



## Corti ApS

Store Strandstræde 21, 4.  
1255 Copenhagen K  
CVR No. 35669825

## Annual report 2023

The Annual General Meeting adopted the annual report on 26.07.2024

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**Andreas Cleve**

Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management on the annual report	3
Independent auditor's report	4
Management commentary	7
Consolidated income statement for 2023	11
Consolidated balance sheet at 31.12.2023	12
Consolidated statement of changes in equity for 2023	14
Consolidated cash flow statement for 2023	15
Notes to consolidated financial statements	16
Parent income statement for 2023	22
Parent balance sheet at 31.12.2023	23
Parent statement of changes in equity for 2023	25
Notes to parent financial statements	26
Accounting policies	31

# Entity details

## Entity

Corti ApS

Store Strandstræde 21, 4.

1255 Copenhagen K

Business Registration No.: 35669825

Registered office: Copenhagen

Financial year: 01.01.2023 - 31.12.2023

## Board of Directors

Lars Maaløe

Andreas Cleve

Mads Lacoppidan

Tommy Frejlev Andersen

Laura Elizabeth Connell

Sandeep Singh Bakshi

## Executive Board

Andreas Cleve

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Corti ApS for the financial year 01.01.2023 - 31.12.2023.

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

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

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

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

Copenhagen, 26.07.2024

## Executive Board

**Andreas Cleve**

## Board of Directors

**Lars Maaløe**

**Andreas Cleve**

**Mads Lacoppidan**

**Tommy Frejlev Andersen**

**Laura Elizabeth Connell**

**Sandeep Singh Bakshi**

# Independent auditor's report

## To the shareholders of Corti ApS

### Opinion

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

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

### Basis for opinion

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in

Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

**Statement on the management commentary**

Management is responsible for the management commentary.

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

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

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

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

Copenhagen, 26.07.2024

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Claus Jorch Andersen**

State Authorised Public Accountant  
Identification No (MNE) mne33712

**Leon Thomas Ravn Fagerlind**

State Authorised Public Accountant  
Identification No (MNE) mne49914

# Management commentary

## Financial highlights

	2023	2022
	DKK'000	DKK'000
<b>Key figures</b>		
Gross profit/loss	5,750	8,000
Operating profit/loss	(79,430)	(65,069)
Net financials	(9,032)	3,335
Profit/loss for the year	(84,302)	(53,542)
Balance sheet total	489,108	166,686
Investments in property, plant and equipment	1,244	551
Equity	460,815	126,068
Cash flows from operating activities	(49,850)	(49,433)
Cash flows from investing activities	(20,371)	(19,917)
Cash flows from financing activities	409,605	0
<b>Ratios</b>		
Equity ratio (%)	94.22	75.63

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

### Equity ratio (%):

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

Balance sheet total



### Primary activities

Corti ApS ("Corti") is a pioneering deep technology company in the healthcare industry headquartered in Copenhagen, Denmark. Corti's clinically proven artificial intelligence (AI) technology revolutionizes virtual care and face-to-face patient engagements by automating a host of administrative workflows, thereby freeing up valuable time for healthcare professionals.

This has been evidenced through recent case studies demonstrating:

- 90% of administrative work can be automated: Corti's AI is capable of automating 90% of the administrative work performed by doctors and nurses when documenting patient interactions.
- 33% of administrative staff can be put to other work: Downstream administrative staff in private healthcare are freed up to do other work as Corti automates large portions of their day-to-day work, showing a path to profitability for many providers.
- 27% Greater Accuracy: Corti's LLM is 27% more accurate than OpenAI's GPT-4o when transcribing and summarizing patient interactions for doctors, making it the best large language model available for healthcare.

At the heart of Corti's innovation are its large language models (LLMs) and the underpinning data and modeling infrastructure software, which offer substantial cost and accuracy benefits over competing methods. The technology employs advanced, unsupervised, and semi-supervised machine learning techniques, continuously optimized with the latest breakthroughs from top global labs and our in-house experts. Corti's AI models scale efficiently by reducing the dependency on costly manual data labeling, ensuring broader applicability and affordability across various healthcare settings.

Healthcare professionals who have integrated Corti into their practices consistently report enhanced diagnostic accuracy, operational efficiency, and improved patient outcomes.

### Development in activities and finances

While expanding its global footprint, Corti managed to control its operating costs, resulting in an operating loss of DKK 79 million in 2023, compared to DKK 65 million in 2022. This demonstrates a decline in the operating costs to revenue ratio, indicating the initial signs of massive operating efficiencies that Corti can achieve at scale. Relative to international competitors, Corti's total operating costs and investments are significantly smaller, yet we have continuously proven our ability to beat global benchmarks and attract customers.

