

Loadrite (Auckland) Limited

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Loadrite (Auckland) Limited

Directory

DIRECTORS	J. Dawson – Appointed 6 May 2022 D. Ladau – Appointed 6 May 2022 E. Morris – Appointed 3 October 2022 P. Corder – Resigned 3 October 2022 C. Haines – Resigned 6 May 2022 J. Kirkland – Resigned 6 May 2022 C. Van Der Loo – Resigned 1 July 2022
REGISTERED OFFICE	45 Patiki Road Avondale Auckland New Zealand
AUDITOR	RSM Hayes Audit Level 1, 1 Broadway Newmarket Auckland New Zealand
BANKERS	ASB Bank Limited
SOLICITORS	Buddle Findlay, Auckland
SHAREHOLDER	Loadrite (New Zealand) Limited

Loadrite (Auckland) Limited

Directors Report

In the opinion of the directors of Loadrite (Auckland) Limited (the “Company”), the financial statements and notes, on pages 4 to 21, comply with New Zealand Generally Accepted Accounting Practice and give a true and fair view of the financial position of the company as at 31 December 2022 and the results of operations and cash flows for the year ended on that date, and have been prepared using the appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the company and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The directors consider that they have taken adequate steps to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The shareholders resolved that the information required by paragraphs (a) and (e) - (j) of subsection (1), and subsection (2), of section 211 of the Companies Act 1993 not be disclosed in the annual report pursuant to section 211(3) of the Companies Act 1993.


No directors fees were paid during the year. (2021: nil).

The directors are pleased to present the financial statements of Loadrite (Auckland) Limited for the year ended 31 December 2022.

For and on behalf of the Board of Directors:



Jeffrey Dawson
Director
31 January 2024



Ewan Morris
Director

Loadrite (Auckland) Limited

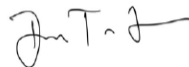
Statement of Financial Position As at 31 December 2022

	Notes	2022	2021
Current Assets			
Cash and cash equivalents		527,463	1,074,447
Intercompany receivables	12	1,310,673	199,354
Prepayments & other receivables	5	70,225	51,698
		<u>1,908,361</u>	<u>1,325,498</u>
Non-Current Assets			
Property, plant and equipment	6	142,709	26,091
Right of use assets	7	339,825	816,409
Advances to related parties	12,13	-	25,668,632
Deferred tax asset	4	148,922	59,387
		<u>631,456</u>	<u>26,570,519</u>
Goodwill	8	-	193,000
Total Assets		<u>2,539,817</u>	<u>28,089,017</u>
Current Liabilities			
Trade payables		174,305	52,543
Other payables	9	420,732	34,238
Intercompany payables	12	-	7,508
Employee entitlements		983,103	184,112
Lease liabilities - short-term	7	378,653	449,274
Income tax payable (receivable)	3	128,186	(29,536)
		<u>2,084,979</u>	<u>698,139</u>
Non-Current Liabilities			
Lease liabilities - long-term	7	-	378,653
		<u>-</u>	<u>378,653</u>
Equity			
Share capital		7,731,690	7,628,825
Retained earnings		(7,276,852)	19,383,400
		<u>454,838</u>	<u>27,012,225</u>
Total Liabilities and Equity		<u>2,539,817</u>	<u>28,089,017</u>


For and on behalf of the Board, which authorised the issue of the financial statements on



Jeffrey Dawson
31 January 2024



Drew Ladau



Ewan Morris

The accompanying notes form part of and are to be read in conjunction with these financial statements.

