
Upright Capital ApS

Njalsgade 23, 3. tv, DK-2300 Copenhagen

Annual Report for 2023

CVR No. 38 45 78 61

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 28/6 2024

Christian Johan Claudi
Risom
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Upright Capital ApS for the financial year 1 January - 31 December 2023.

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

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

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

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

Copenhagen, 28 June 2024

Executive Board

Christian Johan Claudi Risom
CEO

Board of Directors

Ole Gammelgaard Poulsen
Chairman

Nicolas Linde

Philip Martin Thygesen Bruce

Christian Johan Claudi Risom

Independent Auditor's report

To the shareholders of Upright Capital ApS

Opinion

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

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

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Management's responsibilities for the Financial Statements

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

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

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent Auditor's report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Hellerup, 28 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Thomas Baunkjær Andersen
State Authorised Public Accountant
mne35483

Oliver Svane
State Authorised Public Accountant
mne49837

Company information

The Company

Upright Capital ApS
Njalsgade 23, 3. tv
2300 Copenhagen

CVR No: 38 45 78 61

Financial period: 1 January - 31 December

Incorporated: 27 June 2017

Financial year: 7th financial year

Municipality of reg. office: Copenhagen

Board of Directors

Ole Gammelgaard Poulsen, chairman
Nicolas Linde
Philip Martin Thygesen Bruce
Christian Johan Claudi Risom

Executive Board

Christian Johan Claudi Risom

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Group Chart

<u>Company</u>	<u>Residence</u>	<u>Ownership</u>
Upright Capital ApS	Copenhagen	
Upright Ventures ApS	Copenhagen	100%
CargoFlux ApS	Copenhagen	63,99%

Financial Highlights

Seen over a 4-year period, the development of the Group is described by the following financial highlights:

	Group			
	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK
Key figures				
Profit/loss				
Gross profit/loss	-4,562	49,129	95,706	77,549
Profit/loss of primary operations	-6,568	3,567	25,327	17,877
Profit/loss of financial income and expenses	-3,213	-1,127	-1,619	-403
Net profit/loss for the year	77,890	307,026	17,896	13,452
Balance sheet				
Balance sheet total	250,323	181,242	67,393	55,531
Investment in property, plant and equipment	0	-387	-583	-619
Equity	240,158	159,354	41,558	31,669
Cash flows				
Cash flows from:				
- operating activities	1,821	-24,094	25,324	17,777
- investing activities	87,316	225,981	-12,471	-7,539
- financing activities	0	-189,299	-8,066	-8,000
Change in cash and cash equivalents for the year	89,137	12,588	4,786	2,238
Number of employees	4	76	119	100
Ratios				
Return on assets	-2.6%	2.0%	37.6%	32.2%
Solvency ratio	95.9%	87.9%	61.7%	57.0%
Return on equity	39.0%	305.6%	48.9%	46.5%

As the Group was required to prepare a consolidated Financial Report for the first time, for the financial year 2021, key figures only contain 4 years, which is in accordance with the Danish Financial statement act.

For definitions of ratios, see under accounting policies.

Management's review

Key activities

Since 2017 our focus has been on mobile app consultancy for some of the world's most renowned brands. Over the past years we have shifted our focus to be an active owner of software and technology companies, taking them from local players to recognised regional or international ones. During 2023 we have built a strong team, adding financial and legal capabilities to lay the groundwork for expanding our portfolio further over the coming years. In May 2023 we partnered with Waterland Private Equity to forge a worldwide digital product agency juggernaut by acquiring market leaders and bringing them together under one banner; Framna. As it stands the new joint company counts 400+ people with an ambition to grow 500% over the coming years.

Development in the year

The income statement of the Group for 2023 shows a profit of DKK 77,889,501, and at 31 December 2023 the balance sheet of the Group shows a positive equity of DKK 240,157,780.

As a result of the partnership with Waterland Private Equity, the Group sold the majority of its shares in the subsidiary Shape ApS, which has significantly affected the result for 2023. Furthermore, the result for 2023, is significantly affected by a closing of the earnout payment from the sale of Shape Games A/S, as the final payment did not amount to the numbers previously projected.

