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Havneholmen 29
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ALFAPEOPLE APS

STØBERIGADE 14 2., 2450 KØBENHAVN SV

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 28 May 2024

Michael Gaardboe

CVR NO. 28 86 92 74

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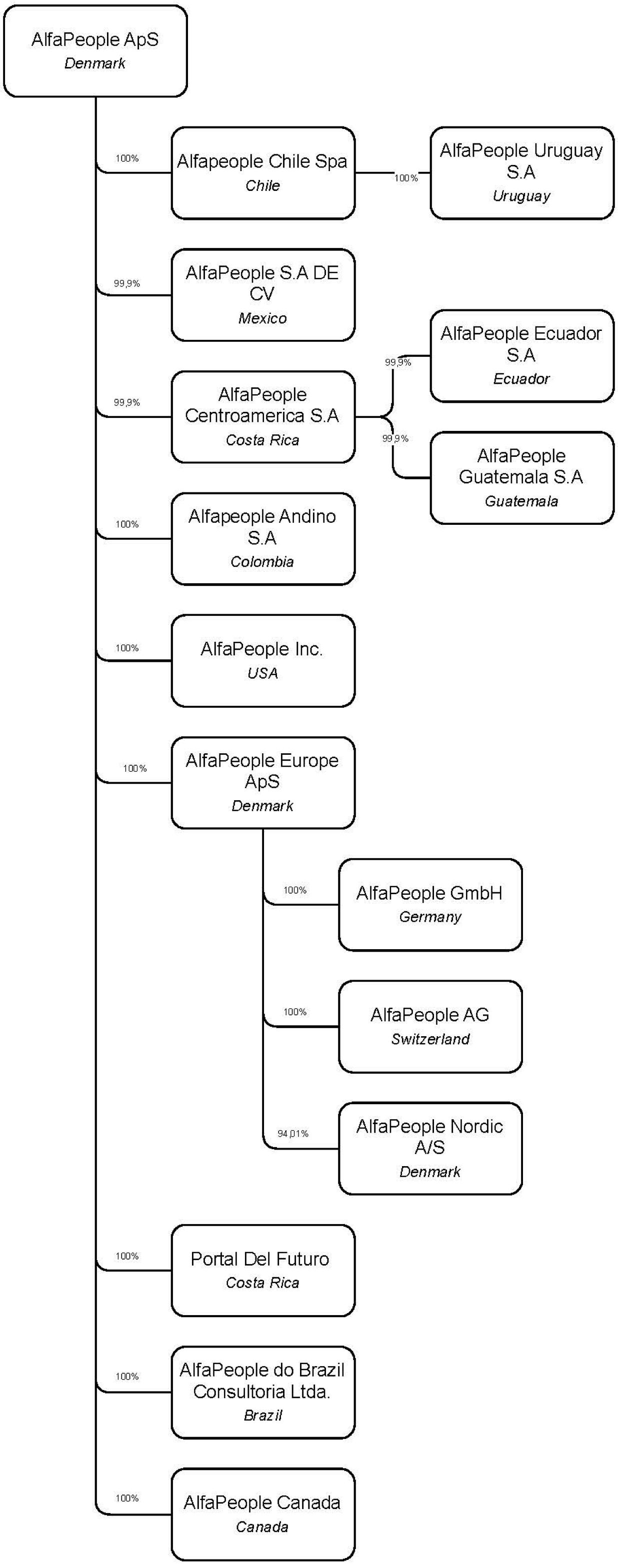
COMPANY DETAILS

Company	AlfaPeople ApS Støberigade 14 2. 2450 Copenhagen S	
	CVR No.:	28 86 92 74
	Established:	1 July 2005
	Municipality:	Helsingør
	Financial Year:	1 January - 31 December
Board of Directors	Michael Gaardboe Pernille Mærsk Gaardboe Anne Sophie Mærsk Gaardboe Maja Helene Mærsk Gaardboe Felipe Ignacio De Vidts Sabelle Michael John Stronach Hernández José Renato Ribeiro Miraglia	
Executive Board	Michael Gaardboe Steen Bell Andersen	
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V	
Bank	Nordea Vesterbrogade 8 1620 Copenhagen V	

GROUP STRUCTURE



MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of AlfaPeople ApS for the financial year 1 January - 31 December 2023.

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

In our opinion the Consolidated Financial Statements and the Annual Financial Statements of the Company give a true and fair view of Group's and the Company's assets, liabilities and financial position at 31 December 2023 and of the results of Group's and the Company's operations and cash flows for the financial year 1 January - 31 December 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 28 May 2024

Executive Board

Michael Gaardboe

Steen Bell Andersen

Board of Directors

Michael Gaardboe

Pernille Mærsk Gaardboe

Anne Sophie Mærsk Gaardboe

Maja Helene Mærsk Gaardboe

Felipe Ignacio De Vidts Sabelle

Michael John Stronach Hernández

José Renato Ribeiro Miraglia

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of AlfaPeople ApS

Opinion
We have audited the Consolidated Financial Statements and the Annual Financial Statements of the Company of AlfaPeople ApS for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity, notes *and a summary of significant accounting policies* for both the Group and the Parent Company, as well as consolidated statement of cash flows for the Group. *The Consolidated Financial Statements and the Annual Financial Statements of the Company are prepared in accordance with the Danish Financial Statements Act.*