Loadrite (Auckland) Limited

Statement of Comprehensive Income For the year ended 31 December 2022

	Notes	2022	2021
Revenue from Continuing Operations			
Revenue		7,902,816	2,451,428
Manufacturing and distribution expenses		(2,151,390)	(1,297,594)
Selling, general and administrative expenses		(4,859,321)	(496,926)
Share-based payments	11	-	(29,683)
Amortisation of ROU asset	7	(476,584)	(437,240)
Depreciation of PPE		(44,209)	(6,103)
Operating profit before financing costs		371,312	183,882
Interest income		111,425	454,971
Interest on lease liabilities	7	(14,868)	(26,795)
Net foreign exchange gains		(147,594)	23,447
Net financing costs		(51,037)	451,623
Impairment of goodwill	8	(193,000)	-
Profit before tax expense		127,275	635,505
Income tax expense	3	(216,986)	(183,154)
(Loss) profit after tax for the year		(89,711)	452,351
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		(89,711)	452,351

The accompanying notes form part of and are to be read in conjunction with these financial statements.

Loadrite (Auckland) Limited

Statement of Changes in Equity For the year ended 31 December 2022

	Share Capital	Retained Earnings	Employee Benefit Reserve	Total
Balance at 1 January 2021	7,628,825	19,015,132	-	26,643,957
Total comprehensive income for the period, net of tax	-	452,351	-	452,351
Decrease from sale of shares	-	(113,766)	-	(113,766)
Dividends during year	-	-	-	-
Share-based payments	-	-	29,683	29,683
Balance at 31 December 2021	7,628,825	19,353,717	29,683	27,012,225
Total comprehensive income for the period, net of tax	-	(89,711)	-	(89,711)
Contributions of assets from parent	102,865	-	-	102,865
Dividends during year	-	(26,570,541)	-	(26,570,541)
Share-based payments adjustment	-	29,683	(29,683)	-
Balance at 31 December 2022	7,731,690	(7,276,852)	-	454,838

The accompanying notes form part of and are to be read in conjunction with these financial statements.

Loadrite (Auckland) Limited

Statement of Cash Flows For the year ended 31 December 2022

	Notes	2022	2021
Cash flows from operating activities			
Cash received from customers		6,938,864	1,880,767
Payments to supplies and employees		(7,070,896)	(1,282,331)
Net taxation paid		(58,534)	(230,089)
Net interest received / (paid)		111,425	455,168
Net cash (outflow) inflow from operating activities		(79,141)	823,514
Cash flows from investing activities			
Process from disposal of subsidiary		-	18,356
Payments for purchase of property, plant & equipment		(3,700)	(32,194)
Net cash outflow from investing activities		(3,700)	(13,837)
Cash flows from financing activities			
Dividend paid		-	-
Payment of principal portion of lease liabilities	7	(449,275)	(433,999)
Payment of interest portion of lease liabilities	7	(14,868)	(26,795)
Net cash outflow from financing activities		(464,143)	(460,794)
Net (decrease) increase in cash held		(546,984)	348,883
Cash at beginning of financial year		1,074,447	725,564
Cash at ending of financial year		527,463	1,074,447

The accompanying notes form part of and are to be read in conjunction with these financial statements.

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Loadrite (Auckland) Limited (the "Company"), previously Trimble Loadrite Auckland Limited is a company domiciled in New Zealand registered under the Companies Act 1993 and is a reporting entity for the purposes of the Financial Reporting Act 2013. The accounts presented are the financial statements for Loadrite (Auckland) Limited. In the prior year, the accounts include the prior subsidiary Trimble Loadrite Chile SPA. Loadrite (Auckland) Limited is a contract manufacturer of hydraulic weighing equipment, while Trimble Loadrite Chile SPA was a sales and marketing commission agent for its parent company until it was sold in October 2021.

The financial statements for the Company are for the year ended 31 December 2022, and were authorised for issue by the directors on the date indicated on page 3.

(a) Basis of preparation

Statement of compliance

The financial statements comprise the following: statement of comprehensive income, statement of changes in equity, statement of financial position, statement of cash flows, and accounting policies and notes to the statements contained on pages 7 to 21.

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practices ("NZ GAAP"), applying the Framework for Tier 2 for profit entities adopting the New Zealand equivalents to International Financial Reporting Standards - Reduced Disclosure Regime ("NZIFRS RDR"). The company is eligible to report under NZIFRS RDR on the basis that it does not have public accountability and is not a large for-profit public sector entity.

Basis of measurement

The financial statements are prepared on a historical cost basis.