### Profit/loss for the year in relation to expected developments

The operating loss of DKK 79 million in 2023 was expected and reflects our strategic investments in product development and production efficiency. These investments include efforts to ensure SOC2 compliance and the development of a new, highly accurate LLM model that better understands doctors' clinical conversations in real time. These enhancements have enabled us to grow our cumulative signed revenue in 2023.

### Uncertainty relating to recognition and measurement

The value of the recognized development projects depends on the Company's ability to continue developing the artificial intelligence (AI) that the company uses in its operations, as well as attracting enough customers, who through the platform generate positive earnings that could yield the total investment.

### Outlook

#### Sustainable Competitive Advantage

The past 24 months have been pivotal for the 'AI in healthcare market,' growing at a compound annual growth rate of over 42%, according to Fortune Business Insights. Although it is still early days, we see the market shaping up as the first AI models demonstrate their value. We believe the winners will be the infrastructure providers capable of delivering AI technology to healthcare vendors without compromising prediction accuracy for safety.

Healthcare, like defense, intelligence, legal, and police sectors, cannot tolerate mistakes. Therefore, using out-of-the-box generic generative artificial intelligence will not lead to long-term success. At Corti, we have been building for this future for seven years. With full ownership of our infrastructure and technology, we are poised to secure a top position in this burgeoning market, which is predicted to grow to \$179 billion over the next five years.

Central to our thesis is the ability to build, train, and fine-tune highly specific LLM models tailored for healthcare. These LLMs will automate more of the administrative burden plaguing healthcare and become the autonomous systems the industry has long needed. To deploy such a sophisticated system, we draw inspiration from industries that deploy high-risk technology products, such as the automotive industry. Just as cars are surrounded by safety technologies, our LLMs are supported by dozens of technologies and other AI models functioning as the brake, handbrake, seatbelt, and windshield. Each of these technologies alone is a radical innovation, but combined, they form a unique solution with a deep competitive moat.

To leverage our advantages, we will continue investing in rolling out more safety features while also improving our "engine" and starting to open up our end-game business model. In 2024, we will not just continue to sell Corti as a standalone software solution but will transition to selling AI into other solutions, allowing partners to use Corti as part of their offering.

The value of this new partnership and integration-driven business model lies in reaching more customers and end-users faster, improving our AI models, and thereby increasing the quality of our offering. Additionally, this allows us to optimize our revenue capture by offering a new paradigm for contracts, making it easier to recognize and capture revenue more swiftly.

#### Strategic Initiatives

To support this growth, the company is committed to enhancing expertise, skills, and seniority across its Tech and Product teams. This focus ensures team members can maximize their potential while being supported by management responsibilities. Strengthening in-house expertise will also enhance the support provided to commercial and tech teams, creating a robust foundation for sustained growth. Overall, these strategic moves position the company for continued success and expansion in the coming years.

#### Financial Projections

For FY2024, Corti expects a loss after tax between DKK 107 million and DKK 112 million.

### Knowledge resources

Corti's business objective is to develop and supply state-of-the-art software to healthcare professionals, which involves specific requirements regarding the intellectual capital needed for product development and sales. In 2023, we restructured our team, resulting in higher staff turnover. However, the retention of qualified staff has been satisfactory.

### Research and development activities

Corti's products and solutions are under continuous development, adapting to changing customer's and market's needs. Significant R&D resources focus on developing sustainable solutions for healthcare professionals and new innovative test setups.

### Parent treasury shares

	Number	Nominal value DKK	Share of contributed capital %	Purchase/ (selling) price DKK
Common Shares	4,182	4,182	1.33	18,523,728
<b>Investments acquired</b>	<b>4,182</b>	<b>4,182</b>	<b>1.33</b>	
Common Shares	4,182	4,182	1.33	
<b>Holding of treasury shares</b>	<b>4,182</b>	<b>4,182</b>	<b>1.33</b>	

In 2023, Corti ApS initiated a share buyback authorized by the Board of Directors. Whereby 4,182 shares of the common stock, representing approximately 1.33% of Corti ApS's outstanding shares as of the authorization date were bought back.

During the fiscal year, the Corti ApS repurchased 4,182 shares at an average price of DKK 4,429.39 per share, for a total expenditure of DKK 18.5 million. These repurchases were funded through available cash balances. Corti believes the share buyback program is an efficient way to return capital to shareholders and reflects confidence in the long-term growth prospects.