In our opinion, the Consolidated Financial Statements and the Annual Financial Statements of the Company give a true and fair view of the assets, liabilities and financial position of the Group or the Company at 31 December 2023 and of the results of the Group and the Parent Company's operations as well as the consolidated cash flows of the Group for the financial year 1 January - 31 December 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 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 Consolidated Financial Statements and the Annual Financial Statements of the Company" 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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Consolidated Financial Statements and the Annual Financial Statements of the Company
Management is responsible for the preparation of Consolidated Financial Statements and the Annual Financial Statements of the Company 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 the Annual Financial Statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Annual Financial Statements of the Company, 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 Consolidated Financial Statements and the Annual Financial Statements of the Company unless Management either intends to liquidate the Group or the Company 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 Company Financial Statements
Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Annual Financial Statements of the Company 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 the Annual Financial Statements of the Company.

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

INDEPENDENT AUDITOR'S REPORT

- *Identify and assess the risks of material misstatement of the Consolidated Financial Statements and the Annual Financial Statements of the Company, 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 Consolidated Financial Statements and the Annual Financial Statements of the Company 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 Consolidated Financial Statements and the Annual Financial Statements of the Company 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 Consolidated Financial Statements and the Annual Financial Statements of the Company, including the disclosures, and whether the Consolidated Financial Statements and the Annual Financial Statements of the Company 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 Management Commentary
Management is responsible for Management Commentary.

Our opinion on the Consolidated Financial Statements and the Annual Financial Statements of the Company does not cover 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 Annual Financial Statements of the Company, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Consolidated Financial Statements and the Annual Financial Statements of the Company or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Consolidated Financial Statements and the Annual Financial Statements of the Company and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management Commentary.

INDEPENDENT AUDITOR'S REPORT

Copenhagen, 28 May 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Morten Christensen	Søren Søndergaard Jensen
State Authorised Public Accountant	State Authorised Public Accountant
MNE no. mne35626	MNE no. mne32069

FINANCIAL HIGHLIGHTS OF THE GROUP

	2023 DKK '000	2022 DKK '000	2021 DKK '000	2020 DKK '000	2019 DKK '000
Income statement					
Net revenue	319.540	271.356	212.888	203.103	252.861
Operating profit/loss before depreciation and amortisation (EBITDA)	34.671	23.799	20.276	7.925	-10.897
Operating profit/loss of main activities	29.813	19.774	15.234	4.340	-13.743
Financial income and expenses, net	-6.457	-2.756	-1.216	-2.980	-4.223
Profit/loss for the year	10.984	9.705	10.968	-911	-18.140
Balance sheet					
Total assets	154.470	116.862	109.843	111.514	95.322
Equity	56.667	36.074	31.762	13.136	17.950
Cash flows					
Investment in property, plant and equipment*	-4.520	-1.964	-1.885	-1.050	-2.925
Key ratios					
Operating margin	9,3	7,3	7,2	2,1	-5,6
Return on equity	23,7	28,6	48,9	-5,9	-59,8

** The 2023 figure is impacted by approx. DKK 3.7m arising from the contribution of former affiliated entities that have become fully owned subsidiaries in 2023.*

The ratios stated in the list of key figures and ratios have been calculated as follows:

Operating margin: $\frac{\text{Operating profit/loss x 100}}{\text{Net revenue}}$

Return on equity: $\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

MANAGEMENT COMMENTARY

Principal activities
The Group's main activities consist primarily of consulting services, own software development and sale of Microsoft ERP, CRM, Azure and PowerApps software and services to a customer base consisting predominantly of enterprise or international organisations.

Development in activities and financial position
Overall, the activity level and revenue development in 2023 are considered very satisfactory. Group revenues for 2023 totaled DKK 319.5m which is a growth of 18% compared to 2022.

Group profits (EBITDA) totaled DKK 34.7m in 2023 compared to DKK 23.8m in 2022, up by 46%, and with an EBITDA margin growing from 8.8% in 2022 to almost 11.0% in 2023.

In August 2023, Management completed a joint ownership structure for the purpose of building an even stronger platform for future growth and collaboration. This means that shareholders who were previously local shareholders in the LATAM region are now shareholders in the Danish parent company. The same applies to our Brazilian and Canadian entity which in 2022 and previous years were affiliated entities with 20% participation.

Already in 2023, positive results from the joint ownership have materialised via increased deployment of resources across entities within the Group and increased collaboration at management level, both initiatives which Management will focus on even more in 2024 to fuel future growth and improve profits.

One of our most significant achievements in 2023 has been proving that working online/remotely can lead to higher client satisfaction, higher employee satisfaction and higher earnings. This has been a true win-win situation for all stakeholders.