Going concern

The financial statements have been prepared using the going concern assumption. As at 31 December 2022, the Company had a negative working capital position and for the year ended 31 December 2022, the Company had a negative cash flow and incurred a loss of \$89,711. However, the Company has net assets of \$454,838. The Company is also budgeted to have profit of over \$9 million in the 2023 financial year. These positive results are expected to continue into the 2024 financial year. Based on these positive results subsequent to the balance date, the directors conclude that there are no material uncertainties and the going concern assumption remains appropriate.

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

Functional and presentation currency

The financial statements are presented in New Zealand dollars, unless otherwise stated and all values are rounded to whole dollars. The functional currency is New Zealand Dollars (NZD).

Use of estimates and judgements

The preparation of the financial statements in conformity with NZIFRS RDR requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(b) Business Combinations

Acquisitions prior to 1 April 2006

As part of its transition to NZ IFRS, the Company had elected not to restate business combinations that occurred prior to 1 April 2006. As a result, the value of assets and liabilities recognised for these acquisitions represents previous NZ GAAP requirements.

Acquisitions on or after 1 April 2006

For acquisitions on or after 1 April 2006, the Company recognises the fair value of all identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured as the excess cost of the acquisition over the recognised assets and liabilities. When the excess is negative (negative goodwill), the amount is recognised immediately in the statement of comprehensive income.

(c) Revenue

Revenue from contracts with customers

The Company is in the business of providing contract manufacturing, marketing, and support activities to Trimble Europe B.V. and Precisional Operations LLC. There are no sales to third parties.

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those services. The company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the services before transferring them to the customer. Revenue from these activities is recoverable monthly.

Interest Income

Interest revenue is recognised when received or accrued using the effective interest method.

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

(d) Property, plant and equipment

Owned assets

Items of plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes the purchase consideration, and those costs directly attributable to bringing the asset to the location and condition necessary for its intended use. Where an item of plant and equipment is disposed of, the gain or loss recognised in the statement of comprehensive income is calculated as the difference between the net sales price and the carrying amount of the asset.

Subsequent costs

The Company recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognised in the statement of comprehensive income as an expense in the period they are incurred.

Depreciation

Depreciation begins when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management. Assets of the Company have been depreciated using the straight-line method using following estimated useful lives:

- | | |
|---------------------------------|------------|
| • Plant and Equipment | 5-10 years |
| • Leasehold Improvements | 6 years |
| • Motor Vehicles | 5 years |
| • Computer and Office Equipment | 3 years |
| • Furniture and Fittings | 4 years |
| • Dies and Molds | 2 years |

(e) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses. Right-of-use assets are depreciated on a straight-line basis.

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

Economic lives are as follows:

Buildings	2 – 5 years
Equipment	2 – 3 years

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(f) Intangible assets

Goodwill

Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. Goodwill is stated at cost less any accumulated impairment losses. Goodwill has been tested for impairment in this financial year, and the cost was written down so that the net value of goodwill represents the value of the remaining goodwill.

(g) Taxation

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(h) Foreign Currencies

Foreign currency transactions are converted at the New Zealand dollar rate of exchange ruling at the date of the transaction. At balance date, foreign currency monetary assets and liabilities are translated at the closing rate, and exchange variations arising from these translations are included in the statement of comprehensive income.

(i) Goods and Services Tax

All amounts are shown exclusive of Goods and Services Tax ("GST"), except for receivables and payables that are stated inclusive of GST.

(j) Employee Entitlements

A provision for employee entitlements is recognised for benefits earned by employees but not yet received at balance date. Employee benefits include salaries, wages and annual leave. Where payment is expected to be within twelve months of balance date, the provision is the estimated amount expected to be paid. Where payment is expected to be longer term, the liability is determined using the projected unit credit method and is presented as an "other long-term" benefit.

