	- 5.958.000,00
Total	- 369.857,90	- 7.094.151,57

As at 31 December 2024, the Company's Management Board consists of 3 members (2023: 3) and the Supervisory Board consists of 4 members (2023: 5).

In the 2023 financial year bonuses were granted to the Founders and Directors for the successful completion of the Business acquisition finalized on the 18 January 2024.

15 Advances and loans granted to the members of the management and supervisory bodies

The Company did not grant any advances or loans to members of its Management Board and Supervisory Board during the year ended 31 December 2024 (2023: nil).

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Notes to the annual accounts as at 31 December 2024

16 Off balance sheet commitments

On 11 November 2024, the Company implemented a new equity settled share-based payment program (SOS) to certain of its employees, that is only accounted for under IFRS. The fair value of this program as of 31 December 2024 is EUR 287.065 and has been calculated using a Black-Scholes Model as of the grant date.

17 Related party transactions

Parties are considered to be related if at any time during the reporting period one party has the ability to control the other or exercise significant influence over the other party in making financial or operational decisions.

Main transactions and balances with related parties are disclosed in the notes 3, 4, 7, 9, 10, 11 and 14 of the annual accounts.

18 Subsequent events

There are no significant events after balance sheet date that would have had a significant impact on the financial position of the Company as at the closing date.