This is a result of a strategic transformation program "We Work Where We Want", kicked off almost 10 years ago. We are now providing our services online/remotely at a full 97%, and we can conclude that our full business transformation to online consulting services is complete – see below table for more details:

Region	AlfaPeople office	Customer site	Home office
Europe	40%	6%	54%
LATAM	2%	3%	95%
North America	0%	0%	100%
Group	4%	3%	93%

Development in activities and financial position – assuming full ownership in both fiscal year 2022 and 2023*:*
The below overview shows a regional split assuming full (100%) ownership of all AlfaPeople entities in both financial years 2022 and 2023. Revenues shown below are before any intercompany eliminations and all full year figures are presented in DKK million (DKKm):

Regional split - mDKK	Revenues		EBITDA	
	2023	2022	2023	2022
Latin America (including Brazil)	301,0	266,7	33,4	27,1
North America (USA and Canada)	37,9	18,8	6,8	0,1
Europe (including parent)	94,3	85,7	3,0	3,3
Group	433,2	371,2	43,2	30,5

MANAGEMENT COMMENTARY

Development in activities and financial position (continued)

Group

AlfaPeople Group continued to deliver strong growth in both revenues and profits in 2023. Revenues (non-eliminated) grew by close to 17% compared to 2022, and profits (EBITDA) went up by almost DKK 13m with an EBITDA margin, not eliminated for intercompany revenues, improving from 8.2% to 10.0%.

If adjusting for intercompany revenues, Group revenues for 2023 grew +13% from 2022 and the EBITDA margin improved from 9.1% in 2022 to 11.6% in 2023.

Europe

AlfaPeople Europe realised a 10% growth in revenues compared to 2022, while EBITDA remained at the same level as in 2022.

Both Denmark and Switzerland delivered EBITDA profits in 2023, while Germany was still working to overcome a management incident in 2022, for which reason the outcome of 2023 was a loss in the German operation. Management is monitoring the German operation closely and intends to provide the needed support for the company to turn profitable. Consequently, the German operation is considered a going concern.

Latin America

AlfaPeople Latin America realised growth in revenues of ~13% compared to 2022 and EBITDA increased by more than DKK 6m with a profit (EBITDA) margin improving from 10.2% in 2022 to 11.1% in 2023. Latin America comprises almost 70% of total Group revenues (non-eliminated) and 77% of Group profits (EBITDA).

Both AlfaPeople Brazil and Chile remained a strong footprint in their respective markets and realised two-digit growth in revenues and margins improved considerably. Also, Colombia experienced two-digit growth in revenues while the margin dropped slightly but ended at close to 19%. These three entities cover 77% of the revenues of the region and contributed with more than DKK 35m in EBITDA in 2023.

AlfaPeople Mexico, Ecuador and Costa Rica experienced a combined 12% growth in revenues compared to 2022 but was impacted by a couple of challenging projects in Costa Rica, which resulted in an EBITDA loss of DKK 1.6m in 2023. The projects in Costa Rica are under control and all three countries are expected to make profits in 2024 (both Mexico and Ecuador made profits in 2023).

North America

Revenues in the North America region more than doubled, driven by successful deployment of LATAM resources in US engagements.

EBITDA went from break-even in 2022 to a profit of approximately DKK 7m in 2023, of which DKK 4.5m was obtained in the US entity. The profit margin ended at an impressive ~18%.

Management is confident that the North American region will continue to deliver solid profits in 2024, driven especially by increased collaboration with the Latin American operation and a much stronger sales focus on international clients.

Recognition and measurement uncertainty
The parent company has an account receivable with its US subsidiary of DKK 10.1m at the balance sheet date of which, and due to previous losses in the US operation, there is uncertainty attached in terms of recoverability. However, and as mentioned in the North America section above, it is Management's expectation that solid future profits in the US operation will support full recoverability of the account receivable, for which reason the balance has not been written down.

For further information about this, please refer to the description of note 19.

Profit/loss for the year compared to the expected development
Profits (EBITDA) were as expected and with a better-than-expected margin, for which reason Management considers the outcome of 2023 very satisfactory.

Significant events after the end of the financial year
No events materially affecting the Group's and the Parent Company's financial position have occurred after the end of the financial year.

Knowledge resources
AlfaPeople is all about consulting and, hence, our most important asset is our people. We continually invest in product and service training and knowledge sharing to ensure that our employees always have skills and competences at a market-competitive level. This does not only benefit our employees, but it also ensures that we can offer added value to our customers.

AlfaPeople offers flexible working solutions which are very well-received by our employees. At the same time, we take pride in and invest heavily in ensuring that our colleagues always have a strong professional and personal connection to AlfaPeople. These initiatives and the continuous focus on employees result in a very satisfactory retention rate of employees.

Future expectations
Following the joint ownership, Management expects that significant synergies from increased collaboration and an aligned incentive to maximise global profits, will result in growth in both revenues and profits in 2024. However, with a continuing unstable global economic environment, it is somewhat unpredictable to estimate a full year outcome for 2024, nevertheless, it is Management's expectation that both revenues and profits (EBITDA) for 2024 will grow by at least 10% compared to 2023.

