Inspari BE Holding ApS

Skæringsvej 88, DK-8520 Lystrup

Annual Report for 2023

CVR No. 41 18 75 57

The Annual Report was presented and adopted at the Annual General Meeting of the company on 30/4 2024

Alexander Diepold
Chairman of the general meeting

Contents

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Inspari BE Holding 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.

Lystrup, 30 April 2024

Executive Board

Jens-Jacob Thuun Aarup
Manager

Board of Directors

Alexander Diepold Chairman	Jens-Jacob Thuun Aarup	Patrick Kuske Kupitz

Independent Auditor's report

To the shareholders of Inspari BE Holding 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 Inspari BE Holding 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.

- 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.

Independent Auditor's report

Aarhus C, 30 April 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Henrik Berring Rasmussen
State Authorised Public Accountant
mne34157

Company information

The Company	Inspari BE Holding ApS Skæringsvej 88 DK-8520 Lystrup CVR No: 41 18 75 57 Financial period: 1 January - 31 December Municipality of reg. office: Aarhus
Board of Directors	Alexander Diepold, chairman Jens-Jacob Thuun Aarup Patrick Kuske Kupitz
Executive Board	Jens-Jacob Thuun Aarup
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Jens Chr. Skous Vej 1 DK-8000 Aarhus C
Bankers	Jyske Bank

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				
Revenue	206,759	201,575	157,450	104,449
Gross profit	146,001	142,752	111,182	72,474
Profit/loss of primary operations	-2,962	13,989	4,534	1,873
Profit/loss of financial income and expenses	-3,790	-2,944	-2,428	-3,406
Net profit/loss for the year	-6,876	7,935	952	-1,863
Balance sheet				
Balance sheet total	183,895	181,379	172,520	196,631
Investment in property, plant and equipment	2,102	2,985	1,659	2,802
Equity	73,515	61,950	52,877	51,903
Cash flows				
Cash flows from:				
- operating activities	11,089	24,827	-10,233	40,764
- investing activities	-8,152	-7,282	-3,227	-151,596
- financing activities	-7,638	-2,709	-11,270	135,911
Change in cash and cash equivalents for the year	-4,701	14,836	-24,731	25,080
Number of employees	149	131	109	69
Ratios				
Profit margin	-1.4%	6.9%	2.9%	1.8%
Return on assets	-1.6%	7.7%	2.6%	1.0%
Solvency ratio	40.0%	34.2%	30.6%	26.4%
Return on equity	-10.2%	13.8%	1.8%	-7.2%

Management's review

Key activities

The group is Denmarks leading data consultancy where we help our customers turn their valuable data into actionable assets.

Development in the year

The income statement of the Group for 2023 shows a loss of DKK 6,876,387, and at 31 December 2023 the balance sheet of the Group shows a positive equity of DKK 73,515,052.

In relation to the expected result for 2023, the result for the year is considered unsatisfactory, and it has been characterized by the uncertainty factors also described in 2022. These include an uncertain market and rising inflation.

In August 2023, the group became a member of the German based valantic Gmbh group, by acquisition of a majority stake in Inspari BE Holding ApS through a newly founded company in Denmark. This includes the group as a part of a large family with more than 4,000 new international colleagues, and in this connection, the company has used resources to ensure a successful integration. This integration has had a negative impact on the financial result, but is expected to have a positive impact in 2024 and beyond.

However, the year has seen growth in consulting revenue, significantly increased activities in cloud transformation, as well as a rapidly growing subscription-based software business and a strong ability to retain and attract employees.

Goals and expectations for the coming year

In 2024, the group expects to reap the synergies of the valantic ownership. In addition to continuing its strategic work to maintain its leading position in the Danish market for data, analytics and AI, the group is expected to become a larger part of valantic's footprint in the rest of Europe and create a strong Scandinavian platform for further growth. Continued investment in the group's resources is also expected, covering both upskilling existing employees and hiring new ones.

The group expects continued growth within its market, particularly driven by the desire for digital transformation and utilization of cloud-based data solutions.