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

In the annual report for 2022, a decrease in EBITDA in the range of 20-50% compared to 2022 was expected. The actual EBITDA for 2023 is negative, which is below the expectations. The primary reason for the decrease in EBITDA in 2023 is a result of the sale of the majority of the shares in the Group's primary operating entity Shape ApS. Despite the negative EBITDA, the Group has realized a positive result, primarily from the sale of Shape ApS of DKK 77,889,501 and on this basis the Management considers the year's result to be satisfactory.

Operating risks

It has been assessed, that there are no single significant risks to the operations of the Group.

Foreign exchange risks

Activities abroad cause that net profit, cash flow and equity are influenced by exchange rate developments and interest rate trends for a number of currencies. The Group does not cover these risks.

Targets and expectations for the year ahead

At 31 December 2023, the Group's operating activity is very limited and the primary income in the Group comes from investments in subsidiaries and associates and from investments in listed shares and bonds. Since the return on these investments is based on a number of external conditions, the expectations for 2024 are based on a number of assumptions. The Group expects a result before tax in 2024 in the range of 5-10 million.

Research and development

The Group has no significant research and development activities per 31 December 2023.

External environment

The Group has no policies for human rights, climate impact, environment, social and staff matters as well as anti-corruption because the Group has assessed that the related risks are limited.

Corporate social responsibility, including human rights and anti-corruption, is an integral part of the Danish labor market and Danish corporate culture and is well-established in the Group. This is reflected in the Group's trade with both Danish and foreign customers and suppliers.

Management's review

In the future, the Group will strive to prepare policies describing risks and actions regarding corporate social responsibility to a larger extent.

Intellectual capital resources

The Group is dependent on attracting and retaining employees who are able to continue the development of the Group's operations.

Knowledge resources that may be of particular importance for the Group's future operations relate to being at the front edge of a wide range of services as well as having and maintaining a good image as an innovative, effective, dependable as well as a flexible Group with a good working environment.

Uncertainty relating to recognition and measurement

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

Unusual events

The financial position at 31 December 2023 of the Group and the results of the activities and cash flows of the Group for the financial year for 2023 have not been affected by any unusual events. However, we refer to the comments of the sale of Shape ApS in the financial year 2023 and the effect of the settled performance-related earnout related to the sale of Shape Games A/S in 2022, which is described in the section - Development in the year.

Subsequent events

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

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Gross profit/loss		-4,561,709	49,129,105	-4,975,660	-12,638,220
Staff expenses	1	-1,881,611	-45,134,126	-508,660	0
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-124,897	-428,319	0	0
Profit/loss before financial income and expenses		-6,568,217	3,566,660	-5,484,320	-12,638,220
Income from investments in subsidiaries		0	0	-2,288,667	21,761,741
Income from investments in associates	2	-3,904,057	-791,585	-3,515,828	0
Financial income	3	1,961,387	14,751	2,337,975	201,865
Financial expenses	4	-1,270,165	-350,582	-493,323	-301,391
Profit/loss before tax		-9,781,052	2,439,244	-9,444,163	9,023,995
Tax on profit/loss for the year	5	-8,870	6,829,925	-109,890	155,557
Profit/loss of continuing activities		-9,789,922	9,269,169	-9,554,053	9,179,552
Discontinuing activities	7,8	87,679,423	297,756,877	87,679,423	297,756,877
Net profit/loss for the year	6	77,889,501	307,026,046	78,125,370	306,936,429

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Acquired other similar rights		1,894,775	457,917	0	0
Goodwill		120,123	160,163	0	0
Intangible assets	9	2,014,898	618,080	0	0
Other fixtures and fittings, tools and equipment		0	170,218	0	0
Leasehold improvements		17,055	434,515	0	0
Property, plant and equipment	10	17,055	604,733	0	0
Investments in subsidiaries	11	0	0	0	28,711,488
Investments in associates	12	93,329,577	1,272,752	92,445,054	0
Other investments	13	1,015,886	754,006	0	0
Deposits	13	371,067	1,172,508	187,848	178,750
Other receivables	13	100,000	48,856,615	100,000	48,856,615
Fixed asset investments		94,816,530	52,055,881	92,732,902	77,746,853
Fixed assets		96,848,483	53,278,694	92,732,902	77,746,853
Trade receivables		355,615	15,553,427	264,017	0
Receivables from group enterprises		0	0	6,212,740	6,834,368
Receivables from associates		2,304,421	198,844	2,256,155	0
Other receivables		19,533,615	59,070,723	18,474,344	56,837,409
Deferred tax asset	15	42,927	7,290,604	0	0
Corporation tax		9,271,804	13,039,406	0	0
Corporation tax receivable from group enterprises		0	0	9,271,804	13,838,841
Prepayments	16	27,822	9,893	25,086	0
Receivables		31,536,204	95,162,897	36,504,146	77,510,618
Current asset investments	14	87,314,951	0	87,314,951	0