Treasury shares

	2023 DKK '000	2022 DKK '000
The amount of own shares comprise of:		
AlfaPeople Europe, 68 stk. a nom. 1.000 kr.	68	68
AlfaPeople Nordic, 237.975 stk. a nom. 1 kr.	238	238
AlfaPeople Switzerland, 80 stk. a nom. 100 CHF	8	8
	314	**314**
Own shares in % of share capital:		
AlfaPeople Europe	13,5	13,5
AlfaPeople Nordic	26,6	26,6
AlfaPeople Switzerland	8,0	8,0
	48,1	**48,1**

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	Group		Parent Company	
		2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000
NET REVENUE		**319.540**	**271.356**	**5.270**	**6.573**
Other operating income		8	15	382	0
Direct costs		-63.346	-62.575	0	0
Other external expenses		-29.821	-30.032	-893	-540
GROSS PROFIT/LOSS		**226.381**	**178.764**	**4.759**	**6.033**
Staff costs	1	-191.568	-154.693	-2.099	-1.269
Depreciation, amortisation and impairment losses for tangible and intangible assets		-4.858	-4.025	-496	-994
Other operating expenses		-142	-272	0	0
OPERATING PROFIT		**29.813**	**19.774**	**2.164**	**3.770**
Income from investments in subsidiaries and associates	2	-4.296	998	14.568	9.041
Other financial income	3	1.053	2.126	440	732
Other financial expenses	4	-7.510	-4.882	-2.763	-1.995
PROFIT BEFORE TAX		**19.060**	**18.016**	**14.409**	**11.548**
Tax on profit/loss for the year	5	-8.076	-8.311	-103	-351
PROFIT FOR THE YEAR	6	**10.984**	**9.705**	**14.306**	**11.197**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	Group 2023 DKK '000	Group 2022 DKK '000	Parent Company 2023 DKK '000	Parent Company 2022 DKK '000
Development projects completed, including patents and similar rights originating from development projects		13.099	7.092	1.939	365
Goodwill		315	405	0	0
Intangible assets	7	**13.414**	**7.497**	**1.939**	**365**
Other plant, fixtures and equipment		4.851	3.673	7	11
Property, plant and equipment	8	**4.851**	**3.673**	**7**	**11**
Investments in subsidiaries		0	0	85.770	35.468
Investments in associates		0	4.295	0	4.295
Rent deposit and other receivables		1.132	1.177	0	0
Financial non-current assets	9	**1.132**	**5.472**	**85.770**	**39.763**
NON-CURRENT ASSETS		**19.397**	**16.642**	**87.716**	**40.139**
Trade receivables		56.425	38.081	309	523
Contract work in progress		32.518	27.418	0	0
Receivables from group enterprises		7.804	9.188	20.704	25.175
Receivables from associated enterprises		0	373	0	0
Deferred tax assets	10	2.123	2.823	0	236
Other receivables		5.268	4.248	1.113	0
Corporation tax receivable		3.963	4.068	69	57
Prepayments	11	1.677	2.197	264	269
Receivables	12	**109.778**	**88.396**	**22.459**	**26.260**
Cash and cash equivalents		**25.295**	**11.824**	**750**	**2.280**
CURRENT ASSETS		**135.073**	**100.220**	**23.209**	**28.540**
ASSETS		**154.470**	**116.862**	**110.925**	**68.679**

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	Group 2023 DKK '000	Group 2022 DKK '000	Parent Company 2023 DKK '000	Parent Company 2022 DKK '000
Share Capital		409	225	409	225
Revaluation reserve, equity method		0	167	31.132	16.564
Reserve for development costs		0	7.092	1.513	0
Retained earnings		46.258	8.003	32.965	12.627
Proposed dividend		10.000	4.355	10.000	4.355
Minority shareholders		0	16.232	0	0
EQUITY		**56.667**	**36.074**	**76.019**	**33.771**
Provision for deferred tax	13	46	0	46	0
PROVISIONS		**46**	**0**	**46**	**0**
Covid-19 Loan		4.189	4.803	0	0
Bank debt		3.333	5.000	3.333	5.000
Other non-current liabilities		0	1.079	0	1.079
Holiday pay frozen		1.352	1.238	0	0
Non-current liabilities	14	**8.874**	**12.120**	**3.333**	**6.079**
Bank debt		18.033	18.751	16.667	16.667
Prepayments received concerning work in progress		6.866	1.390	0	0
Trade payables		25.224	20.294	270	475
Debt to Group companies		0	0	10.995	11.335
Debt to associated enterprises		0	83	0	0
Corporation tax payable		6.670	3.487	0	0
Other liabilities		30.398	24.663	1.903	352
Deferred income	15	1.692	0	1.692	0
Current liabilities		**88.883**	**68.668**	**31.527**	**28.829**
LIABILITIES		**97.757**	**80.788**	**34.860**	**34.908**
EQUITY AND LIABILITIES		**154.470**	**116.862**	**110.925**	**68.679**

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EQUITY

DKK '000	Group Share Capital	Other reserves	Retained earnings	Proposed dividend	Minority shareholders	Total
Equity at 1 January 2023....	225	7.259	8.003	4.355	16.232	36.074
Proposed profit allocation according to note 6..........			-610	10.000	1.594	10.984
Transactions with owners						
Dividend paid.................				-4.355		-4.355
Additions/disposals relating to equity by mergers and acquisitions...................	184		11.726			11.910
Contribution from Group....			2.417			2.417
Other legal bindings						
Foreign exchange adjustments..................			-363			-363
Transfers						
Allowed equalization.........		-7.259	25.085		-17.826	0
Equity at 31 December 2023.........................	**409**	**0**	**46.258**	**10.000**	**0**	**56.667**