# Consolidated income statement for 2023

	Notes	2023 DKK	2022 DKK
<b>Gross profit/loss</b>	2	<b>5,750,326</b>	<b>7,999,775</b>
Staff costs	3	(70,383,592)	(61,903,406)
Depreciation, amortisation and impairment losses	4	(14,796,278)	(11,165,650)
<b>Operating profit/loss</b>		<b>(79,429,544)</b>	<b>(65,069,281)</b>
Other financial income	5	5,129,032	1,958,046
Impairment losses on financial assets		0	3,124,585
Other financial expenses	6	(14,160,900)	(1,747,671)
<b>Profit/loss before tax</b>		<b>(88,461,412)</b>	<b>(61,734,321)</b>
Tax on profit/loss for the year	7	4,159,291	8,192,248
<b>Profit/loss for the year</b>	8	<b>(84,302,121)</b>	<b>(53,542,073)</b>

# Consolidated balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK	2022 DKK
Completed development projects	10	68,175,898	56,539,656
Development projects in progress	10	0	6,613,989
<b>Intangible assets</b>	9	<b>68,175,898</b>	<b>63,153,645</b>
Other fixtures and fittings, tools and equipment		1,694,386	1,098,867
Leasehold improvements		59,757	102,482
<b>Property, plant and equipment</b>	11	<b>1,754,143</b>	<b>1,201,349</b>
Deposits		785,687	759,993
<b>Financial assets</b>	12	<b>785,687</b>	<b>759,993</b>
<b>Fixed assets</b>		<b>70,715,728</b>	<b>65,114,987</b>
Trade receivables		783,971	1,763,477
Other receivables		2,781,419	2,838,934
Tax receivable	13	4,208,097	12,797,296
Prepayments	14	2,186,286	0
<b>Receivables</b>		<b>9,959,773</b>	<b>17,399,707</b>
<b>Cash</b>		<b>408,432,558</b>	<b>84,171,381</b>
<b>Current assets</b>		<b>418,392,331</b>	<b>101,571,088</b>
<b>Assets</b>		<b>489,108,059</b>	<b>166,686,075</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2023 DKK</b>	<b>2022 DKK</b>
Contributed capital	15, 16	313,653	225,823
Retained earnings		460,501,602	125,842,445
<b>Equity</b>		<b>460,815,255</b>	<b>126,068,268</b>
Other payables	17	1,243,643	1,201,580
Deferred income	18	5,935,227	9,365,024
<b>Non-current liabilities other than provisions</b>	<b>19</b>	<b>7,178,870</b>	<b>10,566,604</b>
Current portion of non-current liabilities other than provisions	19	3,544,610	15,293,898
Trade payables		4,869,151	1,928,681
Other payables	20	7,118,666	3,204,300
Deferred income	21	5,581,507	9,624,324
<b>Current liabilities other than provisions</b>		<b>21,113,934</b>	<b>30,051,203</b>
<b>Liabilities other than provisions</b>		<b>28,292,804</b>	<b>40,617,807</b>
<b>Equity and liabilities</b>		<b>489,108,059</b>	<b>166,686,075</b>
Uncertainty relating to recognition and measurement	1		
Unrecognised rental and lease commitments	23		
Assets charged and collateral	24		
Non-arm's length related party transactions	25		
Group relations	26		
Subsidiaries	27		

# Consolidated statement of changes in equity for 2023

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	225,823	125,842,445	126,068,268
Increase of capital	87,830	441,130,407	441,218,237
Costs related to equity transactions	0	(1,429,154)	(1,429,154)
Purchase of treasury shares	0	(18,523,728)	(18,523,728)
Exchange rate adjustments	0	(2,216,247)	(2,216,247)
Profit/loss for the year	0	(84,302,121)	(84,302,121)
<b>Equity end of year</b>	<b>313,653</b>	<b>460,501,602</b>	<b>460,815,255</b>

