INPS A/S

Ellegårdvej 7, DK-6400 Sønderborg

Annual Report for 2023

CVR No. 34 73 32 28

The Annual Report was presented and adopted at the Annual General Meeting of the company on 14/3 2024

Bent Kristensen
Chairman of the general meeting

Contents

Management's statement

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

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

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

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

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

Sønderborg, 14 March 2024

Executive Board

Jens Rom
Manager

Board of Directors

Jan C. von Backhaus Chairman	Bent Kristensen Vice chairman	Peter M. Clausen
Allan Krogsgaard Jakobsen	Erik Balck Sørensen	

Independent Auditor's report

To the shareholders of INPS A/S

Opinion

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

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

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s responsibilities for the audit of the Financial Statements

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

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

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

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

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

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

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

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

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

Aarhus C, 14 March 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Henrik Kragh
State Authorised Public Accountant
mne26783

Jeppe Smed Sørensen
State Authorised Public Accountant
mne40041

Company information

The Company	INPS A/S Ellegårdvej 7 DK-6400 Sønderborg CVR No: 34 73 32 28 Financial period: 1 January - 31 December Incorporated: 2 November 2012 Financial year: 11th financial year Municipality of reg. office: Sønderborg
Board of Directors	Jan C. von Backhaus, chairman Bent Kristensen, vice chairman Peter M. Clausen Allan Krogsgaard Jakobsen Erik Balck Sørensen
Executive Board	Jens Rom
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Jens Chr. Skous Vej 1 DK-8000 Aarhus C
Bankers	Danske Bank

Financial Highlights

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

	Group				
	2023	2022	2021	2020	2019
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Gross profit	108,836	137,427	101,703	31,585	25,518
Profit/loss of primary operations	44,815	79,787	54,520	-11,334	-13,535
Profit/loss of financial income and expenses	1,283	-923	21,724	-7,874	-4,302
Net profit/loss for the year	35,759	67,078	88,225	-18,969	-16,218
Balance sheet					
Balance sheet total	160,874	183,832	169,135	65,641	70,210
Investment in property, plant and equipment	5,237	4,767	515	156	3,368
Equity	119,392	114,405	105,245	16,976	24,681
Cash flows					
Cash flows from:					
- operating activities	65,180	27,331	44,265	2,088	-7,647
- investing activities	-5,237	-10,423	36,204	-10,296	-20,396
- financing activities	-30,000	-58,000	-30,949	9,655	32,986
Change in cash and cash equivalents for the year	29,943	-41,092	49,520	1,447	4,943
Number of employees	119	138	102	96	90
Ratios					
Return on assets	27.9%	43.4%	32.2%	-17.3%	-19.3%
Solvency ratio	74.2%	62.2%	62.2%	25.9%	35.2%
Return on equity	30.6%	61.1%	144.4%	-91.1%	-121.8%

Management's review

Key activities

The purpose of the Company is to be the holding company of the INPS Group. The purpose of the Group is to develop and sell innovative parcel locker systems and related software-based solutions to logistics providers globally.

Development in the year

The income statement of the Group for 2023 shows a profit of TDKK 35,759, and at 31 December 2023 the balance sheet of the Group shows a positive equity of TDKK 119,392.

The result for 2023 has been affected by the macroeconomic development with high inflation and high interest rates which, together with general uncertainties in the world, has delayed the decision-making of our customers. Consequently, demand has slowed down and the realized result for the year is lower than anticipated at the beginning of the year. However, the continued growth in online shopping and increased focus on sustainable first and last mile solutions is still expected to boost demand for parcel locker systems, where the group focuses on delivering parcel lockers rather than operating distribution networks ourselves.

There is still good traction on the roll-out of parcel locker networks to strategic customers. During 2023 new pilots have been successfully implemented.

During 2023 the Company paid dividends of MDKK 30 to its shareholders.

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

The results for 2023 did not meet the expectations set at the beginning of the year. The anticipated profit for 2023 was within the range of MDKK 100 to 165. However, both turnover and profit fell below the levels achieved in 2022. These lower figures can be attributed to the conditions mentioned in 'Development in the year.' Despite these challenges, the group successfully secured new pilots and customers in new markets.

Targets and expectations for the year ahead

The Group expects to be back on the growth trajectory in 2024 and will continue to roll out the Infinity solution in both existing and new markets around the world. The expected profit before tax for 2024 is in the interval MDKK 60 to 90.

Research and development

In 2023 the project Circuit was traded internally between Swipbox International A/S and Pero Solutions ApS in order to streamline the assets in the Group. The Circuit project consist of the development of digital label solutions that supports circular packaging.

External environment

The Group works towards reducing its environmental footprint through an ongoing optimization of the energy and resources used for the daily operation and in the products.

Intellectual capital resources

To offer innovative solutions, the Group is dependent on both human and technological resources. Thus, the ability to recruit and retain highly qualified employees remains a key priority.