DKK '000	Group Reserve for net revaluation according to equity value	Reserve for development costs	Total
Equity at 1 January 2023..	167	7.092	7.259
Transfers			
Allowed equalization...	-167	-7.092	-7.259
Equity at 31 December 2023...	**0**	**0**	**0**

EQUITY

	Parent Company					
DKK '000	Share Capital	Revaluation reserve, equity method	Reserve for development costs	Retained earnings	Proposed dividend	Total
Equity at 1 January 2023....	225	16.564	0	12.627	4.355	33.771
Proposed profit allocation, according note 6.............		14.568		-11.775	10.000	12.793
Transactions with owners						
Dividend paid.................					-4.355	-4.355
Additions/disposals relating to equity by mergers and acquisitions....................	184			29.124		29.308
Contribution from Group....				2.417		2.417
Other legal bindings						
Foreign exchange adjustments..................				572		572
Revaluations in the year.....			1.513			1.513
Equity at 31 December 2023...........................	**409**	**31.132**	**1.513**	**32.965**	**10.000**	**76.019**

In 2023 the Group company has obtained full ownership of the entities in Latin America (hereafter LATAM), Brazil and Canada via a contribution of the equity values of these entities.

The selling minority shareholders in the LATAM entities and the former majority shareholders in Brazil and Canada has obtained shares in the parent company in exchange for their contribution and following that the share capital has been increased during 2023

CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER

	Group	
	2023 DKK '000	2022 DKK '000
Profit/loss for the year	10.984	9.705
Depreciation and amortisation, reversed	6.127	3.053
Profit/loss from associates	4.296	-998
Tax on profit/loss, reversed	8.076	8.311
Corporation tax paid	-4.043	-7.050
Change in receivables (ex tax)	-22.187	-15.679
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility)	17.751	5.908
CASH FLOWS FROM OPERATING ACTIVITY	**21.004**	**3.250**
Purchase of intangible assets	-8.489	-4.233
Purchase of property, plant and equipment	-4.520	-1.964
Sale of property, plant and equipment	210	105
Sale of financial assets	45	1.125
Other cash flows from investing activities	-787	-1.246
CASH FLOWS FROM INVESTING ACTIVITY	**-13.541**	**-6.213**
Changes in subordinated loan capital	-3.246	-5.007
capital increase	14.327	0
Dividends paid in the financial year	-4.355	-3.541
CASH FLOWS FROM FINANCING ACTIVITY	**6.726**	**-8.548**
CHANGE IN CASH AND CASH EQUIVALENTS	**14.189**	**-11.511**
Cash and cash equivalents at 1. januar	-6.927	4.584
CASH AND CASH EQUIVALENTS AT 31. DECEMBER	**7.262**	**-6.927**
Cash and cash equivalents at 31 December comprise:		
Cash and cash equivalents	25.295	11.824
Bank debt	-18.033	-18.751
CASH AND CASH EQUIVALENTS	**7.262**	**-6.927**

NOTES

	Group		Parent Company		Note
	2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000	
Staff costs					1
Average number of full time employees	462	387	1	1	
Wages and salaries	157.583	129.945	1.923	1.075	
Pensions	6.624	4.733	168	185	
Social security costs	17.374	13.970	8	9	
Other staff costs	9.987	6.045	0	0	
	191.568	**154.693**	**2.099**	**1.269**	
Remuneration of Management and Board of Directors	3.855	0	3.855	0	
	3.855	**0**	**3.855**	**0**	

Comparison numbers in the note Remuneration of Management and Board of Directors has been left out with reference to the Danish Financial Statements Act § 98 b, 3 nr. 2.

	Group 2023	Group 2022	Parent 2023	Parent 2022	Note
Income from investments in subsidiaries and associates					2
Income from investments in subsidiaries	0	0	18.864	8.043	
Income from investments in associates	-4.296	998	-4.296	998	
	-4.296	**998**	**14.568**	**9.041**	
Other financial income					3
Interest income from group enterprises	211	0	211	226	
Other interest income	842	2.126	229	505	
	1.053	**2.126**	**440**	**731**	
Other financial expenses					4
Interest expenses to group enterprises	0	28	750	1.077	
Other interest expenses	7.510	4.854	2.013	918	
	7.510	**4.882**	**2.763**	**1.995**	

NOTES

	Group		Parent Company		Note
	2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000	
Tax on profit/loss for the year					5
Calculated tax on taxable income of the year	7.273	9.540	0	351	
Adjustment of tax in previous years	57	0	57	0	
Adjustment of deferred tax	746	-1.229	46	0	
	8.076	**8.311**	**103**	**351**	
Proposed distribution of profit					6
Proposed dividend for the year	10.000	0	10.000	0	
Allocation to reserve for net revaluation under the equity method	0	998	14.568	9.041	
Value adjustment for the year	0	0	1.513	0	
Allocation to other reserves	0	2.510	0	0	
Retained earnings	-610	-3.028	-11.775	-2.199	
Minority interest	1.594	4.870	0	0	
	10.984	**9.705**	**14.306**	**11.197**	

Intangible assets 7

	Group	
	Development projects completed, including patents and similar rights originating from development projects	Goodwill
Cost at 1 January 2023	11.278	14.000
Exchange adjustment at closing rate	405	0
Additions	8.298	191
Cost at 31 December 2023	**19.981**	**14.191**
Amortisation at 1 January 2023	4.186	13.595
Exchange adjustment at closing rate	334	0
Amortisation for the year	2.362	281
Amortisation at 31 December 2023	**6.882**	**13.876**
Carrying amount at 31 December 2023	**13.099**	**315**

Special assumptions for recognition of development costs
Development projects comprise in all material aspects Own IP products (localization packages and vertical solutions), which are developed and sold by the Group as part of the normal business cycle in several countries.