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
Cash at bank and in hand		<u>DKK 34,622,883</u>	<u>DKK 32,800,553</u>	<u>DKK 33,373,132</u>	<u>DKK 21,128,786</u>
Current assets		<u>153,474,038</u>	<u>127,963,450</u>	<u>157,192,229</u>	<u>98,639,404</u>
Assets		<u>250,322,521</u>	<u>181,242,144</u>	<u>249,925,131</u>	<u>176,386,257</u>

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Share capital	17	100,000	100,000	100,000	100,000
Reserve for net revaluation under the equity method		0	0	0	28,591,753
Reserve for exchange rate conversion		3,238,477	123,884	3,114,593	0
Retained earnings		237,058,631	158,933,261	237,182,515	130,465,392
Equity attributable to shareholders of the Parent Company		240,397,108	159,157,145	240,397,108	159,157,145
Minority interests		-239,328	197,131	0	0
Equity		240,157,780	159,354,276	240,397,108	159,157,145
Other payables		0	2,841,029	0	0
Long-term debt	18	0	2,841,029	0	0
Prepayments received from customers		0	450,451	0	0
Trade payables		347,935	1,126,235	187,386	151,196
Payables to group enterprises		0	0	18,717	3,286,620
Payables to owners and Management		1,077,284	1,035,862	1,077,284	1,035,861
Corporation tax		7,774,468	12,484,691	7,671,514	12,484,691
Payables to group enterprises relating to corporation tax		0	0	109,890	232,005
Other payables	18	965,054	3,949,600	463,232	38,739
Short-term debt		10,164,741	19,046,839	9,528,023	17,229,112
Debt		10,164,741	21,887,868	9,528,023	17,229,112
Liabilities and equity		250,322,521	181,242,144	249,925,131	176,386,257
Contingent assets, liabilities and other financial obligations	21				
Related parties	22				
Subsequent events	23				
Accounting Policies	24				

Statement of changes in equity

Group

	Share capital	Reserve for exchange rate conversion	Retained earnings	Equity excl. minority interests	Minority interests	Total
	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	100,000	123,884	158,933,261	159,157,145	197,131	159,354,276
Exchange adjustments relating to foreign entities	0	3,114,593	0	3,114,593	0	3,114,593
Other equity movements	0	0	0	0	-200,590	-200,590
Net profit/loss for the year	0	0	78,125,370	78,125,370	-235,869	77,889,501
Equity at 31 December	100,000	3,238,477	237,058,631	240,397,108	-239,328	240,157,780

Parent company

	Share capital	Reserve for net revaluation under the equity method	Reserve for exchange rate conversion	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	100,000	28,591,753	0	130,465,392	159,157,145
Dissolution of previous years' revaluation	0	-19,243,160	0	19,243,160	0
Exchange adjustments relating to foreign entities	0	0	3,114,593	0	3,114,593
Dividend from group enterprises	0	-16,887,800	0	16,887,800	0
Net profit/loss for the year	0	7,539,207	0	70,586,163	78,125,370
Equity at 31 December	100,000	0	3,114,593	237,182,515	240,397,108

Cash flow statement 1 January - 31 December

	Note	Group	
		2023	2022
		DKK	DKK
Result of the year		77,889,501	307,026,046
Adjustments	19	-77,356,672	-362,411,297
Change in working capital	20	1,280,354	38,007,523
Cash flow from operations before financial items		1,813,183	-17,377,728
Financial income		1,961,387	20,224
Financial expenses		-657,310	-986,220
Cash flows from ordinary activities		3,117,260	-18,343,724
Corporation tax paid		-1,296,241	-5,750,748
Cash flows from operating activities		1,821,019	-24,094,472
Purchase of property, plant and equipment		0	-386,772
Fixed asset investments made etc		-94,797,834	4,558,656
Sale of fixed asset investments made etc		182,114,096	221,809,600
Cash flows from investing activities		87,316,262	225,981,484
Purchase of treasury shares		0	-1,138,198
Dividend paid		0	-188,160,925
Cash flows from financing activities		0	-189,299,123
Change in cash and cash equivalents		89,137,281	12,587,889
Cash and cash equivalents at 1 January		32,800,553	20,212,664
Cash and cash equivalents at 31 December		121,937,834	32,800,553
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		34,622,883	32,800,553
Current asset investments		87,314,951	0
Cash and cash equivalents at 31 December		121,937,834	32,800,553