Revenue and earnings in 2024 are expected to be 10% higher than in 2023.

Key assumptions and uncertainties

The increased focus on digitalization and an associated desire to leverage the data asset is driving demand from the group's customers. It is expected that 2024 will still generally show uncertainty and thus may have an effect on the group's growth ambition, however, a higher growth rate is expected than what we have seen in 2023. At the same time, there is still a shortage of skilled labor and this is seen as one of the biggest barriers by both the group and customers. For the same reason, the group still has a strong focus on attracting and retaining employees and has launched initiatives to ensure continued upskilling.

Environment and work environment

The Group has sustainability as one of its core values. This means a number of internal employee-driven initiatives to ensure that the group itself acts as sustainably as possible, both socially and climate-wise. The group has two standard solutions that focus on the use of data in sustainability. A solution for smart building and an ESG solution. The group also continuously measures employee satisfaction on a number of parameters in order to constantly ensure the best possible working environment.

Management's review

Knowledge resources

As a consulting company, the group recognizes skilled employees as a significant resource. Over the years, the group has established procedures, standards and gained experience thanks to dedicated and ambitious employees. Internal competencies are continuously developed to keep the group at the forefront of both technological and business development. In a time when digitalization plays an increasingly important role in Danish business, the need to connect people and data is growing. This ability is exactly what the group is constantly refining.

To ensure employee retention, the group promotes a unique culture called "heartwork". This concept focuses on making room for ambitious employees and taking care of each other's development. At the group, heart and brain are involved - both professionally and personally - which is reflected in a sense of community, active knowledge sharing and, not least, trust in each other and respect for each individual's personal life situation.

Uncertainty relating to recognition and measurement

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

Unusual events

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

Subsequent events

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

Income statement 1 January - 31 December

	Note	Group 2023	Group 2022	Parent company 2023	Parent company 2022
		DKK	DKK	DKK	DKK
Revenue		206,758,753	201,575,236	0	0
Work on own account recognised in assets		923,421	1,764,909	0	0
Other operating income		113,478	26,165	0	0
Direct expenses		-40,109,880	-40,914,608	0	0
Other external expenses		-21,685,194	-19,699,630	-2,618,239	-159,564
Gross profit		**146,000,578**	**142,752,072**	**-2,618,239**	**-159,564**
Staff expenses	1	-134,858,886	-115,541,962	0	0
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-14,101,557	-13,220,748	0	0
Other operating expenses		-2,084	0	0	0
Profit/loss before financial income and expenses		**-2,961,949**	**13,989,362**	**-2,618,239**	**-159,564**
Income from investments in subsidiaries		0	0	-1,256,849	10,327,899
Financial income	2	408,306	487,778	44,403	34,795
Financial expenses	3	-4,198,156	-3,431,719	-3,913,585	-3,167,605
Profit/loss before tax		**-6,751,799**	**11,045,421**	**-7,744,270**	**7,035,525**
Tax on profit/loss for the year	4	-124,588	-3,110,787	867,883	723,519
Net profit/loss for the year	5	**-6,876,387**	**7,934,634**	**-6,876,387**	**7,759,044**