NOTES

Intangible fixed assets (continued) — Note 7

	Parent Company
	Development projects completed, including patents and similar rights originating from development projects
Cost at 1 January 2023	365
Additions	1.574
Cost at 31 December 2023	**1.939**
Carrying amount at 31 December 2023	**1.939**

The development costs is related to development of solutions to improve client interaction and project execution.

Property, plant and equipment — Note 8

	Group
	Other plant, fixtures and equipment
Cost at 1 January 2023	9.506
Exchange adjustment at closing rate	368
Additions	4.520
Disposals	-210
Cost at 31 December 2023	**14.184**
Depreciation and impairment losses at 1 January 2023	5.829
Exchange adjustment	20
Disposals	-177
Depreciation for the year	3.661
Depreciation and impairment losses at 31 December 2023	**9.333**
Carrying amount at 31 December 2023	**4.851**

NOTES

Note

Tangible fixed assets (continued) 8

	Parent Company
	Other plant, fixtures and equipment
Cost at 1 January 2023	14
Cost at 31 December 2023	**14**
Depreciation and impairment losses at 1 January 2023	3
Depreciation for the year	4
Depreciation and impairment losses at 31 December 2023	**7**
Carrying amount at 31 December 2023	**7**

Financial non-current assets 9

	Group	
	Investments in associates	Rent deposit and other receivables
Cost at 1 January 2023	4.128	1.177
Disposals	0	-45
Cost at 31 December 2023	**4.128**	**1.132**
Revaluation at 1 January 2023	168	0
Revaluation at 31 December 2023	**168**	**0**
Impairment losses for the year	4.296	0
Impairment losses and amortisation of goodwill at 31 December 2023	**4.296**	**0**
Carrying amount at 31 December 2023	**0**	**1.132**

Note

Fixed asset investments (continued) 9

	Parent Company
	Investments in subsidiaries
Cost at 1 January 2023	19.071
Additions	31.532
Cost at 31 December 2023	**50.603**
Revaluation at 1 January 2023	16.397
Exchange adjustment	397
Profit/loss for the year	15.238
Badwill on purchase of shares	4.566
Revaluation at 31 December 2023	**36.598**
Amortisation of goodwill	491
Impairment losses for the year	940
Impairment losses and amortisation of goodwill at 31 December 2023	**1.431**
Carrying amount at 31 December 2023	**85.770**

Badwil
As mentioned on page 18 under equity for the parent, the Group company has obtained full ownership of the Latam entities, Brazil and Canada during 2023.

When evaluating the contribution from these entities and aligning to the Groups accounting policies a value in excess of local book values used for the contribution of 4.566tDKK has been observed. The excess amount by far comprise work in progress which is considered fully recoverable why a badwill has been recognized in relation to the the contribution.

NOTES

Note

Fixed asset investments (continued) 9
Investments in subsidiaries (DKK '000)

Name and domicil	Equity	Profit/loss for the year	Ownership
AlfaPeople Europe ApS, Denmark.................	16.558	308	100 %
AlfaPeople Andino S.A., Colombia................	17.852	4.203	100 %
AlfaPeople Centroamerica S.A., Costa Rica......	-6.511	4.407	99,9 %
AlfaPeople Mexico S.As DE. C.V., Mexico.........	1.520	367	99,9 %
AlfaPeople Inc. , USA...............................	-4.528	4.061	100 %
AlfaPeople Chile Spa, Chile........................	31.771	9.725	100 %
AlfaPeople Brasil Consultoria De Info., Brazil...	12.380	5.687	100 %
Alfapeople Canada, Canada	1.675	1.670	100 %
Subsidiarys in AlfaPeople Europe, Denmark			
AlfaPeople GmbH, Germany........................	-7.126	-2.492	100 %
AlfaPeople AG, Switzerland........................	3.878	1.480	100 %
AlfaPeople Nordic, Denmark.......................	6.212	320	94,01 %
Subsidiaries in AlfaPeople Centroamerica S.A. Costa Rica			
AlfaPeople Ecuador S.A. , Ecuador................	191	224	99,9 %
AlfaPeople Guatemala S.A., Guatemala..........	-	-	99,9 %

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Note

Deferred tax assets 10

Provision for deferred tax comprises deferred tax on contract work in progress, intangible and tangible fixed assets.

	Group		Parent Company	
	2023 DKK '000	**2022** DKK '000	**2023** DKK '000	**2022** DKK '000
Deferred tax assets, beginning of year	2.823	2.823	0	0
Deferred tax of the year, income statement	-700	0	0	0
Deferred tax assets 31 December 2023	**2.123**	**2.823**	**0**	**0**

The deferred tax assets are based on the expectation of a positive fiscal profit in the next 2-4 years, whereby the deferred tax assets are expected to be fully utilized.