Management's review

Group Companies

SwipBox Polska sp. z o.o. is a 100% owned subsidiary based in Warzawa, Poland. Sales and customer service for Polish customers is handled through this company.

SwipBox Pakistan Ltd is a 99.8% owned subsidiary based in Islamabad, Pakistan. Software development for the Group is handled through this company.

SwipBox Pty Ltd is a 100% owned subsidiary based in Brisbane, Australia. Sales and customer service for Australian customers is handled through this company.

Uncertainty relating to recognition and measurement

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

Unusual events

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

Subsequent events

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

Income statement 1 January - 31 December

		Group		Parent company	
	Note	2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Gross profit		**108,836**	**137,427**	**-1,870**	**-7,050**
Staff expenses	2	-57,585	-52,592	0	0
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-6,436	-5,048	0	0
Profit/loss before financial income and expenses		**44,815**	**79,787**	**-1,870**	**-7,050**
Income from investments in subsidiaries		0	0	38,411	74,151
Financial income	3	2,196	644	21	266
Financial expenses	4	-913	-1,567	-1,089	-110
Profit/loss before tax		**46,098**	**78,864**	**35,473**	**67,257**
Tax on profit/loss for the year	5	-10,339	-11,786	286	-179
Net profit/loss for the year	6	**35,759**	**67,078**	**35,759**	**67,078**

Balance sheet 31 December

Assets

	Note	Group 2023	Group 2022	Parent company 2023	Parent company 2022
		TDKK	TDKK	TDKK	TDKK
Completed development projects		6,183	12,832	0	0
Development projects in progress		6,790	1,483	0	0
Intangible assets	7	**12,973**	**14,315**	**0**	**0**
Other fixtures and fittings, tools and equipment		9,392	8,503	0	0
Property, plant and equipment in progress		0	0	0	0
Property, plant and equipment	8	**9,392**	**8,503**	**0**	**0**
Investments in subsidiaries	9	0	0	155,559	155,920
Fixed asset investments		**0**	**0**	**155,559**	**155,920**
Fixed assets		**22,365**	**22,818**	**155,559**	**155,920**
Raw materials and consumables		15,811	15,971	0	0
Finished goods and goods for resale		18,300	10,579	0	0
Prepayments for goods		3,205	10,067	0	0
Inventories		**37,316**	**36,617**	**0**	**0**
Trade receivables		29,620	78,734	0	0
Other receivables		10,096	9,217	0	15
Receivable from shareholders and Management		0	712	0	712
Deferred tax asset	10	8,255	11,512	32	43
Corporation tax		132	2,188	132	0
Corporation tax receivable from group enterprises		0	0	7,709	1,226
Prepayments	11	853	251	0	0
Receivables		**48,956**	**102,614**	**7,873**	**1,996**

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Cash at bank and in hand		**52,237**	**21,783**	**934**	**641**
Current assets		**138,509**	**161,014**	**8,807**	**2,637**
Assets		**160,874**	**183,832**	**164,366**	**158,557**

Balance sheet 31 December

Liabilities and equity

		Group		Parent company	
	Note	2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Share capital	12	17,690	17,690	17,690	17,690
Reserve for net revaluation under the equity method		0	0	36,560	36,921
Reserve for loans and security		0	0	0	712
Reserve for exchange rate conversion		-379	393	0	0
Retained earnings		102,081	96,322	65,142	59,082
Equity		**119,392**	**114,405**	**119,392**	**114,405**
Other provisions	13	7,163	13,046	0	0
Provisions		**7,163**	**13,046**	**0**	**0**
Prepayments received from customers		5,719	13,971	0	0
Trade payables		12,383	24,305	56	0
Payables to group enterprises		0	0	44,343	37,049
Corporation tax		615	1,909	0	1,909
Payables to group enterprises relating to corporation tax		0	0	0	2,544
Other payables		15,602	16,196	575	2,650
Short-term debt		**34,319**	**56,381**	**44,974**	**44,152**
Debt		**34,319**	**56,381**	**44,974**	**44,152**
Liabilities and equity		**160,874**	**183,832**	**164,366**	**158,557**

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Statement of changes in equity

Group

	Share capital	Reserve for exchange rate conversion	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	17,690	393	96,322	114,405
Exchange adjustments	0	-772	0	-772
Extraordinary dividend paid	0	0	-30,000	-30,000
Net profit/loss for the year	0	0	35,759	35,759
Equity at 31 December	**17,690**	**-379**	**102,081**	**119,392**

Parent company

	Share capital	Reserve for net revaluation under the equity method	Reserve for loans and security	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	17,690	36,921	712	59,082	114,405
Exchange adjustments	0	-772	0	0	-772
Extraordinary dividend paid	0	0	0	-30,000	-30,000
Reversal for the year of loans and security on sale of shares of the Company	0	0	-712	712	0
Net profit/loss for the year	0	411	0	35,348	35,759
Equity at 31 December	**17,690**	**36,560**	**0**	**65,142**	**119,392**