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
1. Staff Expenses				
Wages and salaries	1,769,902	44,466,820	425,258	0
Pensions	94,500	44,442	75,000	0
Other social security expenses	14,717	448,661	947	0
Other staff expenses	2,492	174,203	7,455	0
	1,881,611	45,134,126	508,660	0

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

Average number of employees	4	76	1	0
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	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
2. Income from investments in associates				
Share of losses	-4,094,987	-739,148	-3,795,753	0
Amortisation of goodwill	-88,995	-52,437	0	0
Gain from dilution	279,925	0	279,925	0
	-3,904,057	-791,585	-3,515,828	0

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
3. Financial income				
Interest received from group enterprises	0	0	378,012	201,865
Interest received from associates	0	4,125	0	0
Other financial income	1,961,144	10,626	1,959,720	0
Exchange gains	243	0	243	0
	1,961,387	14,751	2,337,975	201,865

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
4. Financial expenses				
Impairment losses on financial assets	769,136	0	0	0
Interest paid to group enterprises	0	0	720	111,207
Other financial expenses	235,379	290,711	232,989	190,184
Exchange loss	265,650	59,871	259,614	0
	1,270,165	350,582	493,323	301,391

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
5. Income tax expense				
Current tax for the year	102,954	1,853,835	109,890	-152,562
Deferred tax for the year	-94,084	1,510,754	0	0
Adjustment of tax concerning previous years	0	-1,458,926	0	-2,995
Adjustment of deferred tax concerning previous years	0	-8,735,588	0	0
	8,870	-6,829,925	109,890	-155,557

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
6. Profit allocation				
Extraordinary dividend paid	0	181,657,809	0	181,657,809
Reserve for net revaluation under the equity method	0	0	7,539,207	26,133,262
Minority interests' share of net profit/loss of subsidiaries	-235,869	89,617	0	0
Retained earnings	78,125,370	125,278,620	70,586,163	99,145,358
	77,889,501	307,026,046	78,125,370	306,936,429

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
7. Discontinuing activities				
Gross profit/loss	105,299,788	340,774,365	0	0
Staff expenses	-17,603,207	-25,633,680	0	0
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	-95,475	-2,243,039	0	0
Profit/loss before financial income and expenses	87,601,106	312,897,646	0	0
Income from investments in subsidiaries	0	0	87,679,423	297,756,877
Financial income	0	5,473	0	0
Financial expenses	-156,281	-635,638	0	0
Profit/loss before tax	87,444,825	312,267,481	87,679,423	297,756,877
Tax on profit/loss for the year	234,598	-14,510,604	0	0
Net profit/loss for the year of discontinuing activities	87,679,423	297,756,877	87,679,423	297,756,877

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
8. Special items				
Gain on sale of investments in subsidiaries	80,140,216	293,385,356	80,140,216	293,385,356
	80,140,216	293,385,356	80,140,216	293,385,356

Gain on sale of investments in subsidiaries is recognized under discontinuing activities in the Group and the Parent Company.

Notes to the Financial Statements

9. Intangible fixed assets

Group

	Acquired other similar rights	Goodwill
	DKK	DKK
Cost at 1 January	500,000	400,405
Additions for the year	1,490,106	0
Cost at 31 December	<u>1,990,106</u>	<u>400,405</u>
Impairment losses and amortisation at 1 January	42,083	240,242
Amortisation for the year	53,248	40,040
Impairment losses and amortisation at 31 December	<u>95,331</u>	<u>280,282</u>
Carrying amount at 31 December	<u>1,894,775</u>	<u>120,123</u>
Amortised over	<u>10 years</u>	<u>10 years</u>