Prepayments 11

Costs	1.677	2.197	264	0
	1.677	**2.197**	**264**	**0**

Prepayments contains prepaid cost, mainly insurance and rent, which is related to the following fiscal year.

Receivables falling due after more than one year 12

Deferred tax	1.592	2.258	0	0
Receivables from group enterprises	4.682	5.513	0	0
	6.274	**7.771**	**0**	**0**

Provision for deferred tax 13

Deferred tax, beginning of year	0	1.857	0	0
Deferred tax of the year, income statement	46	-1.857	46	0
Total	**46**	**0**	**46**	**0**

The provision for deferred tax comprises deferred tax on Development projects completed, including patents and similar rights originating from development projects, and loss carried forward.

NOTES

Note

Long-term liabilities 14

	Group			
	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Covid-19 Loan	5.555	1.366	0	4.803
Bank debt	20.000	16.667	0	24.830
Frozen holiday pay	1.352	0	1.352	1.238
	26.907	**18.033**	**1.352**	**30.871**

	Parent Company			
	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Bank debt	20.000	16.667	0	21.667
Other non-current liabilities	0	0	0	1.079
	20.000	**16.667**	**0**	**22.746**

Deferred income 15

Accruals recognised as liabilities include payments received regarding income for

Contingencies etc. 16

Group:

The individual Group companies have issued warranties to the Group’s largest supplier for the Group’s total ongoing commitments.

The Group has entered into operating rent agreements etc. for which the total future liability totals DKK ('000) 2.676 and expires between 1-23 months.

The group has entered into lease agreements etc. for which the total future liability totals DKK ('000) 535 and expires within 6-47 months.

Joint liabilities

The danish companies is jointly and severally liable together with the parent company and the other group companies in the joint taxable group for tax on the group’s joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group’s joint taxable income is stated in the annual report of Gaardboe ApS, which serves as management company for the danish joint taxation.

Charges and securities 17

The Group has provided floating charge amounting to DKK ('000) 10.000 for outstanding credit amount. At the balance date AlfaPeople Group have a debt of DKK ('000) 20.000. The charging amount of the assets provided as security is total DKK ('000) 23.328.

NOTES

Note

Related parties 18

The Company's related parties include:

Controlling interest

Gaardboe ApS as owner of 55% of the capital. Ultimate shareholder is Michael Gaardboe, managing director, Høje Sandbjergvej 16, Gl Holte, 2840 Holte.

The annual accounts of AlfaPeople ApS is part of the group accounts of Gaardboe ApS, CVR-No. 30 08 28 85, København SV, Denmark.

Information on significant uncertainties at recognition and measurement 19

The parent company has a receivable with its subsidiary AlfaPeople Inc. (USA) which amount to 10.1mDKK as of 31 December 2023 (11.2mDKK end December 2022).

AlfaPeople Inc. realized an EBITDA loss of 0.9mDKK in 2022, while 2023 resulted in an EBITDA profit of 4.5mDKK.

It is management expectation that 2024 and following years will result in solid profits that can generate sufficient cash flows enabling AlfaPeople Inc. to repay their payable to the parent company within a 3-4 year period. Following that, Management consider the parent company receivable with AlfaPeople Inc. fully recoverable, why no write down has been made.

Consolidated Financial Statements 20

The company is included in the consolidated financial statement of Gaardboe ApS the parent company, Høje Sandbjergvej 16, Gl Holte, 2840 Holte, CVR-no 30 08 28 85.

ACCOUNTING POLICIES

The Annual Report of AlfaPeople ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

Consolidated Financial Statements
The consolidated financial statements include the parent company AlfaPeople ApS and its subsidiaries in which AlfaPeople ApS directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the group holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are considered associates, see the group structure.

The consolidated financial statements consolidate the financial statements of the parent company and the subsidiaries by combining uniform accounts items. Intercompany income and expenses, shareholdings, internal balances and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

New acquired or established enterprises are recognized in the consolidated financial statements from the time of acquisition. Sold or wound up enterprises are recognised in the consolidated income statement up to the time of disposal. Comparative figures are not adjusted for new acquired, sold or wound up enterprises.

Acquired enterprises are recognised in the consolidated financial statements under the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisitons date. The fair value is calculated based on acquisitions made in an active market, alternatively calculated using generally accepted valuation methods. Upon calculation of the fair value of properties used in the business a discounted cash flow model is applied based on discounted cash flow of future earnings. Operating equipment is recognesed at fair value based on an assesor's opinion, built on an overall assessment of the production equipment.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiaries' market value of net assets and liabilities at the acquisition date.

Positive differences between acquisition value and market value of acquired and identified assets and liabilities are recognised in intangible fixed assets as goodwill and amortised systematically in the Income statement under an individual assessment of the useful life. Negative differences are recognised in the income statement upon acquisition.
Minority interests
The accounting items of the subsidiaries are recognised in full in the consolidated financial statements. The minority interests' proportional share of the results and equity of the subsidiaries is stated as separate items in the allocation of profit/loss and in individual main items under equity.

