Ennova A/S

Daugbjergvej 26, DK-8000 Aarhus

Annual Report for 2023

CVR No. 19 58 73 47

The Annual Report was presented and adopted at the Annual General Meeting of the company on 2/5 2024

Trine Kristensen
Chairman of the general meeting

Contents

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Ennova A/S for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Aarhus, 2 May 2024

Executive Board

Thomas Vestergaaard
CEO

Board of Directors

Trine Kristensen Chairman	Kai Kristensen	Thomas Vestergaard

Independent Auditor's report

To the shareholder of Ennova A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023 and of the results of the Group's and the Parent Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Ennova A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines 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, Management is responsible for assessing the Group´s and the Parent Company´s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

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 and the additional requirements applicable in Denmark 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group´s and the Parent Company´s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements 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 and the Parent Company´s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's report

Aarhus C, 2 May 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Henrik Berring Rasmussen
State Authorised Public Accountant
mne34157

Company information

The Company	Ennova A/S Daugbjergvej 26 DK-8000 Aarhus Email: email@ennova.com Website: www.ennova.com CVR No: 19 58 73 47 Financial period: 1 January - 31 December Municipality of reg. office: Aarhus
Board of Directors	Trine Kristensen, chairman Kai Kristensen Thomas Vestergaard
Executive Board	Thomas Vestergaaard
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Jens Chr. Skous Vej 1 DK-8000 Aarhus C

Group Chart

Company	Residence	Ownership
Ennova A/S	**Aarhus, Denmark**	
Ennova AB	Stockholm, Sweden	100%
Ennova AS	Oslo, Norway	100%

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2023	2022	2021	2020	2019
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Gross profit	74,918	69,597	63,459	52,898	67,987
EBITDA	11,209	7,048	6,458	8,059	11,542
*Adjusted EBITDA (unaudited)	11,209	7,042	5,900	8,053	12,800
EBIT	4,093	1,600	2,283	583	3,732
Profit/loss of financial income and expenses	-632	166	424	100	44
Net profit/loss for the year	2,833	1,870	2,397	753	2,932
Balance sheet					
Balance sheet total	69,410	64,948	63,484	49,980	52,198
Investment in property, plant and equipment	1,853	1,363	714	1,519	900
Equity	28,187	27,014	26,601	25,854	26,615
Number of employees	104	96	84	76	87
Ratios					
Return on assets	5.9%	2.5%	3.6%	1.2%	7.1%
Solvency ratio	40.6%	41.6%	41.9%	51.7%	51.0%
Return on equity	10.3%	7.0%	9.1%	2.9%	11.7%

For definitions of the financial ratios, see the accounting policies.

*) Adjusted EBITDA is defined as normalized EBITDA after adjusting for nonrecurring costs in the year.

Management's review

Key activities

Our primary objective is to empower organizations, leaders, and employees to enhance both the employee and customer experience by delivering proven, concise content through The People Impact Platform and engaging advisory services. In 2023, we intensified our efforts to introduce new digital concepts and solutions to the market, receiving highly favorable responses from both existing and new clients across all sectors.

Development in the year

The income statement of the Group for 2023 shows a profit of TDKK 2,833, and at 31 December 2023 the balance sheet of the Group shows a positive equity of TDKK 28,187.

The past year and follow-up on development expectations from last year

We are pleased to announce that our performance in 2023 aligned with our expectations. Our revenue experienced significant growth as projected, demonstrating our steadfast commitment to realizing the targets set forth in our Strategy plan.

Reflecting on the progress made in 2023, we are satisfied with our achievements and maintain a positive outlook for the year ahead. Looking to the future, we are confident that our revised offerings, complemented by our next-generation digital platform and advisory services, will fuel substantial growth for Ennova.

Commitment to Environmental Responsibility

We are committed to mitigating any negative impact on the external environment arising from our operations. In 2023, we established a new environmental and waste policy and set ambitious targets to diminish our environmental footprint.

Investment in Intellectual Capital

The success of our company hinges on the competencies and knowledge of our workforce. Consequently, we continually invest in attracting, developing, and retaining top talents within the industry. In 2023, we made significant progress in refining the expertise of our employees and broadening their areas of responsibility. Additionally, we conducted various training programs aimed at fostering knowledge sharing and promoting best practices among our consultants and staff.