10. Property, plant and equipment

Group

	Other fixtures and fittings, tools and equipment	Leasehold improve- ments
	DKK	DKK
Cost at 1 January	2,278,148	703,523
Disposals for the year	-1,958,784	-545,478
Cost at 31 December	<u>319,364</u>	<u>158,045</u>
Impairment losses and depreciation at 1 January	2,107,930	269,008
Depreciation for the year	0	31,609
Reversal of impairment and depreciation of sold assets	-1,788,566	-159,627
Impairment losses and depreciation at 31 December	<u>319,364</u>	<u>140,990</u>
Carrying amount at 31 December	<u>0</u>	<u>17,055</u>
Amortised over	<u>3-5 years</u>	<u>3-5 years</u>

Notes to the Financial Statements

	Parent company	
	2023	2022
	DKK	DKK
11. Investments in subsidiaries		
Cost at 1 January	119,735	4,100,000
Additions for the year	0	98,994
Disposals for the year	-39,735	-4,079,259
Cost at 31 December	<u>80,000</u>	<u>119,735</u>
Value adjustments at 1 January	28,591,753	36,589,180
Disposals for the year	-20,650,065	-26,252,566
Exchange adjustment	0	68,877
Net profit/loss for the year	5,250,540	26,133,262
Dividend to the Parent Company	-16,887,800	-7,947,000
Value adjustments at 31 December	<u>-3,695,572</u>	<u>28,591,753</u>
Equity investments with negative net asset value amortised over receivables	<u>3,615,572</u>	<u>0</u>
Carrying amount at 31 December	<u>0</u>	<u>28,711,488</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
Upright Ventures ApS	Copenhagen	80.000	100%

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
12. Investments in associates				
Cost at 1 January	3,099,795	1,599,615	0	0
Additions for the year	92,846,289	1,500,180	92,846,289	0
Disposals for the year	-403,504	0	0	0
Cost at 31 December	95,542,580	3,099,795	92,846,289	0
Value adjustments at 1 January	-1,827,043	-1,035,458	0	0
Disposals for the year	403,504	0	0	0
Exchange adjustment	3,114,593	0	3,114,593	0
Net profit/loss for the year	-4,094,987	-739,148	-3,795,753	0
Other equity movements, net	279,925	0	279,925	0
Amortisation of goodwill	-88,995	-52,437	0	0
Value adjustments at 31 December	-2,213,003	-1,827,043	-401,235	0
Carrying amount at 31 December	93,329,577	1,272,752	92,445,054	0
Positive differences arising on initial measurement of associates at net asset value	1,414,322	1,414,322	0	0
Remaining positive difference included in the above carrying amount at	800,958	1,099,701	0	0

Investments in associates are specified as follows:

Name	Place of registered office	Share capital	Ownership
FarmBackup ApS	Copenhagen	197,736	19.39%
GoLittle ApS	Helsingør	85,492	19.05%
Framna Holding ApS	Copenhagen	271,662	24.50%

Notes to the Financial Statements

13. Other fixed asset investments

	Group			Parent company	
	Other investments	Deposits	Other receivables	Deposits	Other receivables
	DKK	DKK	DKK	DKK	DKK
Cost at 1 January	754,006	1,172,508	48,856,615	178,750	48,856,615
Additions for the year	339,641	21,798	100,000	9,098	100,000
Disposals for the year	0	-823,239	-48,856,615	0	-48,856,615
Cost at 31 December	1,093,647	371,067	100,000	187,848	100,000
Impairment losses at 1 January	0	0	0	0	0
Impairment losses for the year	77,761	0	0	0	0
Impairment losses at 31 December	77,761	0	0	0	0
Carrying amount at 31 December	1,015,886	371,067	100,000	187,848	100,000

14. Fair values

	Value adjustment, income statement	Fair value at 31 December
	DKK	DKK
Group		
Shares	553,526	9,716,520
Bonds	871,593	77,598,406
Parent company		
Shares	553,526	9,716,520
Bonds	871,593	77,598,406

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
15. Deferred tax asset				
Deferred tax asset at 1 January	7,290,604	-5,450,132	0	0
Effect from disposal of subsidiaries	-7,341,761	5,515,902	0	0
Amounts recognised in the income statement for the year	94,084	7,224,834	0	0
Deferred tax asset at 31 December	42,927	7,290,604	0	0

The recognised tax asset primarily comprises of timing differences relating to intangible assets. The company and the subsidiaries, which is jointly taxed, expect to realise the recognised deferred tax asset over a 3-5 year period. On that basis, the asset has been recognised at 31 December 2023.

