



Equilibria ApS

Kongens Nytorv 5
1050 København K
CVR No. 25165535

Annual report 2023

The Annual General Meeting adopted the annual report on 19.02.2024

Søren Fryland Møller

Chairman of the General Meeting

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Entity details

Entity

Equilibria ApS
Kongens Nytorv 5
1050 København K

Business Registration No.: 25165535
Registered office: København
Financial year: 01.01.2023 - 31.12.2023

Executive Board

Andreas Herdichek Langfeldt

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of Equilibria ApS for the financial year 01.01.2023 - 31.12.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In my opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 19.02.2024

Executive Board

Andreas Herdichek Langfeldt

Independent auditor's report

To the shareholder of Equilibria ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Equilibria ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 19.02.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Haugegaard Albrechtsen

State Authorised Public Accountant
Identification No (MNE) mne45846

Kasper Ørtoft

State Authorised Public Accountant
Identification No (MNE) mne49073

Management commentary

Financial highlights

	2023	2022	2021	2020	2019
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	(8,305)	(6,604)	(3,149)	(3,855)	(3,103)
Operating profit/loss	(8,305)	(16,816)	(9,361)	(10,717)	(10,937)
Net financials	45,701	(157,735)	358,656	518,113	132,810
Profit/loss for the year	25,113	(134,679)	263,195	464,640	112,537
Balance sheet total	1,211,874	1,228,399	1,433,016	1,218,889	963,208
Equity	1,139,780	1,164,899	1,299,578	1,036,384	753,811
Cash flows from operating activities	39,467	125,775	167,275	(931,172)	(12,042)
Cash flows from investing activities	(25,288)	(38,668)	(66,204)	752,001	331,603
Cash flows from financing activities	(50,232)	0	(14,664)	(280,112)	(75,141)
Ratios					
Return on equity (%)	2.18	(10.93)	22.53	51.91	16.36
Equity ratio (%)	94.05	94.83	90.69	85.03	78.26

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Average equity

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$

Balance sheet total

Primary activities

Equilibria ApS is a long-term investor in listed and unlisted securities. It is part of the single-family office IPQ Capital. We have 4 key focus areas at IPQ:

- Global macro investing with the majority of our capital
- Early growth investments in fintech companies
- Early growth investments in healthtech companies (via Crista Galli Ventures Ltd.)
- Philanthropy. Our philanthropic mission is 'levelling the playing field' with a focus on education and healthcare

For further information, please refer to www.ipqcapital.com.

Development in activities and finances

The income statement for the period 01.01.23 - 31.12.23 shows a positive result of DKK 25,113 thousand. Prior year period 01.01.22 - 31.12.22 shows a negative result of DKK 134,679 thousand. The balance sheet shows equity of DKK 1,139,780 thousand. The management finds the year's result unsatisfactory.

Profit/loss for the year in relation to expected developments

Whilst better than 2022 (as predicted in last year's report), it is an unsatisfactory result given the development in financial markets, despite results on the listed investments being respectable. Nevertheless, we prefer to take a longer-term view. Equilibria's gross five-year return is now 22% p.a. compared to the MSCI equity world index's five-year annual return of 13% p.a.

The primary positive contribution to returns came from US Communication services, Information Technology, and European healthcare stocks. The primary negative contribution was from a low allocation to equities (and later in the year, longer-dated bonds) and an overweight of defensive sectors that have underperformed the market significantly in 2023.

Further, our unlisted investments have been written down in 2023, since valuations generally came down in their 2023 funding rounds compared with 2021-2022. Conversely, most of the companies are doing well operationally. Two examples from the portfolio.

The digital banks we have invested in have now combined reached DKK +8bn (c USD 1.2bn) in deposits, which is up 4.5x versus a few years ago. This size is still small compared to the total European bank market, but that along with their growth, just highlights the potential. In healthtech, one of our US deep tech diagnostics companies is now serving more than 1.5 million patients per year compared to zero a few years ago. We see similar trends for the other diagnostics companies in our investment portfolio.

Outlook

We expect the result in 2024 to improve compared with 2023, at around 8-12% of equity even though we expect financial markets to be as volatile or worse than 2022-2023, contrary to the current market consensus.

Highly pro-cyclical fiscal policies across the developed world at record low unemployment levels are unsustainable and will have to adjust. Either the fiscal thrust to growth turns negative along with broad money growth, which will impact growth negatively short term or persistent inflation forces a more drastic action later while depressing valuations.

This combined with parts of the US stock and bond market priced for perfection is usually not a great starting point for great equity returns in the shorter term. Conversely, some European and Emerging Market assets are valued at levels suggesting decision makers and policy makers will keep making missteps. While this is a very low bar to clear in terms of expectations, it is not a guarantee it will happen.