# Consolidated cash flow statement for 2023

	Notes	2023 DKK	2022 DKK
Operating profit/loss		(79,429,544)	(65,069,281)
Amortisation, depreciation and impairment losses		14,796,278	11,165,650
Working capital changes	22	(1,765,719)	6,213,050
<b>Cash flow from ordinary operating activities</b>		<b>(66,398,985)</b>	<b>(47,690,581)</b>
Financial income received		5,129,032	5,310
Financial expenses paid		(1,377,044)	(1,747,671)
Taxes refunded/(paid)		12,797,296	0
<b>Cash flows from operating activities</b>		<b>(49,849,701)</b>	<b>(49,432,942)</b>
Acquisition etc. of intangible assets		(19,127,715)	(19,366,485)
Acquisition etc. of property, plant and equipment		(1,243,610)	(550,720)
<b>Cash flows from investing activities</b>		<b>(20,371,325)</b>	<b>(19,917,205)</b>
<b>Free cash flows generated from operations and investments before financing</b>		<b>(70,221,026)</b>	<b>(69,350,147)</b>
Repayments of loans etc.		(11,660,494)	0
Cash capital increase		441,218,237	0
Costs incurred during change of contributed capital		(1,429,154)	0
Purchase of treasury shares		(18,523,728)	0
<b>Cash flows from financing activities</b>		<b>409,604,861</b>	<b>0</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>339,383,835</b>	<b>(69,350,147)</b>
Cash and cash equivalents beginning of year		84,171,381	151,941,055
Currency translation adjustments of cash and cash equivalents		(15,122,658)	1,580,473
<b>Cash and cash equivalents end of year</b>		<b>408,432,558</b>	<b>84,171,381</b>
Cash and cash equivalents at year-end are composed of:			
Cash		408,432,558	84,171,381
<b>Cash and cash equivalents end of year</b>		<b>408,432,558</b>	<b>84,171,381</b>



# Notes to consolidated financial statements

## 1 Uncertainty relating to recognition and measurement

The value of the recognized development projects depends on the Company's ability to continue developing the artificial intelligence (AI) that the company uses in its operations, as well as attracting enough customers, who through the platform generate positive earnings that could yield the total investment.

## 2 Gross profit/loss

Gross profit includes:

Own work capitalised for DKK 19,128 thousand (2022: DKK 19,366 thousand)

Public grants for DKK 3,681 thousand (2022: DKK 3,480 thousand)

## 3 Staff costs

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	67,974,288	59,691,895
Pension costs	1,902,458	2,051,266
Other social security costs	506,846	160,245
	<b>70,383,592</b>	<b>61,903,406</b>
Average number of full-time employees	86	86

	<b>Remuneration of management 2023 DKK</b>	<b>Remuneration of management 2022 DKK</b>
Total amount for management categories	3,441,024	1,287,664
	<b>3,441,024</b>	<b>1,287,664</b>

According to section 98B(3) no.2 of the Danish Financial Statement Act, remuneration to management has been disclosed together under one category, as it otherwise will lead to an individual's remuneration being disclosed.

## 4 Depreciation, amortisation and impairment losses

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Amortisation of intangible assets	14,105,462	10,794,507
Depreciation on property, plant and equipment	690,816	371,143
	<b>14,796,278</b>	<b>11,165,650</b>

**5 Other financial income**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Other interest income	5,129,032	5,310
Exchange rate adjustments	0	1,952,736
	<b>5,129,032</b>	<b>1,958,046</b>

**6 Other financial expenses**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Other interest expenses	1,377,044	1,747,671
Exchange rate adjustments	12,783,856	0
	<b>14,160,900</b>	<b>1,747,671</b>

**7 Tax on profit/loss for the year**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	(4,159,291)	(3,574,719)
Change in deferred tax	0	(2,646,000)
Adjustment concerning previous years	0	(1,971,529)
	<b>(4,159,291)</b>	<b>(8,192,248)</b>

**8 Proposed distribution of profit/loss**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Retained earnings	(84,302,121)	(53,542,073)
	<b>(84,302,121)</b>	<b>(53,542,073)</b>

**9 Intangible assets**

	<b>Completed development projects DKK</b>	<b>Development projects in progress DKK</b>
Cost beginning of year	85,341,431	6,613,989
Transfers	6,613,989	(6,613,989)
Additions	19,127,715	0
<b>Cost end of year</b>	<b>111,083,135</b>	<b>0</b>
Amortisation and impairment losses beginning of year	(28,801,775)	0
Amortisation for the year	(14,105,462)	0
<b>Amortisation and impairment losses end of year</b>	<b>(42,907,237)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>68,175,898</b>	<b>0</b>

## 10 Development projects

The development projects comprise digital development of an artificial intelligence (AI) which the Company uses in its operations. The AI is used by the Company's customers and employees. The AI is continuously developed by the Company and put to use, after which amortisation is commenced. As of 31 December 2023 the carrying amount of completed development projects amounts to DKK 68,176 thousand. The amortization period for completed development projects is set to 7 years. Management has not identified any indication of impairment regarding the carrying amount of completed development projects.

With reference to section 83(2) of the Danish Financial Statement Act, deferred tax is set off against the capitalised costs for development projects in the reserve for development costs under equity.