16. Prepayments

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

17. Share capital

The share capital consists of 1,000,000 shares of a nominal value of DKK 0.1. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

In January 2022, the Parent Company acquired 8,172 treasury shares, corresponding to 0.8172%. The total payment for the shares amounted to kDKK 1,225, which has been transferred from retained earnings under equity. These shares have not been cancelled and are therefore held as treasury shares. The Parent Company may choose to sell these shares at a later time. The shares have been acquired as part of the Parent Company's strategy.

Notes to the Financial Statements

Group		Parent company	
2023	2022	2023	2022
DKK	DKK	DKK	DKK

18. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Other payables

After 5 years	0	0	0	0
Between 1 and 5 years	0	2,841,029	0	0
Long-term part	0	2,841,029	0	0
Other short-term payables	965,054	3,949,600	463,232	38,739
	965,054	6,790,629	463,232	38,739

Group	
2023	2022
DKK	DKK

19. Cash flow statement - Adjustments

Financial income	-1,961,387	-20,224
Financial expenses	1,426,446	986,220
Depreciation, amortisation and impairment losses, including losses and gains on sales	-79,919,844	-372,013,998
Income from investments in associates	3,904,057	791,585
Tax on profit/loss for the year	-225,728	7,680,679
Other adjustments	-580,216	164,441
	-77,356,672	-362,411,297

Notes to the Financial Statements

	Group	
	2023	2022
	DKK	DKK
20. Cash flow statement - Change in working capital		
Change in receivables	-293,305	36,980,676
Change in trade payables, etc	1,573,659	1,026,847
	1,280,354	38,007,523

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
21. Contingent assets, liabilities and other financial obligations				
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Between 1 and 5 years	0	1,127,000	0	0
After 5 years	335,219	1,388,242	152,000	143,000
	335,219	2,515,242	152,000	143,000

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to DKK 7,774,468. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Group's liability.

The Parent Company has issued a letter of support to the subsidiary Upright Ventures ApS with full liability for Shape Ventures ApS' current and future obligations. The letter of support is valid until 31 December 2024.

Notes to the Financial Statements

22. Related parties

Basis

Related parties

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Risom Invest ApS: 24.77%
Oldfarm Ventures ApS: 24.77%
NICOLASLINDE ApS: 24.77%
Bruce Invest ApS: 24.77%

Transactions

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

23. Subsequent events

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

Notes to the Financial Statements

24. Accounting policies

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

The accounting policies applied remain unchanged from last year.

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

With reference to the fair and true picture, certain reclassifications have been made in the income statement and notes for the Group. Comparative figures have been adjusted accordingly.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

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

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

Basis of consolidation

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

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

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

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

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

Notes to the Financial Statements

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

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

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

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

Income statement

Revenue

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

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

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

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

Direct expenses

Direct costs comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

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

Notes to the Financial Statements

Gross profit/loss

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

Staff expenses

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

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

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

Income from investments in subsidiaries and associates

The items "Income from investments in subsidiaries" and "Income from investments in associates" in the income statement include the proportionate share of the profit for the year.

Financial income and expenses

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

Tax on profit/loss for the year

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

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

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 10 years, determined on the basis of Management's experience with the individual business areas.

Other intangible fixed assets

Acquired similar rights are measured at cost less accumulated depreciation or at the recoverable amount, whichever is lower. Acquired similar rights are depreciated over 10 years. The residual value of acquired similar rights is set at 50%.

Notes to the Financial Statements

Property, plant and equipment

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

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

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

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

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

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries and associates

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

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

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

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

Fixed asset investments

Fixed asset investments, which consist of unlisted shares are generally measured at fair value on the balance sheet date. If reliable documentation of the fair value cannot be obtained, fixed asset investments are recorded at cost.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Receivables

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

Notes to the Financial Statements

Prepayments

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

Current Asset Investments

Current Asset Investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

Treasury shares

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

Deferred tax assets and liabilities

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

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

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

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

Current tax receivables and liabilities

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

Financial liabilities

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

Cash Flow Statement

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

Notes to the Financial Statements

Cash flows from operating activities

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

Cash flows from investing activities

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

Cash flows from financing activities

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

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand" and "Current asset investments". "Current asset investments" consist of short-term securities with an insignificant risk of value changes that can readily be turned into cash.

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

Financial Highlights

Explanation of financial ratios

Return on assets	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$