The prosperity of Western societies runs on technology and general scientific progress coupled with free markets, alongside cheap, reliable energy supplies. Both the pandemic and Russia's attack on Ukraine have provided stark reminders that this is the case. On a more positive note Artificial Intelligence (AI) is now a part of the global public conversation, driving forward technological change. Yet these basic lessons appear to be repeatedly forgotten, by especially European policy makers.

The current progress one observes in technology and science provide strong reasons to be long-term positive on equities and growth. We also continue to see a strong tailwind for development and deployment of health and fintech products and solutions. We have witnessed the companies in our portfolio build great products with Machine Learning first, and later AI. This trend of progress will continue.

Philanthropy

The mission is to help level the playing field, with a focus on education and healthcare.

Two highlights from the previous year:

Our £1M donation to London Business School (LBS) to help out the lowest paid staff, continued to help hundreds of people through the cost-of-living crisis in the UK, and in addition helped strengthen the community at LBS. Further, this donation was a first of its kind to an educational institution in the UK.

Over the years, we have given generously to Danish Children Cancer foundation (Børnecancerfonden). An area we supported in 2023 was Care grants ('Omsorgslegater') to families whose children have cancer. Care grants are direct economic support for families dealing with a difficult pediatric oncology diagnosis.

Use of financial instruments

As a consequence of its investments, the Group is generally exposed to financial risks, primarily share price exposure, interest rate risks and currency risks. The Group also uses financial instruments to obtain exposure towards, or hedge risk from, different asset classes. It is an integral part of the Group's business model to assume financial risks in its investments, and limits for and monitoring of such limits form part of the Group's portfolio and risk models.

Environmental performance

The Group is operated without impacting the environment or the climate significantly. Management believes that there is no need for entity-specific policies in this area.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Other external expenses		(8,305)	(6,604)
Gross profit/loss		(8,305)	(6,604)
Staff costs	1	0	(4,000)
Depreciation, amortisation and impairment losses	2	0	(6,212)
Operating profit/loss		(8,305)	(16,816)
Income from investments in associates		3,693	(2,520)
Income from other fixed asset investments		(35,289)	27,276
Other financial income	3	116,670	61,398
Other financial expenses	4	(35,680)	(246,409)
Profit/loss before tax		41,089	(177,071)
Tax on profit/loss for the year	5	(15,976)	42,392
Profit/loss for the year	6	25,113	(134,679)

Consolidated balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Investments in associates		88,403	65,478
Other investments		127,116	156,348
Deposits		0	180
Other receivables		0	5,600
Financial assets	7	215,519	227,606
Fixed assets		215,519	227,606
Deferred tax	8	32,671	42,420
Other receivables		92	5,879
Tax receivable		0	4,106
Prepayments	9	0	244
Receivables		32,763	52,649
Other investments		820,862	769,361
Investments		820,862	769,361
Cash		142,730	178,783
Current assets		996,355	1,000,793
Assets		1,211,874	1,228,399

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		80	80
Retained earnings		1,129,700	1,134,819
Proposed dividend for the financial year		10,000	30,000
Equity		1,139,780	1,164,899
Other payables		65,131	62,787
Non-current liabilities other than provisions	10	65,131	62,787
Payables to owners and management		0	26
Tax payable		6,227	8
Other payables		736	679
Current liabilities other than provisions		6,963	713
Liabilities other than provisions		72,094	63,500
Equity and liabilities		1,211,874	1,228,399
Financial instruments	12		
Fair value information	13		
Contingent liabilities	14		
Transactions with related parties	15		
Subsidiaries	16		

Consolidated statement of changes in equity for 2023

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend for the financial year DKK'000	Total DKK'000
Equity beginning of year	80	1,134,819	30,000	1,164,899
Ordinary dividend paid	0	0	(30,000)	(30,000)
Extraordinary distributions	0	(20,232)	0	(20,232)
Profit/loss for the year	0	15,113	10,000	25,113
Equity end of year	80	1,129,700	10,000	1,139,780