Risk Management

Our Executive Board has determined that our operations and balance sheet are not significantly exposed to risks, although we recognize that exchange rate fluctuations may have a limited impact on our business. Throughout 2023, we consistently invested in enhancing our Information Security measures, a commitment that will persist with equal dedication in 2024.

Gender Diversity in Management

In 2023, 28% of our management positions were occupied by women. However, we aspire to enhance this representation and strive for gender equality across all roles. Our company is dedicated to ensuring that the most qualified individual, irrespective of gender, assumes each position.

Recognition and Measurement Assurance

We can confidently affirm that the recognition and measurement processes outlined in the Annual Report were conducted without any uncertainties.

Outlook for 2024

Ennova remains steadfast in its commitment to executing the Strategy plan throughout 2024. Over the course of the year, we will reinforce our market position both domestically and internationally, with investments directed towards The People Impact Platform. We anticipate “Gross profit” and “EBITDA” to be on the same level as 2023.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 December 2023 of the Group and the results of the activities and cash flows of the Group for the financial year for 2023 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	Group 2023	Group 2022	Parent company 2023	Parent company 2022
		TDKK	TDKK	TDKK	TDKK
Gross profit		**74,918**	**69,597**	**76,264**	**70,942**
Staff expenses	1	-63,709	-62,549	-56,719	-54,951
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	2	-7,116	-5,448	-7,116	-5,448
Other operating expenses		0	0	-8,933	-9,533
Profit/loss before financial income and expenses		**4,093**	**1,600**	**3,496**	**1,010**
Income from investments in subsidiaries		0	0	576	578
Financial income	3	469	451	465	451
Financial expenses	4	-1,101	-285	-1,230	-435
Profit/loss before tax		**3,461**	**1,766**	**3,307**	**1,604**
Tax on profit/loss for the year	5	-628	104	-474	266
Net profit/loss for the year	6	**2,833**	**1,870**	**2,833**	**1,870**

Balance sheet 31 December

Assets

	Note	Group 2023	Group 2022	Parent company 2023	Parent company 2022
		TDKK	TDKK	TDKK	TDKK
Completed development projects		22,291	20,088	22,291	20,088
Intangible assets	7	**22,291**	**20,088**	**22,291**	**20,088**
Other fixtures and fittings, tools and equipment		1,559	1,473	1,559	1,473
Leasehold improvements		1,753	647	1,602	496
Prepayments for property, plant and equipment		0	409	0	409
Property, plant and equipment	8	**3,312**	**2,529**	**3,161**	**2,378**
Investments in subsidiaries	9	0	0	1,190	1,607
Deposits	10	641	969	641	969
Fixed asset investments		**641**	**969**	**1,831**	**2,576**
Fixed assets		**26,244**	**23,586**	**27,283**	**25,042**
Trade receivables		21,101	20,212	21,101	20,212
Contract work in progress	11	1,075	1,562	1,075	1,562
Receivables from group enterprises		16,426	13,277	16,426	13,277
Other receivables		185	205	0	0
Deferred tax asset	13	12	16	0	0
Corporation tax		101	110	0	0
Prepayments	12	3,802	5,550	3,583	5,322
Receivables		**42,702**	**40,932**	**42,185**	**40,373**
Cash at bank and in hand		**464**	**430**	**1**	**1**
Current assets		**43,166**	**41,362**	**42,186**	**40,374**
Assets		**69,410**	**64,948**	**69,469**	**65,416**