(k) Impairment of Assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

For goodwill the recoverable amount is estimated when there is an indicator of impairment, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

(l) Receivables

The Company considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment the Company uses historical trends of the probability of default, the whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

(m) Share-Based Payment Transaction

The previous parent company, Trimble Inc. provides benefits to its employees worldwide in the form of share based payments, whereby employees render services in exchange for shares or rights to shares (equity based payments).

The previous parent company's 2002 Stock Plan provides for the granting of incentive and non-statutory stock options and restricted stock units ("RSUs") of up to 92.6 million shares. At the end of the year ended 31 December 2021 the number of shares available for grant under the 2002 stock plan was 20.2 million. The value of share based payments to employees in the Company is shown in the Statement of Comprehensive income each year. As this value is provided by the parent company, the cost of that expense is treated as equity introduced into the Company by the ultimate parent company.

2. PERSONNEL EXPENSES

	2022	2021
Salaries and wages	4,006,948	1,428,764
Other employee benefits	765,434	299,977
	4,772,382	1,728,741

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

3. INCOME TAX

	2022	2021
(a) Reconciliation of effective tax rate		
(Loss) profit after tax for the period	(89,711)	452,351
Total income tax expense	216,986	183,154
Profit before income tax	127,275	635,505
Income tax using the NZ domestic rate of 28%	35,637	160,107
Income tax for Chile		13,094
Non-deductible expense/(non-assessable income)	108,866	2,584
Timing difference current year	84,826	(2,498)
Tax paid overseas	-	9,822
Tax adjustment prior periods	(12,343)	45
Income tax expense	216,986	183,154
(b) Current tax expense		
Movement during year	229,329	173,287
Over provided in prior periods	(12,343)	45
Tax paid overseas & prior period adjustments	-	9,822
Total current tax expense	216,986	183,154
(c) Deferred tax benefit		
Movement during year	84,826	(2,498)
Over provided in prior periods	4,709	(86)
Total deferred tax benefit	89,535	(2,584)
(d) Income Tax expense		
Current tax expense	127,451	185,738
Deferred tax expense	89,535	(2,584)
Total income tax expense	216,986	183,154

4. DEFERRED TAX ASSETS

Recognised deferred tax assets and liabilities	2022	2021
Deferred tax assets and (liabilities) are attributable to the following:		
Property, plant and equipment	23,508	26,120
Provision for employee entitlements and doubtful trade debtors	119,008	27,667
Other	6,406	5,600
Total deferred tax asset	148,922	59,387

The movement in temporary differences has been recognised in profit or loss. Deferred tax assets have been recognised at a rate of 28% at which they are expected to be realised.

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

5. PREPAYMENTS AND OTHER RECEIVABLES

	2022	2021
Prepayments	70,225	43,325
GST receivables	-	8,373
	70,225	51,698

6. PROPERTY PLANT AND EQUIPMENT

	Machinery &						
	Dies	Equipment	Computer	Furniture	Vehicles	Leasehold	Total
Cost							
At 1 Jan 2022	99,163	53,919	48,569	5,818	-	184,225	391,694
Additions	-	1,385	612	1,703	-	-	3,700
Additions from parent	45,932	43,303	5,877	-	62,015	-	157,127
Write-off	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
At 31 Dec 2022	145,095	98,607	55,058	7,521	62,015	184,225	552,521
Depreciation and Impairment							
At 1 Jan 2022	99,163	53,919	22,478	5,818	-	184,225	365,603
Depreciation	3,062	4,272	8,263	1,703	26,909	-	44,209
Write-off	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
At 31 Dec 2022	102,225	58,191	30,741	7,521	26,909	184,225	409,812
Book Value 31 Dec 2022	42,870	40,416	24,317	-	35,106	-	142,709
Book Value 31 Dec 2021	-	-	26,091	-	-	-	26,091

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

7. RIGHT-OF-USE-ASSETS

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Property	Equip	Total
At 1 January 2022	816,409	-	816,409
Additions	-	-	-
Amortisation expense	(476,584)	-	(476,584)
At 31 December 2022	339,825	-	339,825
At 1 January 2021	1,246,922	6,728	1,253,650
Additions	-	-	-
Amortisation expense	(430,513)	(6,728)	(437,240)
At 31 December 2021	816,409	-	816,409