Consolidated cash flow statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Operating profit/loss		(8,305)	(16,816)
Amortisation, depreciation and impairment losses		0	6,212
Working capital changes	11	14,186	(6,385)
Cash flow from ordinary operating activities		5,881	(16,989)
Financial income received		119,839	59,259
Financial expenses paid		(38,849)	(245,784)
Taxes refunded/(paid)		4,098	(49,206)
Other cash flows from operating activities		(51,502)	378,495
Cash flows from operating activities		39,467	125,775
Acquisition of fixed asset investments		(6,536)	(16,323)
Sale of fixed asset investments		480	1,394
Investment in associates		(19,232)	(23,739)
Cash flows from investing activities		(25,288)	(38,668)
Free cash flows generated from operations and investments before financing		14,179	87,107
Dividend paid		(50,232)	0
Cash flows from financing activities		(50,232)	0
Increase/decrease in cash and cash equivalents		(36,053)	87,107
Cash and cash equivalents beginning of year		178,783	91,676
Cash and cash equivalents end of year		142,730	178,783
Cash and cash equivalents at year-end are composed of:			
Cash		142,730	178,783
Cash and cash equivalents end of year		142,730	178,783

Notes to consolidated financial statements

1 Staff costs

	2023	2022
	DKK'000	DKK'000
Wages and salaries	0	4,000
	0	4,000
Number of employees at balance sheet date	1	1
Average number of full-time employees	1	1

Pursuant to the Annual Accounts Act § 98b, subsection 3, no information has been provided about the total remuneration to the executive board.

The group has no employees apart from the management. Management remuneration is charged as a part of the management fee paid to IPQ Capital ApS from the daily operation of Insalvo ApS & Equilibria ApS. In 2023, the total group management fee amounted to DKK 5,900,000.

2 Depreciation, amortisation and impairment losses

	2023	2022
	DKK'000	DKK'000
Amortisation of intangible assets	0	6,212
	0	6,212

3 Other financial income

	2023	2022
	DKK'000	DKK'000
Other interest income	7,847	1,207
Exchange rate adjustments	44,003	42,583
Fair value adjustments	60,362	11,910
Other financial income	4,458	5,698
	116,670	61,398

4 Other financial expenses

	2023	2022
	DKK'000	DKK'000
Other interest expenses	2,677	1,116
Exchange rate adjustments	30,191	11,423
Fair value adjustments	880	231,433
Other financial expenses	1,932	2,437
	35,680	246,409

5 Tax on profit/loss for the year

	2023	2022
	DKK'000	DKK'000
Current tax	6,227	8
Change in deferred tax	9,216	(42,420)
Adjustment concerning previous years	533	20
	15,976	(42,392)

6 Proposed distribution of profit/loss

	2023	2022
	DKK'000	DKK'000
Ordinary dividend for the financial year	10,000	30,000
Retained earnings	15,113	(164,679)
	25,113	(134,679)

7 Financial assets

	Investments in associates	Other investments	Other receivables
	DKK'000	DKK'000	DKK'000
Cost beginning of year	88,756	75,953	5,600
Additions	19,232	6,537	0
Disposals	0	(480)	(5,600)
Cost end of year	107,988	82,010	0
Revaluations beginning of year	(23,278)	80,395	0
Exchange rate adjustments	714	0	0
Share of profit/loss for the year	2,979	0	0
Revaluations for the year	0	(35,289)	0
Revaluations end of year	(19,585)	45,106	0
Carrying amount end of year	88,403	127,116	0

Key assumptions

Other securities and investments consists primarily of investments in unlisted shares and investments through alternative investment funds and is considered illiquid in the short term.

The valuation of other securities and other investments is carried out on the basis of the latest capital round of the companies, which management considers to be independent third party assessment of the companies' value.

In addition to this, management conduct an evaluation of the companies' performance per balance sheet date.

Investment in associates have been recognized on the basis of the most recent approved financial statement dated 30 April 2023, including a fair value adjustment from the underlying investments in the associates dated 31 December 2023.

Associates	Registered in	Ownership %
Crista Galli Ventures Limited	London	47.02
Crista Galli Alpha Limited	London	33.33

8 Deferred tax

	2023 DKK'000	2022 DKK'000
Tax losses carried forward	32,671	42,420
Deferred tax	32,671	42,420

Changes during the year	2023 DKK'000	2022 DKK'000
Beginning of year	42,420	0
Recognised in the income statement	(9,749)	42,420
End of year	32,671	42,420

Deferred tax assets

It is the management's assessment that the recognized tax asset can be realized through future earnings within a period between 2-5 years.

9 Prepayments

Accruals under current assets mainly consist of prepaid costs of DKK 0 thousand. (2022: DKK 240 thousand).

10 Non-current liabilities other than provisions

	Due after more than 12 months 2023 DKK'000	Outstanding after 5 years 2023 DKK'000
Other payables	65,131	65,131
	65,131	65,131

11 Changes in working capital

	2023	2022
	DKK'000	DKK'000
Increase/decrease in receivables	11,811	18,418
Increase/decrease in trade payables etc.	2,375	(24,865)
Other changes	0	62
	14,186	(6,385)

12 Derivative financial instruments

The group trades in derivative financial instruments as part of the company's investment strategy. Derivative financial instruments are used to obtain effective exposure to, or hedge risks from, different types of assets.