Balance sheet 31 December

Assets

		Group		Parent company	
	Note	2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Completed development projects		3,569,378	4,516,339	0	0
Acquired trademarks		543,131	963,129	0	0
Acquired other similar rights		65,424,980	71,218,315	0	0
Goodwill		56,049,717	44,337,247	0	0
Intangible assets	6	**125,587,206**	**121,035,030**	**0**	**0**
Other fixtures and fittings, tools and equipment		3,618,045	3,728,637	0	0
Property, plant and equipment	7	**3,618,045**	**3,728,637**	**0**	**0**
Investments in subsidiaries	8	0	0	127,989,470	122,784,546
Other receivables	9	1,650,021	2,702,763	0	1,304,169
Fixed asset investments		**1,650,021**	**2,702,763**	**127,989,470**	**124,088,715**
Fixed assets		**130,855,272**	**127,466,430**	**127,989,470**	**124,088,715**
Trade receivables		34,869,167	31,871,672	0	0
Contract work in progress	10	1,518,109	2,699,100	0	0
Receivables from group enterprises		249,605	0	0	0
Other receivables		2,402,849	1,575,757	0	0
Deferred tax asset	12	2,530,054	18,700	886,583	18,700
Corporation tax		932,000	0	920,000	1,441,719
Prepayments	11	1,695,388	2,648,593	0	0
Receivables		**44,197,172**	**38,813,822**	**1,806,583**	**1,460,419**
Current asset investments		**0**	**1,555,498**	**0**	**0**
Cash at bank and in hand		**8,842,879**	**13,542,841**	**23,830**	**2,088,109**
Current assets		**53,040,051**	**53,912,161**	**1,830,413**	**3,548,528**
Assets		**183,895,323**	**181,378,591**	**129,819,883**	**127,637,243**

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Share capital		102,720	100,000	102,720	100,000
Retained earnings		73,368,951	58,754,896	73,368,951	58,754,896
Equity attributable to shareholders of the Parent Company		**73,471,671**	**58,854,896**	**73,471,671**	**58,854,896**
Minority interests		43,381	3,094,806	0	0
Equity		**73,515,052**	**61,949,702**	**73,471,671**	**58,854,896**
Provision for deferred tax	12	14,512,984	16,749,442	0	0
Provisions		**14,512,984**	**16,749,442**	**0**	**0**
Lease obligations		0	449,657	0	0
Payables to group enterprises		25,857,760	0	25,857,760	0
Payables to owners and Management		0	24,124,218	0	24,124,218
Long-term debt	13	**25,857,760**	**24,573,875**	**25,857,760**	**24,124,218**
Credit institutions		27,500,000	42,500,000	27,500,000	42,500,000
Lease obligations	13	449,658	109,345	0	0
Prepayments received from customers		3,815,296	6,687,399	0	0
Trade payables		6,787,987	9,259,711	0	0
Payables to group enterprises	13	40,246	0	2,936,453	2,112,529
Corporation tax		0	152,302	0	0
Other payables		31,416,340	19,396,815	53,999	45,600
Short-term debt		**70,009,527**	**78,105,572**	**30,490,452**	**44,658,129**
Debt		**95,867,287**	**102,679,447**	**56,348,212**	**68,782,347**
Liabilities and equity		**183,895,323**	**181,378,591**	**129,819,883**	**127,637,243**

Contingent assets, liabilities and other financial obligations	16
Related parties	17
Subsequent events	18
Accounting Policies	19

Statement of changes in equity

Group

	Share capital	Retained earnings	Equity excl. minority interests	Minority interests	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	100,000	58,754,896	58,854,896	3,094,806	61,949,702
Capital increase	2,720	7,619,063	7,621,783	0	7,621,783
Ordinary dividend paid	0	0	0	-767,160	-767,160
Contribution from group	0	38,982,850	38,982,850	0	38,982,850
Other equity movements	0	-29,983,870	-29,983,870	-2,284,265	-32,268,135
Tax on other equity movements	0	4,872,399	4,872,399	0	4,872,399
Net profit/loss for the year	0	-6,876,387	-6,876,387	0	-6,876,387
Equity at 31 December	**102,720**	**73,368,951**	**73,471,671**	**43,381**	**73,515,052**

Parent company

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	100,000	58,754,896	58,854,896
Capital increase	2,720	7,619,063	7,621,783
Contribution from group	0	38,982,850	38,982,850
Other equity movements	0	-25,111,471	-25,111,471
Net profit/loss for the year	0	-6,876,387	-6,876,387
Equity at 31 December	**102,720**	**73,368,951**	**73,471,671**