## 11 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improvements DKK</b>
Cost beginning of year	2,018,126	228,082
Additions	1,243,610	0
<b>Cost end of year</b>	<b>3,261,736</b>	<b>228,082</b>
Depreciation and impairment losses beginning of year	(919,259)	(125,600)
Depreciation for the year	(648,091)	(42,725)
<b>Depreciation and impairment losses end of year</b>	<b>(1,567,350)</b>	<b>(168,325)</b>
<b>Carrying amount end of year</b>	<b>1,694,386</b>	<b>59,757</b>

## 12 Financial assets

	<b>Deposits DKK</b>
Cost beginning of year	759,993
Additions	25,694
<b>Cost end of year</b>	<b>785,687</b>
<b>Carrying amount end of year</b>	<b>785,687</b>

## 13 Tax receivable

Corporate income tax receivable recognised in the balance sheet relates to applying the Tax Credit Scheme under section 8X of the Danish Tax Assessment Act, by which the Company can get the tax base of tax losses originating from research and development costs. Based on an examination of the criteria for applying the scheme, Management believes the Company is entitled to apply the scheme. Accordingly, the recognition has been based on this assessment. However, whether the criteria for applying the scheme are met is based on an estimate. Consequently, there may be a risk that the tax authorities will deem the criteria unfulfilled. If so, the receivable must be fully or partially reversed in the income statement in the subsequent financial year.

## 14 Prepayments

Prepayments mainly comprise prepayments of software subscriptions and other smaller costs relating to future periods.

## 15 Contributed capital

	<b>Number</b>
Common shares	62,201
S shares	27,871
A shares	60,099
A+ shares	75,652
B shares	87,830
	<b>313,653</b>

## 16 Treasury shares

	<b>Number</b>	<b>Nominal value DKK</b>	<b>Share of contributed capital %</b>	<b>Purchase/ (selling) price DKK</b>
Common Shares	4,182	4,182	1.33	18,523,728
<b>Investments acquired</b>	<b>4,182</b>	<b>4,182</b>	<b>1.33</b>	
Common Shares	4,182	4,182	1.33	
<b>Holding of treasury shares</b>	<b>4,182</b>	<b>4,182</b>	<b>1.33</b>	

In 2023, Corti ApS initiated a share buyback authorized by the Board of Directors. Whereby 4,182 shares of the common stock, representing approximately 1.33% of Corti ApS's outstanding shares as of the authorization date were bought back.

During the fiscal year, the Corti ApS repurchased 4,182 shares at an average price of DKK 4,429.39 per share, for a total expenditure of DKK 18.5 million. These repurchases were funded through available cash balances. Corti believes the share buyback program is an efficient way to return capital to shareholders and reflects confidence in the long-term growth prospects.

## 17 Other payables

	<b>2023 DKK</b>	<b>2022 DKK</b>
Holiday pay obligation	1,243,643	1,201,580
	<b>1,243,643</b>	<b>1,201,580</b>

## 18 Deferred income

Deferred income comprises public grants related to development projects for which the recognition criterias are not met at the balance sheet date.

## 19 Non-current liabilities other than provisions

	Due within 12 months 2023 DKK	Due within 12 months 2022 DKK	Due after more than 12 months 2023 DKK	Outstanding after 5 years 2023 DKK
Debt to other credit institutions	0	11,660,494	0	0
Other payables	0	0	1,243,643	1,243,643
Deferred income	3,544,610	3,633,404	5,935,227	0
	<b>3,544,610</b>	<b>15,293,898</b>	<b>7,178,870</b>	<b>1,243,643</b>

## 20 Other payables

	2023 DKK	2022 DKK
VAT and duties	24,084	0
Wages and salaries, personal income taxes, social security costs, etc. payable	6,004,602	1,213,028
Holiday pay obligation	1,089,980	1,293,532
Other costs payable	0	697,740
	<b>7,118,666</b>	<b>3,204,300</b>

## 21 Deferred income

Deferred income comprises deferred revenue from customer contracts and deferred income from public grants related to development projects for which the recognition criterias are not met at the balance sheet date.

## 22 Changes in working capital

	2023 DKK	2022 DKK
Increase/decrease in receivables	(1,174,959)	(1,339,275)
Increase/decrease in trade payables etc.	(590,760)	7,552,325
	<b>(1,765,719)</b>	<b>6,213,050</b>

## 23 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Total liabilities under rental or lease agreements until maturity	814,741	1,947,407

## 24 Assets charged and collateral

None.

