



InQvation ApS

Erik Husfeldts Vej 7
2630 Taastrup
CVR No. 37911488

Annual report 2022

The Annual General Meeting adopted the
annual report on 17.05.2023

Alex Pløger

Chairman of the General Meeting

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Entity details

Entity

InQvation ApS

Erik Husfeldts Vej 7

2630 Taastrup

Business Registration No.: 37911488

Registered office: Høje Taastrup

Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Niels Erik Blangstrup Zibrandtsen

Anders Leonhard Friedl

Claus Zibrandtsen

Executive Board

Claus Zibrandtsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of InQvation ApS for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

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.

Taastrup, 17.05.2023

Executive Board

Claus Zibrandtsen

Board of Directors

Niels Erik Blangstrup Zibrandtsen

Anders Leonhard Friedl

Claus Zibrandtsen

Independent auditor's report

To the shareholder of InQvation ApS

Opinion

We have audited the financial statements of InQvation ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 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 financial statements" section of this auditor's report. We are independent of the Entity 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 financial statements

Management is responsible for the preparation of 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 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 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 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 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 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 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 17.05.2023

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Thomas Rosquist Andersen

State Authorised Public Accountant

Identification No (MNE) mne31482

Management commentary

Primary activities

inQvation is a start-up development firm helping entrepreneurs succeed. With people, with resources, with money. inQvation turns great ideas into healthy start-ups themselves, helps businesses take the next step with a very hands-on approach, and puts a roof over the head of tech entrepreneurs and start-ups. In other words, inQvation is an investor, a home for entrepreneurs, and a creator of start-ups.

Description of material changes in activities and finances

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of TDKK -46,400 and the Balance Sheet at 31 December 2022 a balance sheet total of TDKK 125,066. and an equity of TDKK -15,227.

Management finds the result as unsatisfying.

The Company has lost more than half of its equity. Management expects to reestablish equity through capital contributions.

Events after the balance sheet date

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

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Gross profit/loss		(1,890,243)	(1,319,807)
Staff costs	1	(5,951,072)	(12,306,624)
Depreciation, amortisation and impairment losses		0	(17,056)
Operating profit/loss		(7,841,315)	(13,643,487)
Income from investments in group enterprises		0	(401,359)
Income from investments in associates		674,373	1,353,576
Other financial income from group enterprises		0	36,523
Other financial income		838,701	860,838
Impairment losses on financial assets		(34,986,471)	0
Other financial expenses	2	(4,868,051)	(4,489,652)
Profit/loss before tax		(46,182,763)	(16,283,561)
Tax on profit/loss for the year	3	(217,665)	1,512,601
Profit/loss for the year		(46,400,428)	(14,770,960)
Proposed distribution of profit and loss			
Retained earnings		(46,400,428)	(14,770,960)
Proposed distribution of profit and loss		(46,400,428)	(14,770,960)

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2021 DKK
Investments in associates		23,912,379	19,913,886
Other investments		69,663,960	84,965,925
Other receivables		3,486,100	20,924,861
Financial assets	4	97,062,439	125,804,672
Fixed assets		97,062,439	125,804,672
Trade receivables		178,286	297,553
Receivables from group enterprises		873,604	57,940
Receivables from associates		5,266,813	1,023,063
Deferred tax		20,000	20,000
Other receivables		21,268,170	4,098,195
Joint taxation contribution receivable		0	1,091,269
Prepayments		27,707	502,241
Receivables		27,634,580	7,090,261
Cash		369,091	4,753,785
Current assets		28,003,671	11,844,046
Assets		125,066,110	137,648,718

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital		150,000	150,000
Retained earnings		(15,377,244)	26,273,184
Equity		(15,227,244)	26,423,184
Payables to group enterprises		136,122,587	100,000,000
Other payables		1,057,594	1,035,841
Non-current liabilities other than provisions	5	137,180,181	101,035,841
Trade payables		9,023	79,400
Payables to group enterprises		1,337,600	1,197,138
Other payables		1,766,550	8,913,155
Current liabilities other than provisions		3,113,173	10,189,693
Liabilities other than provisions		140,293,354	111,225,534
Equity and liabilities		125,066,110	137,648,718
Contingent liabilities	6		
Group relations	7		

Statement of changes in equity for 2022

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	150,000	26,273,184	26,423,184
Group contributions etc.	0	4,750,000	4,750,000
Profit/loss for the year	0	(46,400,428)	(46,400,428)
Equity end of year	150,000	(15,377,244)	(15,227,244)

Notes

1 Staff costs

	2022	2021
	DKK	DKK
Wages and salaries	5,417,683	11,106,724
Pension costs	674,501	1,348,043
Other social security costs	63,627	91,200
Other staff costs	(204,739)	(239,343)
	5,951,072	12,306,624
Average number of full-time employees	10	17

2 Other financial expenses

	2022	2021
	DKK	DKK
Financial expenses from group enterprises	4,798,407	4,462,060
Other interest expenses	69,644	27,592
	4,868,051	4,489,652

3 Tax on profit/loss for the year

	2022	2021
	DKK	DKK
Change in deferred tax	0	(15,000)
Adjustment concerning previous years	217,665	(406,332)
Refund in joint taxation arrangement	0	(1,091,269)
	217,665	(1,512,601)

4 Financial assets

Other receivables consists of convertible loans to potential investments. Interest of t.DKK 36 has been capitalized as other receivables

5 Non-current liabilities other than provisions

	Due after more than 12 months 2022 DKK
Payables to group enterprises	136,122,587
Other payables	1,057,594
	137,180,181

Other payables consists of frozen holiday funds.

6 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where LNZ Holding Zibra ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

7 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

LNZ Holding Zibra ApS

Høveltevej 67

DK-3460 Birkerød

CVR-no. 39 18 89 96

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these 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.

Income statement

Gross profit or loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Revenue

Revenue from the sale of goods and services in the income statement when the risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other external expenses

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

Staff costs

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

Repayments from public authorities are deducted from staff costs.

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, and gains and losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

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

Income from investments in associates

Income from investments in associates comprises dividends etc received from the individual associates in the financial year.

Other financial income from group enterprises

Other financial income from group enterprises comprises interest income etc on receivables from group enterprises.

Other financial income

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

Impairment losses on financial assets

Impairment losses on financial assets comprise 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 consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Investments in associates**

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

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

Receivables

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

Other investments

Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date, and unlisted equity investments measured at the lower of cost and net realisable value.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

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

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contribution receivables are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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