Cash flow statement 1 January - 31 December

	Note	Group 2023	Group 2022
		DKK	DKK
Result of the year		-6,876,387	7,934,634
Adjustments	14	17,904,601	19,249,311
Change in working capital	15	4,985,305	3,712,131
Cash flow from operations before financial items		**16,013,519**	**30,896,076**
Financial income		358,416	487,778
Financial expenses		-4,198,156	-3,243,432
Cash flows from ordinary activities		**12,173,779**	**28,140,422**
Corporation tax paid		-1,084,303	-3,313,227
Cash flows from operating activities		**11,089,476**	**24,827,195**
Purchase of intangible assets		-923,420	-1,764,909
Purchase of property, plant and equipment		-2,101,642	-2,860,231
Fixed asset investments made etc		-347,430	-300,011
Sale of property, plant and equipment		223,589	960,988
Sale of fixed asset investments made etc		1,400,172	47,617
Sale of current asset investments		1,605,388	0
Business acquisition		-8,008,489	-3,365,361
Cash flows from investing activities		**-8,151,832**	**-7,281,907**
Repayment of loans from credit institutions		-15,000,000	-5,000,000
Reduction of lease obligations		-109,344	-459,812
Raising of payables to group enterprises		1,524,183	0
Raising of other long-term debt		0	1,613,078
Other equity entries		6,714,715	1,247,013
Dividend paid		-767,160	-109,200
Cash flows from financing activities		**-7,637,606**	**-2,708,921**
Change in cash and cash equivalents		**-4,699,962**	**14,836,367**
Cash and cash equivalents at 1 January		13,542,841	-1,293,526
Cash and cash equivalents at 31 December		**8,842,879**	**13,542,841**

Cash and cash equivalents are specified as follows:

Cash at bank and in hand	8,842,879	13,542,841
Cash and cash equivalents at 31 December	**8,842,879**	**13,542,841**

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
1. Staff Expenses				
Wages and salaries	116,772,544	101,451,914	0	0
Pensions	11,256,520	8,686,159	0	0
Other social security expenses	1,349,787	1,169,320	0	0
Other staff expenses	5,480,035	4,234,569	0	0
	134,858,886	**115,541,962**	**0**	**0**
Including remuneration to the Executive Board and Board of Directors	**2,344,122**	**2,391,524**	**0**	**0**
Average number of employees	**149**	**131**	**0**	**0**

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
2. Financial income				
Other financial income	408,306	193,966	44,403	34,795
Exchange gains	0	293,812	0	0
	408,306	**487,778**	**44,403**	**34,795**

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
3. Financial expenses				
Interest paid to group enterprises	595,169	0	706,174	89,843
Other financial expenses	3,447,825	3,431,719	3,207,411	3,077,762
Exchange loss	155,162	0	0	0
	4,198,156	**3,431,719**	**3,913,585**	**3,167,605**

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
4. Income tax expense				
Current tax for the year	0	4,371,230	0	-725,719
Deferred tax for the year	124,588	-1,260,443	-867,883	2,200
	124,588	**3,110,787**	**-867,883**	**-723,519**

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
5. Profit allocation				
Minority interests' share of net profit/loss of subsidiaries	0	175,590	0	0
Retained earnings	-6,876,387	7,759,044	-6,876,387	7,759,044
	-6,876,387	**7,934,634**	**-6,876,387**	**7,759,044**

6. Intangible fixed assets

Group

	Completed development projects	Acquired trademarks	Acquired other similar rights	Goodwill
	DKK	DKK	DKK	DKK
Cost at 1 January	9,026,690	2,100,000	86,900,000	53,556,910
Additions for the year	923,421	0	0	15,630,272
Cost at 31 December	9,950,111	2,100,000	86,900,000	69,187,182
Impairment losses and depreciation at 1 January	4,510,351	1,136,871	15,681,685	9,219,663
Depreciation for the year	1,870,382	419,998	5,793,335	3,917,802
Impairment losses and depreciation at 31 December	6,380,733	1,556,869	21,475,020	13,137,465
Carrying amount at 31 December	**3,569,378**	**543,131**	**65,424,980**	**56,049,717**

Development projects relate to the development of software for use together with the company's existing solutions. It is expected that the software will be sold in the current market to the company's existing customers.

7. Property, plant and equipment

Group

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	9,194,963
Additions for the year	2,101,643
Disposals for the year	-780,460
Cost at 31 December	10,516,146
Impairment losses and depreciation at 1 January	5,466,326
Depreciation for the year	2,100,040
Reversal of impairment and depreciation of sold assets	-668,265
Impairment losses and depreciation at 31 December	6,898,101
Carrying amount at 31 December	**3,618,045**
Including assets under finance leases amounting to	499,991

Notes to the Financial Statements

	Parent company	
	2023	2022
	DKK	DKK

8. Investments in subsidiaries

	2023	2022
Cost at 1 January	126,803,530	127,797,648
Additions for the year	50,632,060	0
Disposals for the year	-2,739,320	-994,118
Cost at 31 December	174,696,270	126,803,530
Value adjustments at 1 January	-4,018,984	-8,128,364
Disposals for the year	5,668	31,511
Net profit/loss for the year	7,199,591	18,390,506
Dividend to the Parent Company	-16,232,840	-6,390,800
Other equity movements, net	-25,111,471	279,588
Amortisation of goodwill	-8,548,764	-8,201,425
Value adjustments at 31 December	-46,706,800	-4,018,984
Carrying amount at 31 December	**127,989,470**	**122,784,546**
Positive differences arising on initial measurement of subsidiaries at net asset value	119,745,367	119,745,367

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
Inspari A/S	Aarhus, Danmark	850.000	100%
Ambiant Group ApS *)	Lyngby-Taarbæk, Danmark	40.000	100%

*) Subsiduary of Inspari A/S.

Notes to the Financial Statements

9. Other fixed asset investments

	Group	Parent company
	Other receivables	Other receivables
	DKK	DKK
Cost at 1 January	2,702,763	1,304,169
Additions for the year	347,430	44,403
Disposals for the year	-1,400,172	-1,348,572
Cost at 31 December	1,650,021	0
Carrying amount at 31 December	**1,650,021**	**0**

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK

10. Contract work in progress

	Group 2023 DKK	Group 2022 DKK	Parent company 2023 DKK	Parent company 2022 DKK
Selling price of work in progress	1,518,109	2,699,100	0	0
	1,518,109	**2,699,100**	**0**	**0**
Recognised in the balance sheet as follows:				
Contract work in progress recognised in assets	1,518,109	2,699,100	0	0
	1,518,109	**2,699,100**	**0**	**0**

11. Prepayments

Accruals consist of prepaid costs relating to rent, insurance premiums, subscriptions and interest.

Notes to the Financial Statements

12. Provision for deferred tax

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
Deferred tax liabilities at 1 January	16,730,742	17,991,185	-18,700	-20,900
Amounts recognised in the income statement for the year	124,588	-1,260,443	-867,883	2,200
Amounts recognised in equity for the year	-4,872,400	0	0	0
Deferred tax liabilities at 31 December	**11,982,930**	**16,730,742**	**-886,583**	**-18,700**
Recognised in the balance sheet as follows:				
Assets	2,530,054	18,700	886,583	18,700
Provisions	-14,512,984	-16,749,442	0	0
	11,982,930	**16,730,742**	**-886,583**	**-18,700**

13. 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:

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
Lease obligations				
After 5 years	0	0	0	0
Between 1 and 5 years	0	449,657	0	0
Long-term part	0	449,657	0	0
Within 1 year	449,658	109,345	0	0
	449,658	**559,002**	**0**	**0**
Payables to group enterprises				
After 5 years	0	0	0	0
Between 1 and 5 years	25,857,760	0	25,857,760	0
Long-term part	25,857,760	0	25,857,760	0
Other short-term debt to group enterprises	40,246	0	2,936,453	2,112,529
	25,898,006	**0**	**28,794,213**	**2,112,529**

Notes to the Financial Statements

13. Long-term debt

	Group 2023	Group 2022	Parent company 2023	Parent company 2022
	DKK	DKK	DKK	DKK
Payables to owner and Management				
After 5 years	0	0	0	0
Between 1 and 5 years	0	24,124,218	0	24,124,218
Long-term part	0	24,124,218	0	24,124,218
Within 1 year	0	0	0	0
	0	**24,124,218**	**0**	**24,124,218**

14. Cash flow statement - Adjustments

	Group 2023	Group 2022
	DKK	DKK
Financial income	-408,306	-487,778
Financial expenses	4,198,156	3,431,719
Depreciation, amortisation and impairment losses, including losses and gains on sales	13,990,163	13,194,583
Tax on profit/loss for the year	124,588	3,110,787
	17,904,601	**19,249,311**

15. Cash flow statement - Change in working capital

	Group 2023	Group 2022
	DKK	DKK
Change in receivables	-1,690,393	-3,840,789
Change in trade payables, etc	6,675,698	7,552,920
	4,985,305	**3,712,131**

16. Contingent assets, liabilities and other financial obligations

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	593,300	336,063	0	0
Between 1 and 5 years	742,394	264,870	0	0
	1,335,694	**600,933**	**0**	**0**
Lease obligations, period of non-terminability 6 months	2,431,847	2,355,343	0	0

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. valantic DK ApS is the management company of the joint taxation. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

As security for the parent company's commitment with Jyske Bank of DKK 27,500,000, the parent company's shares in the subsidiary with an accounting value of DKK 127.989.470 have been pledged.

Inspari BE Holding ApS har issued an unlimited guarantee for Inspari A/S towards the bank.

A DKK 5,000,000 corporate mortgage has been registered as security for engagement with Jyske Bank in operating assets, inventories, vehicles never registered, intellectual property rights and operating inventory/equipment.

Notes to the Financial Statements

17. Related parties and disclosure of consolidated financial statements

	Basis
Controlling interest	
Inspari HoldCo ApS	Parent Company

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.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
VAL FCV TopCo S.à.r.l	Luxembourg (LU)
valantic GmbH	München (DE)

The Group Annual Report of VAL FCV TopCo S.à.r.l may be obtained at the following address:
VAL FCV TopCo S.à.r.l, 43, Avenue John F. Kennedy, Luxembourg, L-1855, Luxembourg
The Group Annual Report of valantic GmbH may be obtained at the following address:
valantic GmbH, Ainmillerstraße 22, München, Bayern 80801, Germany

18. Subsequent events

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

19. Accounting policies

The Annual Report of Inspari BE Holding 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.

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, Inspari BE Holding 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.

Business combinations

Business acquisitions carried through on or after 1 July 2018

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

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 acquistition of subsidiaries.

Business acquisitions carried through on or after 1 July 2018

Minority interests are initially measured at their proportionate share of the fair value of the acquired entity's identifiable net assets. In this way, only goodwill related to the Parent Company's share of the entity acquired is recognised.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other 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.

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

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 expenses primarily include operating expenses for the year.

Other external expenses

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

Staff expenses

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

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

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

Income from investments in subsidiaries

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

Notes to the Financial Statements

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 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 Company is jointly taxed with Danish subsidiaries. The tax effect of the joint taxation is allocated to Danish 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 15 years, determined on the basis of Management's experience with the individual business areas. The useful life of goodwill relating to the subsidiary Inspari A/S is 15 years, as the subsidiary has a strong market position and a long earnings profile.

Development projects

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

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

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

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

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 3-5 year.

Other intangible fixed assets

Licences and rights are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Software licences and rights are amortised over the period of the agreements, which is 7 years and 15 years, respectively.

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	1-10 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

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

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

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

Other fixed asset investments

Other fixed asset investments consist of deposit.

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.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Prepayments

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

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.

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.

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

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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

Cash Flow Statement

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

Cash flows from operating activities

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

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 ”Overdraft facilities”.

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

Financial Highlights

Explanation of financial ratios

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