LEASE LIABILITY

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	Property	Equip	Total
At 1 January 2022	827,928	-	827,928
Additions	-	-	-
Accretion of interest	14,868	-	14,868
Payments	(464,143)	-	(464,143)
At 31 December 2022	378,653	-	378,653
Current	378,653	-	378,653
Non-current	-	-	-
	378,653	-	378,653
At 1 January 2021	1,255,199	6,728	1,261,927
Additions	-	-	-
Accretion of interest	26,733	62	26,795
Payments	(454,004)	(6,790)	(460,794)
At 31 December 2021	827,928	-	827,928
Current	449,274	-	449,274
Non-current	378,653	-	378,653
	827,928	-	827,928

The lease liability is measured at amortised cost using the effective interest method. The discount rate used in 2022 was the Company incremental borrowing rate based on the estimated rate of interest for

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

collateralized borrowing over a similar term of the lease payments at commencement date. The company has decided not to apply the new guidance to leases whose term will end within 12 months of the date of the initial application. In such cases the leases will be accounted for as short term leases and the lease payments associated with them recognised as an expense.

8. GOODWILL

In 2022, the Company has considered the goodwill value in the accounts and performed an impairment assessment of the goodwill and recorded an impairment charge of \$193,000 to fully impair the goodwill. The impairment charge is recorded within impairment of goodwill in the statement of comprehensive income.

9. OTHER PAYABLES

	2022	2021
GST Payables	383,861	-
Sundry accruals	36,871	34,238
	<u>420,732</u>	<u>34,238</u>

10. PAID UP CAPITAL

All issued shares are fully paid up and have equal voting rights and share equally in dividends and surplus on winding up. During 2022, the Company's parent contributed a net of \$102,865 of property and equipment and payables to the Company in exchange for 0 additional shares. At balance date there were 52,380 shares with value of \$7,731,690 on issue (31 Dec 2021: 52,380 shares with value of \$7,628,825).

On 3 March 2022, the Company's previous parent entity Trimble Lizenz Switzerland Gmbh transferred 100% of the shares to Trimble Holdings New Zealand. On 6 May 2022, Trimble Holdings New Zealand sold the 100% of the shares to Loadrite (New Zealand) Limited.

11. EMPLOYEE BENEFIT RESERVE

The Employee Benefit Reserve is used to record the value of share-based payments (Employee Stock Purchase, and Restricted Stock Units) provided by Trimble Inc. (the previous US parent company) to Loadrite (Auckland) Limited employees as part of their remuneration. The expense recognised for employee services received during the 2021 year was \$29,863. There was no expense recognised for employee services received during the 2022 year as the parent company changed.

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

12. RELATED PARTY TRANSACTIONS

Identity of Related Parties

Before 6 May 2022

- (a) Parent and ultimate controlling party – The immediate parent was Trimble Lizenz Switzerland GmbH which controlled 100 percent of the voting shares of the Company. There were no outstanding balances or transactions with the immediate parent for the years ended 31 December 2022 and 2021. The ultimate controlling party was Trimble Inc.
- (b) Other related parties – The Company transacted with other entities whereby the ultimate controlling party was Trimble Inc.

After 6 May 2022

- (a) Parent and ultimate controlling party – The immediate parent is Loadrite (New Zealand) Limited which controls 100 percent of the voting shares of the Company. There were no outstanding balances or transactions with the immediate parent for the year ended 31 December 2021. The ultimate controlling party is Precisional Holdings LLP.
- (b) Other related parties – The Company transacts with other entities whereby the ultimate controlling party is Precisional Holdings LLP.