## 25 Non-arm's length related party transactions

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

## 26 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
Corti ApS, Denmark

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
Corti ApS, Denmark

## 27 Subsidiaries

	<b>Registered in</b>	<b>Corporate form</b>	<b>Ownership %</b>
Corti Inc	United States	Inc	100.00
Corti America Inc	United States	Inc	100.00

# Parent income statement for 2023

	Notes	2023 DKK	2022 DKK
<b>Gross profit/loss</b>	2	<b>8,681,331</b>	<b>8,506,942</b>
Staff costs	3	(47,187,813)	(46,668,336)
Depreciation, amortisation and impairment losses	4	(14,796,278)	(11,165,650)
<b>Operating profit/loss</b>		<b>(53,302,760)</b>	<b>(49,327,044)</b>
Other financial income	5	6,345,245	1,798,539
Impairment losses on financial assets		0	3,124,585
Other financial expenses	6	(14,283,455)	(1,747,671)
<b>Profit/loss before tax</b>		<b>(61,240,970)</b>	<b>(46,151,591)</b>
Tax on profit/loss for the year	7	4,176,476	8,192,248
<b>Profit/loss for the year</b>	8	<b>(57,064,494)</b>	<b>(37,959,343)</b>

# Parent balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK	2022 DKK
Completed development projects	10	68,175,898	56,539,656
Development projects in progress	10	0	6,613,989
<b>Intangible assets</b>	9	<b>68,175,898</b>	<b>63,153,645</b>
Other fixtures and fittings, tools and equipment		1,694,386	1,098,867
Leasehold improvements		59,757	102,482
<b>Property, plant and equipment</b>	11	<b>1,754,143</b>	<b>1,201,349</b>
Investments in group enterprises		7	7
Receivables from group enterprises		36,313,968	17,192,412
Deposits		785,687	759,993
<b>Financial assets</b>	12	<b>37,099,662</b>	<b>17,952,412</b>
<b>Fixed assets</b>		<b>107,029,703</b>	<b>82,307,406</b>
Trade receivables		443,786	0
Other receivables		2,665,899	2,671,695
Tax receivable	13	4,208,097	12,797,296
Prepayments	14	1,457,464	0
<b>Receivables</b>		<b>8,775,246</b>	<b>15,468,991</b>
<b>Cash</b>		<b>406,058,517</b>	<b>74,499,643</b>
<b>Current assets</b>		<b>414,833,763</b>	<b>89,968,634</b>
<b>Assets</b>		<b>521,863,466</b>	<b>172,276,040</b>



**Equity and liabilities**

	<b>Notes</b>	<b>2023 DKK</b>	<b>2022 DKK</b>
Contributed capital	15	313,653	225,823
Reserve for development costs		54,709,457	50,792,100
Retained earnings		447,674,713	90,378,999
<b>Equity</b>		<b>502,697,823</b>	<b>141,396,922</b>
Other payables	16	1,243,643	1,201,587
Deferred income	17	5,935,227	9,365,024
<b>Non-current liabilities other than provisions</b>	<b>18</b>	<b>7,178,870</b>	<b>10,566,611</b>
Current portion of non-current liabilities other than provisions	18	3,544,610	15,293,898
Trade payables		3,847,490	1,795,110
Other payables	19	3,651,992	2,534,959
Deferred income	20	942,681	688,540
<b>Current liabilities other than provisions</b>		<b>11,986,773</b>	<b>20,312,507</b>
<b>Liabilities other than provisions</b>		<b>19,165,643</b>	<b>30,879,118</b>
<b>Equity and liabilities</b>		<b>521,863,466</b>	<b>172,276,040</b>
Uncertainty relating to recognition and measurement	1		
Unrecognised rental and lease commitments	21		
Assets charged and collateral	22		
Non-arm's length related party transactions	23		

# Parent statement of changes in equity for 2023

	Contributed capital DKK	Reserve for development costs DKK	Retained earnings DKK	Total DKK
Equity beginning of year	225,823	50,792,100	90,378,999	141,396,922
Increase of capital	87,830	0	441,130,407	441,218,237
Costs related to equity transactions	0	0	(1,429,154)	(1,429,154)
Purchase of treasury shares	0	0	(18,523,728)	(18,523,728)
Exchange rate adjustments	0	0	(2,899,960)	(2,899,960)
Transfer to reserves	0	3,917,357	(3,917,357)	0
Profit/loss for the year	0	0	(57,064,494)	(57,064,494)
<b>Equity end of year</b>	<b>313,653</b>	<b>54,709,457</b>	<b>447,674,713</b>	<b>502,697,823</b>

# Notes to parent financial statements

## 1 Uncertainty relating to recognition and measurement

The value of the recognized development projects depends on the Company's ability to continue developing the artificial intelligence (AI) that the company uses in its operations, as well as attracting enough customers, who through the platform generate positive earnings that could yield the total investment.