At the end of 2023, share-related instruments accounted for 0% (2022: <25%) of the company's equity, currency related instruments less than 10% (2022: <10%) of the company's equity, interest-related instruments 0% (2022: 0%) of the company's equity and energy/raw materials-related instruments 0% (2022: <10%) of the company's equity.

13 Fair value information

	Listed securities and other investments	Unlisted securities and other investments	Total
	DKK'000	DKK'000	DKK'000
Fair value end of year	820,861	127,115	947,976
Unrealised fair value adjustments recognised in the income statement	59,021	(35,289)	23,732

For details concerning valuation method reference is made to description under key assumption in note 7.

14 Contingent liabilities

The company has entered into investment contracts which commits the company to invest in three funds.

1) Total commitment of DKK 10,000 thousand, as of 31 December 2023, a total of DKK 7,400 thousand has been invested. The remaining commitment amounts to DKK 2,600 thousand as of 31 December 2023.

2) Total commitment of USD 2,750 thousand, as of 31 December 2023, a total of USD 1,620 thousand has been invested. The remaining commitment amounts to USD 1,130 thousand as of 31 December 2023.

3) Total commitment of USD 250 thousand, as of 31 December 2023, a total of USD 130 thousand has been invested. The remaining commitment amounts to USD 120 thousand as of 31 December 2023.

15 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

16 Subsidiaries

	Registered in	Corporate form	Ownership %
Insalvo ApS	Copenhagen K	ApS	100.00

Parent income statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Other external expenses		(5,332)	(7,143)
Gross profit/loss		(5,332)	(7,143)
Income from investments in group enterprises		56,767	(143,478)
Income from investments in associates		3,693	(2,520)
Income from other fixed asset investments		(32,977)	25,063
Other financial income	1	6,509	1,435
Other financial expenses	2	(4,919)	(11,028)
Profit/loss before tax		23,741	(137,671)
Tax on profit/loss for the year	3	1,372	2,992
Profit/loss for the year	4	25,113	(134,679)

Parent balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Investments in group enterprises		996,512	1,022,979
Investments in associates		88,403	65,478
Other investments		108,972	139,039
Financial assets	5	1,193,887	1,227,496
Fixed assets		1,193,887	1,227,496
Deferred tax	6	4,384	3,012
Other receivables		93	2,485
Tax receivable		0	4,106
Receivables		4,477	9,603
Other investments		51,368	44,733
Investments		51,368	44,733
Cash		4,854	41
Current assets		60,699	54,377
Assets		1,254,586	1,281,873

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		80	80
Reserve for net revaluation according to equity method		896,853	923,312
Retained earnings		232,847	211,507
Proposed dividend for the financial year		10,000	30,000
Equity		1,139,780	1,164,899
Other payables		65,131	62,787
Non-current liabilities other than provisions	7	65,131	62,787
Payables to group enterprises		49,122	53,981
Other payables		553	206
Current liabilities other than provisions		49,675	54,187
Liabilities other than provisions		114,806	116,974
Equity and liabilities		1,254,586	1,281,873
Employees	8		
Fair value information	9		
Contingent liabilities	10		
Related parties with controlling interest	11		

Parent statement of changes in equity for 2023

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Proposed dividend for the year DKK'000	Total DKK'000
Equity beginning of year	80	923,312	211,507	30,000	1,164,899
Ordinary dividend paid	0	0	0	(30,000)	(30,000)
Extraordinary distributions	0	0	(20,232)	0	(20,232)
Dividends from group enterprises	0	(83,000)	83,000	0	0
Profit/loss for the year	0	56,541	(41,428)	10,000	25,113
Equity end of year	80	896,853	232,847	10,000	1,139,780

Notes to parent financial statements

1 Other financial income

	2023	2022
	DKK'000	DKK'000
Other interest income	42	277
Exchange rate adjustments	773	1,158
Fair value adjustments	5,694	0
	6,509	1,435

2 Other financial expenses

	2023	2022
	DKK'000	DKK'000
Financial expenses from group enterprises	1,901	392
Other interest expenses	2,344	829
Exchange rate adjustments	672	3,750
Fair value adjustments	0	6,043
Other financial expenses	2	14
	4,919	11,028

3 Tax on profit/loss for the year

	2023	2022
	DKK'000	DKK'000
Change in deferred tax	(1,372)	(3,012)
Adjustment concerning previous years	0	20
	(1,372)	(2,992)