Cash flow statement 1 January - 31 December

	Note	Group 2023	Group 2022
		TDKK	TDKK
Result of the year		35,759	67,078
Adjustments	14	15,492	17,757
Change in working capital	15	20,995	-48,629
Cash flow from operations before financial items		**72,246**	**36,206**
Financial income		1,179	644
Financial expenses		-913	-1,058
Cash flows from ordinary activities		**72,512**	**35,792**
Corporation tax paid		-7,332	-8,461
Cash flows from operating activities		**65,180**	**27,331**
Purchase of intangible assets		0	-6,066
Purchase of property, plant and equipment		-5,237	-4,767
Sale of property, plant and equipment		0	410
Cash flows from investing activities		**-5,237**	**-10,423**
Dividend paid		-30,000	-58,000
Cash flows from financing activities		**-30,000**	**-58,000**
Change in cash and cash equivalents		**29,943**	**-41,092**
Cash and cash equivalents at 1 January		21,783	63,249
Exchange adjustment of current asset investments		511	-374
Cash and cash equivalents at 31 December		**52,237**	**21,783**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		52,237	21,783
Cash and cash equivalents at 31 December		**52,237**	**21,783**

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
1. Other operating income				
Other income	28	0	0	0
	28	**0**	**0**	**0**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
2. Staff Expenses				
Wages and salaries	53,143	48,546	0	0
Pensions	2,736	2,426	0	0
Other social security expenses	777	676	0	0
Other staff expenses	929	944	0	0
	57,585	**52,592**	**0**	**0**
Including remuneration to the Board of Directors	**3,944**	**4,137**	**0**	**0**
Average number of employees	**119**	**138**	**0**	**0**

Salaries to the executive board has not been disclosed separately and is included in the salaries for the board of directors in accordance with section 98 B(3) of the Danish Financial Statements Act.

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
3. Financial income				
Interest received from group enterprises	0	0	0	44
Other financial income	2,196	644	21	222
	2,196	**644**	**21**	**266**

Notes to the Financial Statements

4. Financial expenses

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Interest paid to group enterprises	0	0	1,002	20
Other financial expenses	913	1,567	87	90
	913	**1,567**	**1,089**	**110**

5. Income tax expense

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Current tax for the year	8,020	7,502	-289	-4,974
Deferred tax for the year	2,328	3,949	3	5,153
Adjustment of tax concerning previous years	-9	335	0	0
	10,339	**11,786**	**-286**	**179**

6. Profit allocation

	Parent company	
	2023	2022
	TDKK	TDKK
Extraordinary dividend paid	30,000	58,000
Reserve for net revaluation under the equity method	411	36,529
Retained earnings	5,348	-27,451
	35,759	**67,078**

7. Intangible fixed assets
Group

	Completed development projects	Develop-ment projects in progress
	TDKK	TDKK
Cost at 1. January	26,470	1,483
Additions for the year	0	915
Transfers for the year	-4,583	4,392
Cost at 31. December	21,887	6,790
Impairment losses and depreciation at 1. January	13,638	0
Depreciation for the year	2,257	0
Transfers for the year	-191	0
Impairment losses and depreciation at 31. December	15,704	0
Carrying amount at 31. December	**6,183**	**6,790**

Completed development projects consists of developed software related to the SwipBox concept which includes Infinity and Classic parcel lockers systems and related software-based solutions to logistics providers.

Development projects in progress consist of the development of a digital label solution that supports circular packaging. It’s expected that the development of the solution will be finalized over the next 5 years, and when completed, it will positively impact Swipbox’s activities.

8. Property, plant and equipment
Group

	Other fixtures and fittings, tools and equipment
	TDKK
Cost at 1. January	19,508
Exchange adjustment	-220
Additions for the year	5,237
Disposals for the year	-247
Cost at 31. December	24,278
Impairment losses and depreciation at 1. January	11,003
Exchange adjustment	-39
Depreciation for the year	3,922
Impairment losses and depreciation at 31. December	14,886
Carrying amount at 31. December	**9,392**

	Parent company	
	2023	2022
	TDKK	TDKK

9. Investments in subsidiaries

	2023 TDKK	2022 TDKK
Cost at 1 January	118,999	118,999
Cost at 31 December	118,999	118,999
Value adjustments at 1 January	36,921	-37,312
Exchange adjustment	-772	82
Net profit/loss for the year	38,411	74,151
Dividend to the Parent Company	-38,000	0
Value adjustments at 31 December	36,560	36,921
Carrying amount at 31 December	**155,559**	**155,920**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
SwipBox International A/S	Denmark	DKK 500k	100%
SwipBox Development ApS^	Denmark	DKK 2.300k	100%
SwipBox Pakistan Pvt. Ltd. ^^	Pakistan	RS 500k	99,8%
SwipBox Pty. Ltd.^	Australia	AUD 1	100%
SwipBox Polska sp. z o.o.^	Poland	PLN 65k	100%
PERO Solutions ApS^	Denmark	DKK 71k	100%