## 2 Gross profit/loss

Gross profit includes:

Own work capitalised for DKK 19,128 thousand (2022: DKK 19,366 thousand)

Public Grants for DKK 3,681 thousand (2022: DKK 3,480 thousand)

## 3 Staff costs

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	44,778,509	44,456,825
Pension costs	1,902,458	2,051,266
Other social security costs	506,846	160,245
	<b>47,187,813</b>	<b>46,668,336</b>
Average number of full-time employees	64	72

	<b>Remuneration of Manage- ment 2023 DKK</b>	<b>Remuneration of Manage- ment 2022 DKK</b>
Total amount for management categories	3,441,024	1,287,664
	<b>3,441,024</b>	<b>1,287,664</b>

According to section 98B(3) no.2 of the Danish Financial Statement Act, remuneration to management has been disclosed together under one category, as it otherwise will lead to an individual's remuneration being disclosed.

## 4 Depreciation, amortisation and impairment losses

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Amortisation of intangible assets	14,105,462	10,794,507
Depreciation on property, plant and equipment	690,816	371,143
	<b>14,796,278</b>	<b>11,165,650</b>

## 5 Other financial income

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Financial income from group enterprises	1,216,213	212,756
Other interest income	5,129,032	5,310
Exchange rate adjustments	0	1,580,473
	<b>6,345,245</b>	<b>1,798,539</b>

## 6 Other financial expenses

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Other interest expenses	1,377,044	1,747,671
Exchange rate adjustments	12,906,411	0
	<b>14,283,455</b>	<b>1,747,671</b>

## 7 Tax on profit/loss for the year

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	(4,176,476)	(3,574,719)
Change in deferred tax	0	(2,646,000)
Adjustment concerning previous years	0	(1,971,529)
	<b>(4,176,476)</b>	<b>(8,192,248)</b>

## 8 Proposed distribution of profit and loss

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Retained earnings	(57,064,494)	(37,959,343)
	<b>(57,064,494)</b>	<b>(37,959,343)</b>

## 9 Intangible assets

	<b>Completed development projects DKK</b>	<b>Development projects in progress DKK</b>
Cost beginning of year	85,341,431	6,613,989
Transfers	6,613,989	(6,613,989)
Additions	19,127,715	0
<b>Cost end of year</b>	<b>111,083,135</b>	<b>0</b>
Amortisation and impairment losses beginning of year	(28,801,775)	0
Amortisation for the year	(14,105,462)	0
<b>Amortisation and impairment losses end of year</b>	<b>(42,907,237)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>68,175,898</b>	<b>0</b>

## 10 Development projects

The development projects comprise digital development of an artificial intelligence (AI) which the Company uses in its operations. The AI is used by the Company's customers and employees. The AI is continuously developed by the Company and put to use, after which amortisation is commenced. As of 31 December 2023 the carrying amount of completed development projects amounts to DKK 68,176 thousand. The amortization period for completed development projects is set to 7 years. Management has not identified any indication of impairment regarding the carrying amount of completed development projects.

With reference to section 83(2) of the Danish Financial Statement Act, deferred tax is set off against the capitalised costs for development projects in the reserve for development costs under equity.

## 11 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improvements DKK</b>
Cost beginning of year	2,018,126	228,082
Additions	1,243,610	0
<b>Cost end of year</b>	<b>3,261,736</b>	<b>228,082</b>
Depreciation and impairment losses beginning of year	(919,259)	(125,600)
Depreciation for the year	(648,091)	(42,725)
<b>Depreciation and impairment losses end of year</b>	<b>(1,567,350)</b>	<b>(168,325)</b>
<b>Carrying amount end of year</b>	<b>1,694,386</b>	<b>59,757</b>

## 12 Financial assets

	<b>Investments in group enterprises DKK</b>	<b>Receivables from group enterprises DKK</b>	<b>Deposits DKK</b>
Cost beginning of year	7	17,192,412	759,993
Additions	0	19,121,556	25,694
<b>Cost end of year</b>	<b>7</b>	<b>36,313,968</b>	<b>785,687</b>
<b>Carrying amount end of year</b>	<b>7</b>	<b>36,313,968</b>	<b>785,687</b>

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

## 13 Tax receivable

Corporate income tax receivable recognised in the balance sheet relates to applying the Tax Credit Scheme under section 8X of the Danish Tax Assessment Act, by which the Company can get the tax base of tax losses originating from research and development costs. Based on an examination of the criteria for applying the scheme, Management believes the Company is entitled to apply the scheme. Accordingly, the recognition has been based on this assessment. However, whether the criteria for applying the scheme are met is based on an estimate. Consequently, there may be a risk that the tax authorities will deem the criteria unfulfilled. If so, the receivable must be fully or partially reversed in the income statement in the subsequent financial year.