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Share capital		9,360	9,360	9,360	9,360
Reserve for net revaluation under the equity method		0	0	447	433
Reserve for development costs		0	0	17,388	15,669
Reserve for exchange rate conversion		90	250	0	0
Retained earnings		17,762	15,904	17	52
Proposed dividend for the year		975	1,500	975	1,500
Equity		**28,187**	**27,014**	**28,187**	**27,014**
Provision for deferred tax	13	2,890	2,458	2,890	2,458
Other provisions	14	525	731	374	580
Provisions		**3,415**	**3,189**	**3,264**	**3,038**
Credit institutions		13,232	4,192	13,232	4,192
Prepayments received from customers		6,992	3,986	6,992	3,986
Trade payables		2,535	3,501	2,404	3,365
Contract work in progress	11	772	1,888	772	1,888
Payables to group enterprises		0	0	2,054	2,526
Corporation tax		77	83	0	0
Other payables		14,200	21,095	12,564	19,407
Short-term debt		**37,808**	**34,745**	**38,018**	**35,364**
Debt		**37,808**	**34,745**	**38,018**	**35,364**
Liabilities and equity		**69,410**	**64,948**	**69,469**	**65,416**

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Statement of changes in equity

Group

	Share capital	Reserve for exchange rate conversion	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	9,360	250	15,904	1,500	27,014
Exchange adjustments	0	-103	0	0	-103
Ordinary dividend paid	0	0	0	-1,500	-1,500
Exchange adjustments relating to foreign entities	0	-80	0	0	-80
Tax on other equity movements	0	23	0	0	23
Net profit/loss for the year	0	0	1,858	975	2,833
Equity at 31 December	**9,360**	**90**	**17,762**	**975**	**28,187**

Parent company

	Share capital	Reserve for net revaluation under the equity method	Reserve for developmen t costs	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	9,360	433	15,669	52	1,500	27,014
Exchange adjustments	0	0	0	-103	0	-103
Ordinary dividend paid	0	0	0	0	-1,500	-1,500
Exchange adjustments relating to foreign entities	0	-80	0	0	0	-80
Tax on other equity movements	0	0	0	23	0	23
Development costs for the year	0	0	6,434	-6,434	0	0
Depreciation, amortisation and impairment for the year	0	0	-4,715	4,715	0	0
Net profit/loss for the year	0	94	0	1,764	975	2,833
Equity at 31 December	**9,360**	**447**	**17,388**	**17**	**975**	**28,187**

Notes to the Financial Statements

1. Staff Expenses

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Wages and salaries	53,157	52,459	46,742	45,641
Pensions	7,360	6,826	6,965	6,234
Other social security expenses	779	751	693	670
Other staff expenses	2,413	2,513	2,319	2,406
	63,709	**62,549**	**56,719**	**54,951**

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

Average number of employees	**104**	**96**	**95**	**85**

2. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Amortisation of intangible assets	6,046	4,506	6,046	4,506
Depreciation of property, plant and equipment	1,070	942	1,070	942
	7,116	**5,448**	**7,116**	**5,448**

3. Financial income

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Interest received from group enterprises	429	355	429	355
Other financial income	40	39	36	39
Exchange adjustments	0	57	0	57
	469	**451**	**465**	**451**

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
4. Financial expenses				
Interest paid to group enterprises	0	0	52	155
Other financial expenses	751	285	754	280
Exchange adjustments, expenses	350	0	424	0
	1,101	**285**	**1,230**	**435**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
5. Income tax expense				
Current tax for the year	170	164	19	0
Deferred tax for the year	458	-268	455	-266
	628	**-104**	**474**	**-266**

	Parent company	
	2023	2022
	TDKK	TDKK
6. Profit allocation		
Proposed dividend for the year	975	1,500
Reserve for net revaluation under the equity method	94	-319
Retained earnings	1,764	689
	2,833	**1,870**

Notes to the Financial Statements

7. Intangible fixed assets

	Group	Parent company
	Completed development projects	Completed development projects
	TDKK	TDKK
Cost at 1 January	58,672	58,672
Additions for the year	8,249	8,249
Cost at 31 December	66,921	66,921
Impairment losses and depreciation at 1 January	38,584	38,584
Depreciation for the year	6,046	6,046
Impairment losses and depreciation at 31 December	44,630	44,630
Carrying amount at 31 December	**22,291**	**22,291**
Amortised over	5 years	5 years

Development projects relate to development and improvement of the production platform and concepts. The production platform will support the Group's operation in the years ahead as the improved and new concepts will be the basis for the Group's earnings in the years ahead. The development projects have been recognised at cost and is amortised on a current basis in accordance with the Group's accounting policies. Based on the nature of the items, recognition and measurement of the expenses are not assessed to be subject to any special conditions.