Balances outstanding with related parties as at 31 December:	2022	2021
(a) Loadrite (Auckland) Limited intercompany accounts receivable		
Precisional Operations LLC	1,310,673	-
Trimble group companies	-	199,354
	1,310,673	199,354
(b) Loadrite (Auckland) Limited intercompany accounts payable		
Trimble group companies	-	(7,508)
	-	(7,508)
(c) Loadrite (Auckland) Limited intercompany loan		
Advance to Trimble group companies	-	25,668,632
	-	25,668,632

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

Transactions with related parties for the year ended 31 December:

(a) Revenue		
Precisional Operations LLC	6,989,686	-
Trimble group companies	913,130	2,363,978
(b) Interest income		
Trimble Europe B.V.	101,737	451,768
(c) IT support charge		
Charged by Trimble Inc	(33,040)	(75,992)
(d) Contributions of assets from parent		
Transfer from Loadrite (New Zealand) Limited	102,865	-

13. LOAN TO INTERCOMPANY

The company had a Revolving Loan Agreement of up to \$40,000,000 with the Trimble Europe B.V. with interest payable monthly. The Revolving Loan Agreement was to be repayable on 26 June 2024, or until all Revolving Credit Loans under the agreement have reached their individual expiry dates. All or part of the principal could be repaid at any time without penalty. Subject to 30 days' notice the agreement was subject to extension for further periods. On 4 March 2022, the loan was paid and the agreement was cancelled via a directors resolved declaration of an in-specie distribution to the shareholder of \$25,894,890.

14. CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or liabilities as at 31 December 2022 (2021: nil).

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements For the year ended 31 December 2022

15. FINANCIAL INSTRUMENTS BY CATEGORY

	2022	
	Financial Assets	Financial Liabilities
	Amortised Cost	Amortised Cost
Cash and cash equivalents	527,463	-
Intercompany receivables	1,310,673	-
Prepayments & other receivables	70,225	-
Trade payables	-	174,305
Other payables	-	420,732
Intercompany payables	-	-
	1,908,361	595,037
	2021	
	Financial Assets	Financial Liabilities
	Amortised Cost	Amortised Cost
Cash and cash equivalents	1,074,447	-
Intercompany receivables	199,354	-
Prepayments & other receivables	51,698	-
Trade payables	-	52,543
Other payables	-	34,238
Intercompany payables	-	7,508
	1,325,498	94,289

16. CAPITAL COMMITMENTS

There are no capital expenditure commitments as at 31 December 2022 (2021: nil).

17. BALANCE DATE

The accounts for this financial year include the 12-month period to 31 December 2022.

18. RESTRUCTURE

On 28 October 2021, the Company sold its shares in Trimble Loadrite Chile SpA, to Trimble Europe BV. The price paid was \$102,896, resulting in a net capital gain on realisation of the investment of \$87,052.

Loadrite (Auckland) Limited

Notes to and forming part of Financial Statements
For the year ended 31 December 2022

19. NON-ADJUSTING POST BALANCE DATE EVENTS

There were no events or transactions after balance date that require adjustment to, or disclosure in, the financial statements.

Independent Auditor's Report

To the shareholder of Loadrite (Auckland) Limited

Opinion

We have audited the financial statements of Loadrite (Auckland) Limited (the company), which comprise:

- the statement of financial position as at 31 December 2022;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements on pages 4 to 21 present fairly, in all material respects, the financial position of the Loadrite (Auckland) Limited as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the company in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)(New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

An affiliated RSM entity has provided other services to Loadrite (Auckland) Limited in the areas of tax compliance services. The provision of these services has not impaired our independence as auditor of Loadrite (Auckland) Limited. Except in this regard, and other than in our capacity as auditor we have no other relationship with, or interests in, the company.

Other matter

The consolidated financial statements of Trimble Loadrite (Auckland) Limited (now Loadrite (Auckland) Limited) for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those statements on 6 May 2022.

Other information

The directors are responsible for the other information. The other information comprises the directory and director's report on pages 2 to 3 (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible, on behalf of the company, for the preparation and fair presentation of the financial statements in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible on behalf of the company 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>

Who we report to

This report is made solely to the company's shareholder. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Loadrite (Auckland) and the company's shareholder, for our audit work, for this report or for the opinions we have formed.

A handwritten signature in blue ink that reads 'RSM'.