^) Subsidiary of SwipBox International A/S
^^) Subsidiary of SwipBox Development ApS

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
10. Deferred tax asset				
Deferred tax asset at 1 January	11,512	15,323	43	5,197
Amounts recognised in the income statement for the year	-3,257	-3,811	-11	-5,154
Deferred tax asset at 31 December	**8,255**	**11,512**	**32**	**43**

The recognised tax asset comprises tax loss carry-forwards and tax depreciationsbased assets expected to be utilised within the next three to four years. In connection with the assessment of the utilisation of the tax asset, special emphasis has been placed on the Groups expected growh the coming years and expected profit before tax.

11. Prepayments

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

12. Share capital

	Number	Nominal value
		TDKK
A-shares	398,775	399
B-shares	17,290,747	17,291
		17,690

The company has issued warrants of total 518.701. Each warrant entitles the warrantholder to subscribe for A-class shares in the company of a nominal value of DKK 1 without preemption right for the shareholders of the company. The warrant agreement expires 1st January 2030 and the exercise price is determined in the warrantagreement.

13. Other provisions

	Group 2023 TDKK	Group 2022 TDKK	Parent company 2023 TDKK	Parent company 2022 TDKK
Other provisions	7,163	13,046	0	0
	7,163	**13,046**	**0**	**0**
The provisions are expected to mature as follows:				
After 5 years	450	370	0	0
	450	**370**	**0**	**0**

The Company provides warranties on some of its products and is therefore obliged to repair or replace goods which are not satisfactory. Based on previous experience in respect of the level of repairs and returns, other provisions of TDKK 7,163 (2022: TDKK 13,046) have been recognised for expected warranty claims.

14. Cash flow statement - Adjustments

	Group 2023 TDKK	Group 2022 TDKK
Financial income	-2,196	-644
Financial expenses	913	1,567
Depreciation, amortisation and impairment losses, including losses and gains on sales	6,436	5,048
Tax on profit/loss for the year	10,339	11,786
	15,492	**17,757**

15. Cash flow statement - Change in working capital

	Group 2023 TDKK	Group 2022 TDKK
Change in inventories	-699	-17,841
Change in receivables	48,345	-34,736
Change in other provisions	-5,883	3,984
Change in trade payables, etc	-20,768	-36
	20,995	**-48,629**

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

16. Contingent assets, liabilities and other financial obligations

Contingent assets

The group has a not recognized deferred tax asset per. 31 December 2023 at TDKK 699 (2022: TDKK 699). The amount is not recognized in the balance sheet, as there is uncertainty about the time of its utilization.

Rental and lease obligations

	Group 2023 TDKK	Group 2022 TDKK	Parent company 2023 TDKK	Parent company 2022 TDKK
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	1,041	1,051	0	0
Between 1 and 5 years	244	460	0	0
	1,285	**1,511**	**0**	**0**

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to TDKK -132. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Group’s liability.

The parent company is guarantor with primary liability in respect of all balances with the subsidiary SwipBox International A/S.

17. Related parties

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

18. Subsequent events

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

19. Accounting policies

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

The accounting policies applied remain unchanged from last year.

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

Recognition and measurement

All expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

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

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

Basis of consolidation

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

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

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

Translation policies

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

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

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

Income statements of foreign subsidiaries and associates that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Notes to the Financial Statements

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve the consolidated revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

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

Income from investments in subsidiaries

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

Financial income and expenses

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

Tax on profit/loss for the year

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

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with danish subsidiaries. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Development projects

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

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

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

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

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 8-10 year.

Property, plant and equipment

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

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

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

Other fixtures and fittings, tools and equipment	3-8 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

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

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

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Investments in subsidiaries

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

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

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

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

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

Receivables

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

Prepayments

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

Equity

Treasury shares

Purchase and sales prices for treasury shares are recognised directly in retained earnings under equity. A reduction of capital by cancellation of treasury shares reduces the share capital by an amount equal to the nominal value of the shares and increases retained earnings. Dividend on treasury shares is recognised directly in equity under retained earnings.

Provisions

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

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-10 years. Provisions are measured and recognised based on experience with guarantee work.

Deferred tax assets and liabilities

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

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

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

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

Current tax receivables and liabilities

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

Financial liabilities

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

Cash Flow Statement

The cash flow statement shows the Group’s cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group’s cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Notes to the Financial Statements

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise ”Cash at bank and in hand”.

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

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