



InQvation ApS

Erik Husfeldts Vej 7
2630 Taastrup
CVR No. 37911488

Annual report 2023

The Annual General Meeting adopted the annual report on 12.06.2024

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: 01.01.2023 - 31.12.2023

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 01.01.2023 - 31.12.2023.

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 31.12.2023 and of the results of its operations 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.

Taastrup, 12.06.2024

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 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. 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 31.12.2023 and of the results of its operations 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 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 by relevant law and regulations.

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, 12.06.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Thomas Rosquist Andersen

State Authorised Public Accountant
Identification No (MNE) mne31482

Kasper Ørtoft

State Authorised Public Accountant
Identification No (MNE) mne49073

Management commentary

Primary activities

inQvation is an investment company and helps entrepreneurs succeed. With people, with resources, with money, inQvation invests in great ideas and helps entrepreneurs take the next step with a very hands-on approach. The purpose of inQvation is to generate profits by conducting, monitoring, developing and realizing investments in companies.

Description of material changes in activities and finances

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of TDKK -21,209 and the Balance Sheet at 31 December 2023 a balance sheet total of TDKK 117,156. and an equity of TDKK 36,564.

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 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		(5,602,213)	(1,890,243)
Staff costs	1	(9,115)	(5,951,072)
Operating profit/loss		(5,611,328)	(7,841,315)
Income from investments in group enterprises		(5,025,770)	0
Income from investments in associates	2	12,858,633	674,373
Other financial income from group enterprises		328,356	0
Other financial income	3	(17,478)	838,701
Impairment losses on financial assets		(19,056,580)	(34,986,471)
Other financial expenses	4	(4,780,054)	(4,868,051)
Profit/loss before tax		(21,304,221)	(46,182,763)
Tax on profit/loss for the year	5	95,537	(217,665)
Profit/loss for the year		(21,208,684)	(46,400,428)
Proposed distribution of profit and loss			
Retained earnings		(21,208,684)	(46,400,428)
Proposed distribution of profit and loss		(21,208,684)	(46,400,428)

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Investments in group enterprises		44,876,817	0
Investments in associates		7,662,379	23,912,379
Other investments		57,258,690	69,663,959
Other receivables		3,743,024	3,486,100
Financial assets	6	113,540,910	97,062,438
Fixed assets		113,540,910	97,062,438
Trade receivables		0	178,286
Receivables from group enterprises		0	873,604
Receivables from associates		0	5,266,813
Deferred tax		20,000	20,000
Other receivables		2,701,785	21,268,173
Prepayments		0	27,705
Receivables		2,721,785	27,634,581
Cash		892,823	369,091
Current assets		3,614,608	28,003,672
Assets		117,155,518	125,066,110

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		150,000	150,000
Retained earnings		36,414,072	(15,377,244)
Equity		36,564,072	(15,227,244)
Payables to group enterprises		79,357,987	136,122,587
Other payables		1,028,606	1,057,594
Non-current liabilities other than provisions	7	80,386,593	137,180,181
Trade payables		152,404	9,023
Payables to group enterprises		0	1,337,600
Other payables		52,449	1,766,550
Current liabilities other than provisions		204,853	3,113,173
Liabilities other than provisions		80,591,446	140,293,354
Equity and liabilities		117,155,518	125,066,110
Contingent liabilities	8		
Group relations	9		

Statement of changes in equity for 2023

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	150,000	(15,377,244)	(15,227,244)
Group contributions etc.	0	73,000,000	73,000,000
Profit/loss for the year	0	(21,208,684)	(21,208,684)
Equity end of year	150,000	36,414,072	36,564,072

Notes

1 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	0	5,417,683
Pension costs	0	674,501
Other social security costs	9,115	63,627
Other staff costs	0	(204,739)
	9,115	5,951,072
Average number of full-time employees	0	10

2 Income from investments in associates

The parent company recognized a gain of DKK 12,858 thousand during the fiscal year as part of the step acquisition of a subsidiary. This gain is related to the remeasurement of previously held equity interests in the associated company prior to obtaining control. The remeasurement was necessary due to the transition from significant influence to full control, resulting in the revaluation of the existing equity investment to its fair value at the acquisition date. This gain has been accounted for in accordance with the provisions of the Danish Financial Statements Act and is included in the statement of profit or loss.

3 Other financial income

	2023	2022
	DKK	DKK
Other interest income	(23,159)	160,492
Exchange rate adjustments	5,681	678,209
	(17,478)	838,701

4 Other financial expenses

	2023	2022
	DKK	DKK
Financial expenses from group enterprises	4,611,688	4,798,407
Other interest expenses	168,366	69,644
	4,780,054	4,868,051

5 Tax on profit/loss for the year

	2023	2022
	DKK	DKK
Adjustment concerning previous years	(95,537)	217,665
	(95,537)	217,665

6 Financial assets

	Investments in group enterprises DKK	Investments in associates DKK	Other investments DKK
Cost beginning of year	0	23,912,379	101,549,796
Additions	49,902,587	0	8,968,484
Disposals	0	(16,250,000)	(37,085,959)
Cost end of year	49,902,587	7,662,379	73,432,321
Impairment losses beginning of year	0	0	(31,885,959)
Share of profit/loss for the year	(3,675,799)	0	0
Impairment losses for the year	0	0	(16,173,631)
Fair value adjustments	0	12,858,633	0
Other adjustments	(1,349,971)	0	0
Reversal regarding disposals	0	(12,858,633)	31,885,959
Impairment losses end of year	(5,025,770)	0	(16,173,631)
Carrying amount end of year	44,876,817	7,662,379	57,258,690
Goodwill or negative goodwill recognised during the financial year	41,537,577	0	

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

During the financial year, the company gained control over Cortrium ApS by acquiring an additional 28.66% of the shares. The original 40.12% ownership stake was revalued to fair value, resulting in a gain of 12,858,633 DKK. This gain has been recognized in the income statement as a result of the step acquisition.

Investments in subsidiaries	Corporate form	Equity interest %
Cortrium ApS	ApS	68.78

7 Non-current liabilities other than provisions

	Due after more than 12 months 2023 DKK
Payables to group enterprises	79,357,987
Other payables	1,028,606
	80,386,593

Other payables consists of frozen holiday funds.

8 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.

9 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.

Consolidated financial statements

Referring to section 110(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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.

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 group enterprises**

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

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.

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.