Notes to the Financial Statements

8. Property, plant and equipment

	Group			Parent company		
	Other fixtures and fittings, tools and equipment	Leasehold improveme nts	Prepay- ments for property, plant and equipment	Other fixtures and fittings, tools and equipment	Leasehold improveme nts	Prepay- ments for property, plant and equipment
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	7,571	1,439	409	7,368	1,288	409
Exchange adjustment	-16	0	0	0	0	0
Additions for the year	724	1,128	0	724	1,128	0
Disposals for the year	-3,514	-646	0	-3,514	-646	0
Transfers for the year	207	203	-409	207	203	-409
Cost at 31 December	4,972	2,124	0	4,785	1,973	0
Impairment losses and depreciation at 1 January	6,098	792	0	5,895	792	0
Exchange adjustment	-16	0	0	0	0	0
Depreciation for the year	845	225	0	845	225	0
Reversal of impairment and depreciation of sold assets	-3,514	-646	0	-3,514	-646	0
Impairment losses and depreciation at 31 December	3,413	371	0	3,226	371	0
Carrying amount at 31 December	**1,559**	**1,753**	**0**	**1,559**	**1,602**	**0**
Amortised over	3-5 years	5-10 years		3-5 years	5-10 years	

Notes to the Financial Statements

	Parent company	
	2023	2022
	TDKK	TDKK

9. Investments in subsidiaries

	2023	2022
Cost at 1 January	222	222
Cost at 31 December	222	222
Value adjustments at 1 January	1,385	2,743
Exchange adjustment	-80	-157
Net profit/loss for the year	576	578
Dividend to the Parent Company	-913	-1,779
Value adjustments at 31 December	968	1,385
Carrying amount at 31 December	**1,190**	**1,607**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
Ennova AB	Stockholm, Sweden	TSEK 100	100%
Ennova AS	Oslo, Norway	TNOK 100	100%

10. Other fixed asset investments

	Group	Parent company
	Deposits	Deposits
	TDKK	TDKK
Cost at 1 January	969	969
Disposals for the year	-328	-328
Cost at 31 December	641	641
Carrying amount at 31 December	**641**	**641**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

11. Contract work in progress

	Group 2023 TDKK	Group 2022 TDKK	Parent company 2023 TDKK	Parent company 2022 TDKK
Selling price of work in progress	9,768	14,773	9,768	14,773
Payments received on account	-9,465	-15,099	-9,465	-15,099
	303	**-326**	**303**	**-326**
Recognised in the balance sheet as follows:				
Contract work in progress recognised in assets	1,075	1,562	1,075	1,562
Prepayments received recognised in debt	-772	-1,888	-772	-1,888
	303	**-326**	**303**	**-326**

12. Prepayments

Prepayments relates to prepaid cost to office rent, insurances, licenses and subscriptions.

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

13. Provision for deferred tax

	Group 2023 TDKK	Group 2022 TDKK	Parent company 2023 TDKK	Parent company 2022 TDKK
Deferred tax liabilities at 1 January	2,442	2,821	2,458	2,836
Amounts recognised in the income statement for the year	458	-268	455	-266
Amounts recognised in equity for the year	-22	-111	-23	-112
Deferred tax liabilities at 31 December	**2,878**	**2,442**	**2,890**	**2,458**
Recognised in the balance sheet as follows:				
Assets	12	16	0	0
Provisions	-2,890	-2,458	-2,890	-2,458
	2,878	**2,442**	**2,890**	**2,458**

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

14. Other provisions

Other provisions relates to obligations for leasehold restoration.

	2023	2022	2023	2022
Other provisions	525	731	374	580
	525	**731**	**374**	**580**
The provisions are expected to mature as follows:				
After 5 years	525	731	374	580
	525	**731**	**374**	**580**

Other provisions relates to obligations for leasehold restoration.

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

15. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

	2023	2022	2023	2022
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	2,490	2,947	1,900	2,085
Between 1 and 5 years	4,425	5,406	3,102	3,762
After 5 years	0	31	0	0
	6,915	**8,384**	**5,002**	**5,847**

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

15. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed income etc of the Group. Trine Kristensen Holding ApS (CVR No 27 49 44 12) is the management company of the joint taxation. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, royalty tax and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The Company has issued a letter of support in favour of subsidiaries Ennova AB and Ennova AS.