INCOME STATEMENT

Net revenue
Net revenue from sale of services ect. is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Where products with a high degree of individual adjustments are delivered, recognition in net revenue is made as and when the production progresses, the net revenue being equal to the sales value of the work performed for the year (the production method). This method is applied when the total costs and expenses regarding the contract and the degree of completion at the balance sheet date can be reliably assessed, and it is likely that the financial benefits will flow to the company.

ACCOUNTING POLICIES

When the result of contract work cannot be assessed reliably, revenue is only recognised corresponding to related costs to the extent that it is likely that they will be recovered.

Sale of services is generally recognised on the basis of a measurable degree of completion, using straight-line recognition of services delivered over time in a regular pattern. Where the degree of completion is not measurable or the sales value or the total costs of completion are uncertain, revenue is recognised by the amount that the enterprise as a maximum believes to have a right to claim and is expected to be received for services delivered at the Balance Sheet date.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other operating income
Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities, including profit from sale of intangible and tangible fixed assets. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Other external expenses
Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Other operating expenses
Other operating expenses include items of a secondary nature in relation to the enterprises' principal activities, including loss from sale of intangible and tangible fixed assets.

Income from investments in subsidiaries and associates
The income statement of the parent company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Interest and other costs of borrowing for financing of manufacture of current assets and fixed assets are not recognised in the cost price.

ACCOUNTING POLICIES

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

The company is jointly taxed with Danish group companies. The current corporation tax is distributed between the jointly taxed companies in proportion to their taxable income, and with full distribution with refund regarding taxable losses. The jointly taxed companies are included in the tax-on-account scheme.

BALANCE SHEET

Intangible fixed assets
Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to between 5 to 10 years. The period of amortisation is determined based on an assessment of the acquired company's position in the market and earnings profile, and the segment-specific conditions.

Development costs comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the company's development actitivites and which fullfil the criteria for recognition.

Intangible fixed assets are generally written down to the lower of recoverable value and carrying amount.

Tangible fixed assets
Other plants, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment..	3-5 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

ACCOUNTING POLICIES

Financial non-current assets
Investments are measured in the company's balance sheet under the equity method.

Investments in are measured in the balance sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the parent company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill.

The combination method is applied when acquiring enterprises within the Group, where the combination is regarded as completed from the earliest financial period included in the Financial Statements, and by using the carrying amounts of the assets and liabilities acquired.

The difference between the acquisition cost and carrying amounts is recognised directly in equity.

Net revaluation of investments in subsidiaries and associates is transferred under the equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value. The acquisition method is used on purchase of subsidiaries, see description above under consolidated financial statements.

Profit and loss at disposal of investments in associates are determined as the difference between the net selling price and the carrying amount of the disposed investment at the time of sale, including non-depreciated excess values and goodwill. Profit and loss are recognised in the Income Statement under income from investments.

Associates with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down by the company's share of the negative equity to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the companies has a legal or actual liability to cover the associates deficit.

Impairment of fixed assets
The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Deposits
Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

ACCOUNTING POLICIES

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

Contract work in progress
Work in progress on contract is measured at the sales value of the work performed. The sales value is measured on the basis of the degree of completion on the balance sheet date and the total anticipated revenue related to the specific piece of work in progress.

The specific piece of work in progress is recognised in the Balance Sheet as receivables or payables, depending on the net value of the selling price less progress invoicing and progress payments.

Costs relating to sales work and obtaining of contracts are recognised in the Income Statement as and when they are incurred.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Other liabilities whcich include debt to suppliers, subsidairies and assoiciates and other debt are measured at amortied cost which usually correspondes to the nominal value.

ACCOUNTING POLICIES

Accruals, liabilities
Accruals recognised as liabilities include payments received regarding income in subsequent years.

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange afjustments are recognised directly in the equity.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

On recognition of foreign subsidiaries that are not independent entities, but integrated entities, monetary items are translated at the exchange rate on the balance sheet date. The items of the income statement are translated at the average rate for the year.

The income statements of foreign subsidiaries and associates fulfilling the criteria for being independent entities are translated at an average exchange rate for the month and balance sheet items are translated at the rate of exchange on the balance sheet date. Exchange differences arising from translation of the equity of foreign subsidiaries at the beginning of the year to the rates of the balance sheet date and from translation of income statements from average rate to the rates of the balance sheet date are recognised directly in the equity.

Exchange adjustment of intercompany accounts with foreign subsidiaries that are deemed to be an addition to or deduction from the equity of independent subsidiaries are recognised directly in the equity.

Exchange rate differences recognised in Equity are accumulated in a fair value reserve for currency translation of foreign entities and are transferred to the Income Statement when object of the currency translation is realised or ends. An exception is exchange rate differences arising from translation of Equity interests, which are recognised at Equity value, where the whole value adjustment, including exchange rate differences, are included in the reserve for net valuation according to the Equity value method.

CASH FLOW STATEMENT

With reference to Section 86(4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement. A cash flow statement has been prepared for the Group.

The cash flow statement shows the Company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

Cash flows from operating activities:
Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

ACCOUNTING POLICIES

Cash flows from investing activities:
Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:
Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:
Cash and cash equivalents include cash at bank and in hand and short-term securities, for which there is only negligible risk of changes in value, and which are readily negotiable for cash at bank and in hand.