#### 14 Prepayments

Prepayments mainly comprise prepayments of software subscriptions and other smaller costs relating to future periods.

#### 15 Treasury shares

	Number	Nominal value DKK	Share of contributed capital %	Purchase/ (selling) price DKK
Common Shares	4,182	4,182	1.33	18,523,828
<b>Investments acquired</b>	<b>4,182</b>	<b>4,182</b>	<b>1.33</b>	
Common Shares	4,182	4,182	1.33	
<b>Holding of treasury shares</b>	<b>4,182</b>	<b>4,182</b>	<b>1.33</b>	

In 2023, Corti ApS initiated a share buyback authorized by the Board of Directors. Whereby 4,182 shares of the common stock, representing approximately 1.33% of Corti ApS's outstanding shares as of the authorization date were bought back.

During the fiscal year, the Corti ApS repurchased 4,182 shares at an average price of DKK 4,429.39 per share, for a total expenditure of DKK 18.5 million. These repurchases were funded through available cash balances. Corti believes the share buyback program is an efficient way to return capital to shareholders and reflects confidence in the long-term growth prospects.

#### 16 Other payables

	2023 DKK	2022 DKK
Holiday pay obligation	1,243,643	1,201,587
	<b>1,243,643</b>	<b>1,201,587</b>

#### 17 Deferred income

Deferred income comprises public grants related to development projects for which the recognition criterias are not met at the balance sheet date.

#### 18 Non-current liabilities other than provisions

	Due within 12 months 2023 DKK	Due within 12 months 2022 DKK	Due after more than 12 months 2023 DKK	Outstanding after 5 years 2023 DKK
Debt to other credit institutions	0	11,660,494	0	0
Other payables	0	0	1,243,643	1,243,643
Deferred income	3,544,610	3,633,404	5,935,227	0
	<b>3,544,610</b>	<b>15,293,898</b>	<b>7,178,870</b>	<b>1,243,643</b>

**19 Other payables**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries, personal income taxes, social security costs, etc. payable	2,562,012	613,409
Holiday pay obligation	1,089,980	1,293,532
Other costs payable	0	628,018
	<b>3,651,992</b>	<b>2,534,959</b>

**20 Deferred income**

Deferred income comprises deferred revenue from customer contracts and deferred income from public grants related to development projects for which the recognition criterias are not met at the balance sheet date.

**21 Unrecognised rental and lease commitments**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Total liabilities under rental or lease agreements until maturity	814,741	1,947,407

**22 Assets charged and collateral**

None.

**23 Non-arm's length related party transactions**

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

# Accounting policies

## Reporting class

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

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

## Recognition and measurement

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

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

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

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

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

## Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

## Basis of consolidation

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

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

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



## **Income statement**

### **Gross profit or loss**

Gross profit or loss comprises revenue, own work capitalised, other operating income, costs of sales and external expenses.

### **Revenue**

Revenue from the sale of services is recognised over the contract period. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### **Own work capitalised**

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets and property, plant and equipment.

### **Other operating income**

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including salary refunds .

### **Cost of sales**

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

### **Other external expenses**

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

### **Staff costs**

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

### **Depreciation, amortisation and impairment losses**

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

### **Other financial income**

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

### **Impairment losses on financial assets**

Impairment losses on financial assets comprises impairment losses on financial assets which are not measured at fair value on a current basis.

### **Other financial expenses**

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

**Tax on profit/loss for the year**

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

**Balance sheet****Intellectual property rights etc.**

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 7 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

**Property, plant and equipment**

Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	1 -5 years
Leasehold improvements	3 - 5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### **Investments in group enterprises**

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

### **Receivables**

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

### **Tax payable or receivable**

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

### **Prepayments**

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

### **Cash**

Cash comprises cash in hand and bank deposits.

### **Treasury shares**

Acquisition and selling prices and dividends of treasury shares are classified directly as equity in retained earnings. Gains and losses from sale are not recognised in the income statement.

### **Other financial liabilities**

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

### **Deferred income**

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

### **Cash flow statement**

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

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

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

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

Cash and cash equivalents comprise cash.