4 Proposed distribution of profit and loss

	2023	2022
	DKK'000	DKK'000
Ordinary dividend for the financial year	10,000	30,000
Retained earnings	15,113	(164,679)
	25,113	(134,679)

5 Financial assets

	Investments in group enterprises DKK'000	Investments in associates DKK'000	Other investments DKK'000
Cost beginning of year	78,909	88,756	57,471
Additions	0	19,232	3,390
Disposals	(40)	0	(480)
Cost end of year	78,869	107,988	60,381
Revaluations beginning of year	944,070	(23,278)	81,568
Exchange rate adjustments	0	714	0
Share of profit/loss for the year	56,767	2,979	0
Dividend	(83,000)	0	0
Revaluations for the year	0	0	(32,977)
Reversal of revaluations	(194)	0	0
Revaluations end of year	917,643	(19,585)	48,591
Carrying amount end of year	996,512	88,403	108,972

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

Key assumptions

Other securities and investments consists primarily of investments in unlisted shares and investments through alternative investment funds and is considered illiquid in the short term.

The valuation of other securities and other investments is carried out on the basis of the latest capital round of the companies, which management considers to be, independent third party assessment of the companies' value.

In addition to this, management conduct an evaluation of the companies' performance per balance sheet date.

Investments in associates have been recognized on the basis of the most recent approved financial statement dated 30 April 2023, including a fair value adjustment from the underlying investments in the associates dated 31 December 2023.

Investments in associates	Registered in	Ownership %
Crista Galli Ventures Limited	London	47.02
Crista Galli Alpha Limited	London	33.33

6 Deferred tax

	2023 DKK'000	2022 DKK'000
Tax losses carried forward	4,384	3,012
Deferred tax	4,384	3,012

Changes during the year	2023 DKK'000	2022 DKK'000
Beginning of year	3,012	0
Recognised in the income statement	1,372	3,012
End of year	4,384	3,012

Deferred tax assets

It is the management's assessment that the recognized tax asset can be realized through future earnings within a period between 2-5 years.

7 Non-current liabilities other than provisions

	Due after more than 12 months 2023 DKK'000	Outstanding after 5 years 2023 DKK'000
Other payables	65,131	65,131
	65,131	65,131

8 Employees

The company has no employees apart from the management. Management remuneration is charged through management fee from IPQ Capital ApS from the daily operation of Equilibria ApS. In 2023, the management fee amounted to DKK 3,075,000 (2022: 3,200,000)

9 Fair value information

	Listed securities and other investments DKK'000	Unlisted securities and other investments DKK'000
Fair value end of year	51,368	108,971
Unrealised fair value adjustments recognised in the income statement	5,324	(32,977)

For details concerning valuation method reference is made to description under key assumption in note 5.

10 Contingent liabilities

The company has entered into investment contracts which commits the company to invest in one fund.

1) Total commitment of USD 250 thousand, as of 31 December 2023, a total of USD 130 thousand has been invested. The remaining commitment amounts to USD 120 thousand as of 31 December 2023.

Tax arrangement

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

11 Related parties with controlling interest

Søren Fryland Møller, Frederiksberg owns all shares in the Entity, thus exercising control.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised in intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful lives. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value, which has been calculated as the discounted value of expected future net cash flows by using an approximate risk-free interest rate adjusted for any factors that a potential market participant would attribute value to when acquiring the instrument. Derivative financial instruments are recognised in other receivables or other payables.

Income statement

Other external expenses

Other external expenses include expenses relating to the Entity's normal activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Income from investments in associates

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after pro rata elimination of intra-group profits or losses.

Income from other fixed asset investments

Income from other fixed asset investments comprises gains in the form of interest, dividends, etc. on fixed asset investments which are not investments in group enterprises or associates.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Investments in group enterprises**

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Investments in associates

Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value plus unamortised goodwill and plus or minus unrealised pro rata intra-group profits and losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to acquisitions of investments in associates.

Associates with negative equity value are measured at DKK 0. Any receivables from these associates are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive

obligation to cover the liabilities of the relevant associate, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in associates fall within the definitions of both participating interests and associates, yet in these consolidated financial statements they have been presented as investments in associates because this designation reflects more accurately the Group's involvement in the relevant entities.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Other investments

Other investments comprise unlisted equity investments and investments through mutual funds, which are measured at fair value (market price) at the balance sheet date, which is considered illiquid in the short term.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Other investments (current assets)

Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date, and unlisted equity investments measured at fair value based on the latest valuation of the underlying investments.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial

year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.