# Venaris Executive Search ApS

**H. C. Andersens Boulevard 11, 1., 1553 København V**

**Company reg. no. 41 21 84 28**

## Annual report

## 1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 21 April 2023.

Morten Islin
Chairman of the meeting

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

# Contents

# Management's statement

Today, the Managing Director has approved the annual report of Venaris Executive Search ApS for the financial year 1 January - 31 December 2022.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

Further, in my opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

København V, 21 April 2023

**Managing Director**

Morten Islin

## Independent auditor's report on extended review

**To the Shareholders of Venaris Executive Search ApS**

### Opinion

We have performed an extended review of the financial statements of Venaris Executive Search ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

### Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor’s responsibilities for the extended review of the Financial Statements" section of our report. We are independent of the Company 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management’s Responsibilities for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the 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 Company or to cease operations, or has no realistic alternative but to do so.

### Auditor’s responsibilities for the extended review of the Financial Statements

Our responsibility is to express a opinion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our opinion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our opinion.

## Independent auditor's report on extended review

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

**Statement on the Management's Review**

Management is responsible for the Management's Review.

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

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

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

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

Copenhagen, 21 April 2023

**BUUS JENSEN**
State Authorised Public Accountants
Company reg. no. 16 11 90 40

Benjamin Møller Obel
State Authorised Public Accountant
mne44149

## Company information

| | | |
|---|---|---|
| **The company** | Venaris Executive Search ApS<br>H. C. Andersens Boulevard 11, 1.<br>1553 København V | |
| | E mail | mi@venaris.dk |
| | Company reg. no. | 41 21 84 28 |
| | Established: | 2 March 2020 |
| | Domicile: | København |
| | Financial year: | 1 January 2022 - 31 December 2022 |
| **Managing Director** | Morten Islin | |
| **Auditors** | BUUS JENSEN, Statsautoriserede revisorer | |
| **Parent company** | Islin Holding ApS<br>CVR-nr. 29606315 | |

## Management´s review

### Description of key activities of the company

Like previous years, the activities are management consulting, within primarily recruitment and outplacement.

### Development in activities and financial matters

The gross profit for the year totals DKK 15.911.899 against DKK 14.373.408 last year. Income or loss from ordinary activities after tax totals DKK 1.100.181 against DKK 1.655.566 last year. Management considers the net profit for the year satisfactory.

A positive result is expected for the coming financial year.

## Income statement 1 January - 31 December

All amounts in DKK.

| Note | | 2022 | 2021 |
|---|---|---|---|
| | **Gross profit** | **15.911.899** | **14.373.408** |
| 1 | Staff costs | -14.274.518 | -12.081.176 |
| | Depreciation and impairment of property, land, and equipment | -182.510 | -108.591 |
| | **Operating profit** | **1.454.871** | **2.183.641** |
| 2 | Other financial expenses | -18.319 | -36.413 |
| | **Pre-tax net profit or loss** | **1.436.552** | **2.147.228** |
| | Tax on net profit or loss for the year | -336.371 | -491.662 |
| | **Net profit or loss for the year** | **1.100.181** | **1.655.566** |
| | | | |
| | **Proposed distribution of net profit:** | | |
| | Dividend for the financial year | 1.100.000 | 1.758.235 |
| | Transferred to retained earnings | 181 | 0 |
| | Allocated from retained earnings | 0 | -102.669 |
| | **Total allocations and transfers** | **1.100.181** | **1.655.566** |

## Balance sheet at 31 December

All amounts in DKK.

| Note | Assets | 2022 | 2021 |
|---|---|---|---|
| | **Non-current assets** | | |
| 3 | Other fixtures, fittings, tools and equipment | 540.460 | 388.511 |
| | Total property, plant, and equipment | 540.460 | 388.511 |
| | **Total non-current assets** | **540.460** | **388.511** |
| | **Current assets** | | |
| | Trade receivables | 3.872.206 | 4.127.025 |
| | Other receivables | 380.571 | 1.203.875 |
| | Prepayments | 141.478 | 120.000 |
| | Total receivables | 4.394.255 | 5.450.900 |
| | Cash and cash equivalents | 1.545.317 | 2.088.012 |
| | **Total current assets** | **5.939.572** | **7.538.912** |
| | **Total assets** | **6.480.032** | **7.927.423** |

## Balance sheet at 31 December

All amounts in DKK.

**Equity and liabilities**

| Note | | 2022 | 2021 |
|---|---|---|---|
| | **Equity** | | |
| 4 | Contributed capital | 300.000 | 200.000 |
| | Retained earnings | 181 | 0 |
| | Proposed dividend for the financial year | 1.100.000 | 1.758.235 |
| | **Total equity** | **1.400.181** | **1.958.235** |
| | **Provisions** | | |
| | Provisions for deferred tax | 9.838 | 12.993 |
| | **Total provisions** | **9.838** | **12.993** |
| | **Long term labilities other than provisions** | | |
| | Trade payables | 134.863 | 191.460 |
| | Payables to group enterprises | 0 | 200.000 |
| | Income tax payable to group enterprises | 339.526 | 391.392 |
| | Other payables | 4.595.624 | 5.173.343 |
| | Total short term liabilities other than provisions | 5.070.013 | 5.956.195 |
| | **Total liabilities other than provisions** | **5.070.013** | **5.956.195** |
| | **Total equity and liabilities** | **6.480.032** | **7.927.423** |

**5 Contingencies**

## Statement of changes in equity

All amounts in DKK.

| | Contributed capital | Retained earnings | Proposed dividend for the financial year | Total |
|---|---|---|---|---|
| Equity 1 January 2021 | 200.000 | 102.669 | 250.000 | 552.669 |
| Distributed dividend | 0 | 0 | -250.000 | -250.000 |
| Profit or loss for the year brought forward | 0 | -102.669 | 1.758.235 | 1.655.566 |
| Equity 1 January 2022 | 200.000 | 0 | 1.758.235 | 1.958.235 |
| Cash capital increase | 100.000 | 0 | 0 | 100.000 |
| Distributed dividend | 0 | 0 | -1.758.235 | -1.758.235 |
| Profit or loss for the year brought forward | 0 | 181 | 1.100.000 | 1.100.181 |
| | **300.000** | **181** | **1.100.000** | **1.400.181** |

## Notes

All amounts in DKK.

| | | 2022 | 2021 |
|---|---|---|---|
| **1.** | **Staff costs** | | |
| | Salaries and wages | 13.828.183 | 10.992.494 |
| | Pension costs | 411.782 | 1.060.850 |
| | Other costs for social security | 34.553 | 27.832 |
| | | **14.274.518** | **12.081.176** |
| | Average number of employees | 10 | 8 |
| **2.** | **Other financial expenses** | | |
| | Financial costs, group enterprises | 2.667 | 14.667 |
| | Other financial costs | 15.652 | 21.746 |
| | | **18.319** | **36.413** |

| | | 31/12 2022 | 31/12 2021 |
|---|---|---|---|
| **3.** | **Other fixtures, fittings, tools and equipment** | | |
| | Cost 1 January 2022 | 534.247 | 379.906 |
| | Additions during the year | 392.738 | 154.341 |
| | Disposals during the year | -66.041 | 0 |
| | **Cost 31 December 2022** | **860.944** | **534.247** |
| | Depreciation and write-down 1 January 2022 | -145.736 | -37.145 |
| | Depreciation and writedown for the year | -177.398 | -108.591 |
| | Depreciation and writedown, assets disposed of | 2.650 | 0 |
| | **Depreciation and write-down 31 December 2022** | **-320.484** | **-145.736** |
| | **Carrying amount, 31 December 2022** | **540.460** | **388.511** |
| **4.** | **Contributed capital** | | |
| | Contributed capital 1 January 2022 | 200.000 | 200.000 |
| | Cash capital increase | 100.000 | 0 |
| | | **300.000** | **200.000** |

All amounts in DKK.

| | 31/12 2022 | 31/12 2021 |
|---|---|---|

**5. Contingencies**

**Contingent liabilities**

Rental obligations

The company has entered into an agreement to rent premises. The premises can be terminated for eviction with 6 months notice from both tenant and landlord. The lease is irrevocable from tenant until July, 1 2026 and landlord until July, 1 2030, after which the earliest termination / eviction is December, 31 2026. The annual rent obligation amounts to DKK thousand. 590.

**Joint taxation**

With Islin Holding ApS, company reg. no 29606315 as administration company, the company is subject to the Danish scheme of joint taxation and is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligations to withhold tax on interest, royalties, and dividends of the jointly taxed companies.

The liabilities amount to a maximum amount corresponding to the share of the company capital, which is owned directly or indirectly by the ultimate parent company.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

# Accounting policies

The annual report for Venaris Executive Search ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

**Changes in the accounting policies**

From the financial year 2022, the company has changed its presentation of the profit and loss statement from the method broken down by function to the method broken down by type. For the financial year 2021, the management assessed that the method divided by function was more accurate, but the management has subsequently, on the basis of industry quotas, assessed that the method divided by type is more appropriate for accounting users.

The change has no effect on the result for the year or equity.

Except for the above, the accounting policies remain unchanged from last year.

The comparative figures have been adjusted to the changed accounting policies.

**Recognition and measurement in general**

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

## Income statement

**Gross profit**

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

**Staff costs**

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

**Depreciation, amortisation, and write-down for impairment**

Depreciation, amortisation, and write-down for impairment comprise depreciation, amortisation, and write-down for the year and profit and loss on the disposal of intangible and tangible assets.

**Financial income and expenses**

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

**Tax on net profit or loss for the year**

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

## Statement of financial position

**Property, plant, and equipment**

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

| | Useful life | Residual value |
|---|---|---|
| Other fixtures and fittings, tools and equipment | 3-5 years | 0-20 % |

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement under depreciation.

**Impairment loss relating to non-current assets**

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

**Receivables**

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

**Prepayments**

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand.

**Equity**

**Dividend**

Dividend expected to be distributed for the year is recognised as a separate item under equity.

**Income tax and deferred tax**

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Venaris Executive Search ApS is proportionally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

**Liabilities other than provisions**

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.