The Company provided guarantees for bank debt in the subsidiaries Ennova AB and Ennova AS.

16. Related parties and disclosure of consolidated financial statements

	Basis
Controlling interest	
Ennova Holding A/S, Daugbjergvej 26, DK-8000 Aarhus C	Parent company

Transactions

Referring to section 98 C, subsection 7 of the Danish Financial Statements Act, no information describing transactions with related parties is provided.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
Trine Kristensen Holding ApS	Højbjerg

The consolidated accounts can be recovered at Ennova A/S.

17. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

18. Accounting policies

The Annual Report of Ennova A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023 are presented in TDKK.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Trine Kristensen Holding ApS, the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Notes to the Financial Statements

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Ennova A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

On acquisition of subsidiaries, the difference between cost and net asset value of the enterprise acquired is determined at the date of acquisition after the individual assets and liabilities having been adjusted to fair value (the purchase method). This includes allowing for any restructuring provisions etermined in relation to the enterprise acquired.

Any remaining positive differences are recognised in intangible assets in the balance sheet as goodwill, which is amortised in the income statement on a straightline basis over its estimated useful life, but not exceeding 20 years.

Any remaining negative differences are recognised in deferred income in the balance sheet as negative goodwill. Amounts at tributable to expected losses or expenses are recognised as income in the income statement as the affairs and conditions to which the amounts relate materialise. Negative goodwill not related to expected losses or expenses is recognised at an amount equal to the fair value of non-monetary assets in the income statement over the average useful life of the non-monetary assets.

Positive and negative differences from enterprises acquired may, due to changes to the recognition and measurement of net assets, be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

The financial statements of foreign undertakings are translated into Danish kroner using the exchange rates at the balance sheet date for balance sheet items, and using the transaction date rates or approximate average exchange rates for income statement items. The difference between the exchange rates at the balance sheet date and the transaction date rates is taken directly to the equity. Exchange differences as a result of translating the equity of foreign undertakings at the beginning of the year to the exchange rates at the balance sheet date are taken to the equity.

Foreign exchange adjustments of inter group balances with foreign subsidiaries, which are considered an addition to or a reduction from the subsidiaries' capital, and exchange differences from the hedging of foreign subsidiaries' equity are recognised directly in the equity.

Notes to the Financial Statements

Income statement

Revenue

The Group applies the guidance in IFRS 15, Revenue from contracts with customers.

Subscriptions
In the subscription business, customers are granted access to the Group's cloud based applications over an agreed period of time. Revenue from subscription based agreements is recognised straight line over the subscription period.

Surveys
In the survey business, the Group performs employee and customer surveys on behalf of customers comprising planning, execution and reporting to the customer. A survey activity creates an asset with no alternative use, and the Group has throughout the term of the contract a right to payment for performance completed to date. Consequently, revenue is recognised over the period in which the survey activities are performed. Percentage of completion is determined based on milestones achieved at the balance sheet date.

Other
In the additional business, the Group performs additional services to the employee and customer surveys. Revenue is recognised on estimated state of completion at the balance sheet date.

Direct expenses

Expenses consist of analysis cost to achieve the consolidated revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, work on own account recognised in assets, direct expenses and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as employee related expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Notes to the Financial Statements

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Ennova A/S is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes. The jointly taxed enterprises are taxed under the on-account tax scheme.

Balance sheet

Intangible fixed assets

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is year.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5-10 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Contract work in progress

Contract work in progress is measured at the sales value of the work performed calculated on the basis of the stage of completion (the percentage-of-completion method). The stage of completion is measured by the proportion of contract expenses incurred to date to the estimated total contract expenses. Provisions are made for loss-making orders.

Payments received on account from customers are set off against contract work in progress to the extent that these payments on account correspond to the value of work in progress. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Notes to the Financial Statements

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Financial Highlights

Explanation of financial ratios

Return on assets	Profit/loss of ordinary primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity