

Design Impact Capital Management ApS

Wildersgade 60C, 3. tv, 1408 Copenhagen K

CVR no. 41 27 21 20

Annual report 2023

Approved at the Company's annual general meeting on 18 June 2024

Chair of the meeting:

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Liza Chong

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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Design Impact Capital Management 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 give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

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

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 18 June 2024
Executive Board:

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Liza Chong

Independent auditor's report

To the shareholder of Design Impact Capital Management ApS

Opinion

We have audited the financial statements of Design Impact Capital Management ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 the 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.

Independent auditor's report

- ▶ 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 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 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 Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management'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 conclusion thereon.

In connection with our audit 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 audit, 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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 18 June 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Kaare K. Lendorf
State Authorised Public Accountant
mne33819

Emil Johnsen
State Authorised Public Accountant
mne50640

Management's review

Company details

Name	Design Impact Capital Management ApS
Address, Postal code, City	C/O Liza Chong Wildersgade 60C, 3. tv, 1408 Copenhagen K
CVR no.	41 27 21 20
Registered office	Copenhagen
Executive Board	Liza Chong
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management commentary

Business review

The objects of the company are –directly or by equity holding in other companies –to carry out administration and advisory tasks for its customers and other activities that the management board deems to be ancillary or related thereto, and to have a material positive impact on the society and the environment in general as part of the company's operation and business.

Financial review

The income statement for 2023 shows a profit of DKK 131,277 against a profit of DKK 220,275 last year, and the balance sheet at 31 December 2023 shows equity of DKK 326,275. Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2023	2022
	Gross profit	185,176	264,199
	Income from investments in group enterprises	-13,056	0
	Financial income	2	844
	Financial expenses	-136	-385
	Profit before tax	171,986	264,658
	Tax for the year	-40,709	-44,383
	Profit for the year	131,277	220,275
	 Recommended appropriation of profit		
	Retained earnings	131,277	220,275
		131,277	220,275

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	ASSETS		
	Fixed assets		
3	Investments		
	Investments in group enterprises	26,944	40,000
		26,944	40,000
	Total fixed assets	26,944	40,000
	Non-fixed assets		
	Receivables		
	Trade receivables	14,660	29,319
	Receivables from group enterprises	107,351	40,427
	Other receivables	28,056	0
	Prepayments	9,773	9,773
		159,840	79,519
	Cash	280,954	388,644
	Total non-fixed assets	440,794	468,163
	TOTAL ASSETS	467,738	508,163
	EQUITY AND LIABILITIES		
	Equity		
	Share Capital	40,000	40,000
	Retained earnings	286,275	154,998
	Total equity	326,275	194,998
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	27,933	256,466
	Payables to associates	85,092	0
	Corporation tax payable	19,536	44,383
	Payables to shareholders and management	8	0
	Other payables	8,894	12,316
		141,463	313,165
	Total liabilities other than provisions	141,463	313,165
	TOTAL EQUITY AND LIABILITIES	467,738	508,163

- 1 Accounting policies
- 2 Staff costs
- 4 Other contractual obligations and contingencies, etc.
- 5 Security and collateral
- 6 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	<u>Share Capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2022	40,000	-65,277	-25,277
Transfer through appropriation of profit	0	220,275	220,275
Equity at 1 January 2023	40,000	154,998	194,998
Transfer through appropriation of profit	0	131,277	131,277
Equity at 31 December 2023	40,000	286,275	326,275

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Design Impact Capital Management ApS for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Pursuant to section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals, which are due to changes in estimated amounts previously recognised in the profit and loss account, are recognised in the profit and loss account.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income statement

Gross profit

The items revenue and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration etc.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Investments in group entities

Investments in subsidiaries are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Impairment of fixed assets

The carrying amount of goodwill, equipment and investments in subsidiary is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

2 Staff costs

The Company has no employees and did not pay any remuneration to Management during the financial year.

Financial statements 1 January - 31 December

Notes to the financial statements

3 Investments

DKK

Cost at 1 January 2023

Cost at 31 December 2023

Impairment losses

Value adjustments at 31 December 2023

Carrying amount at 31 December 2023

Group entities

<u>Name</u>	<u>Legal form</u>	<u>Domicile</u>	<u>Interest</u>	<u>Equity DKK</u>	<u>Profit/loss DKK</u>
Design Impact Fund II Kompleme ntar	ApS	København	100.00%	26,944	1,402

4 Other contingent liabilities

Contingent liabilities

The Company is jointly taxed with its parent, Pinestone Holding ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2023 onwards.

5 Security and collateral

The Company has not provided any security or other collateral in assets at 31 December 2023.

6 Related parties

Design Impact Capital Management ApS' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
The Index Project (fond)	Copenhagen	Participating interest

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Liza Chong

Executive board

On behalf of: the company

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Kaare Kristensen Lendorf

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

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