

# LRQA Danmark ApS


Automatikvej 1 3, 2860 Søborg

**CVR no. 42568392**

## **Annual report for the year 31 December 2023**

Adopted at the Company's Annual General Meeting on 18 July 2024

Chairman:

Signed by:  
  
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Hans Natanael Höglund

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## LRQA Danmark ApS

### Statement by management on the annual report


The executive board has today discussed and approved the annual report of LRQA Danmark ApS for the financial year 1 January 2023 - 31 December 2023.

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

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January 2023 - 31 December 2023.

The Management Review contains, in our opinion a true account of the circumstances under review.

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

Signed by:  
  
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Hans Natanael Höglund

Søborg  
Date: 18 July 2024

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David Chambers

Søborg  
Date: 18 July 2024

## **Independent auditor's report**

### ***To the Shareholder of LRQA Danmark ApS*** **Opinion**

We have audited the financial statements of LRQA Danmark ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under 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 operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

### **Basis of 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 company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Management's responsibility 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 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.

## **Independent auditor's report**

### **Auditor's responsibilities for the audit of the financial statements (continued)**

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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 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 in-adequate, to modify our opinion. Our conclusion is 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 consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company 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 company 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.

## Independent auditor's report

### Statement on the management's review (continued)

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.

18 July 2024

Baker Tilly Denmark  
**Godkendt Revisionspartnerselskab**  
**CVR no. 35257691**

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Ramazan Turan  
**State-authorized public accountant**  
**mne32779**

## LRQA Danmark ApS

### Company details

#### The company

LRQA Danmark ApS  
Automatikvej 1 3  
2860 Søborg

CVR no.: 42568392

Financial year: 2023-01-01 - 2023-12-31

#### Executive Board

Hans Natanael Höglund, director  
David Chambers, director

#### Auditors

Baker Tilly Denmark  
Godkendt Revisionspartnerselskab  
Poul Bundgaards Vej 1, 1.  
2500 Valby

## LRQA Danmark ApS

### **Management's review**

#### **Business review**

The Company's activity is to develop, sell, provide consulting and implement administrative software solutions.

#### **Financial review**

The company's income statement for the year ended 31 December 2023 shows a loss of (DKK7,063,342) (2022: of DKK3,285,780), and the balance sheet at 31 December 2023 shows negative equity of DKK10,309,122 (2022: negative equity of DKK3,245,780).

#### **Significant events occurring after the end of the financial year**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.



## LRQA Danmark ApS

## Income statement

	Note	2023 DKK	2021/2022 DKK
<b>Gross profit</b>		3,347,644	6,700,927
Staff costs	2	(2,649,472)	(3,505,721)
Amortisation, depreciation and impairment losses	7	(7,005,484)	(8,756,642)
<b>Loss before net financials</b>		<u>(6,307,312)</u>	<u>(5,561,436)</u>
Financial income	3	17,000	2,217,375
Finance costs	4	(1,490,243)	(868,477)
<b>Loss before tax</b>		<u>(7,780,555)</u>	<u>(4,212,538)</u>
Income tax expense	5	717,213	926,758
<b>Loss for the year</b>		<u>(7,063,342)</u>	<u>(3,285,780)</u>

## LRQA Danmark ApS

## Balance sheet

	Note	31 December 2023 DKK	31 December 2022 DKK
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b><i>Intangible assets</i></b>			
Goodwill	6	54,272,691	61,275,619
		<u>54,272,691</u>	<u>61,275,619</u>
<b><i>Tangible assets</i></b>			
Fixtures and fittings, plant and equipment	7	7,244	9,800
		<u>7,244</u>	<u>9,800</u>
<b>Total non-current assets</b>		<u>54,279,935</u>	<u>61,285,419</u>
Trade receivables		2,773,415	2,969,179
Receivables from group enterprises		10,070,122	2,525,407
Other receivables		724,793	4,193,458
Deferred tax asset		1,263,935	926,758
Prepayments		16,397	16,397
		<u>14,848,662</u>	<u>10,631,199</u>
Cash at bank and in hand		305,041	44,738
<b>Total current assets</b>		<u>15,153,703</u>	<u>10,675,937</u>
<b>TOTAL ASSETS</b>		<u>69,433,638</u>	<u>71,961,356</u>
<b>Equity and liabilities</b>			
<b><i>Equity</i></b>			
Share capital		40,000	40,000
Retained earnings		(10,349,122)	(3,285,780)
<b>Equity holders' share of equity</b>		<u>(10,309,122)</u>	<u>(3,245,780)</u>
<b>Total equity</b>		<u>(10,309,122)</u>	<u>(3,245,780)</u>
<b><i>Current liabilities</i></b>			
Prepayments received from costumers		691,734	602,575
Trade payables		41,608	232,478
Payables to group enterprises		77,560,476	73,297,635
Other payables		1,446,640	1,036,100
Deferred income		2,302	38,348
<b>Total current liabilities</b>		<u>79,742,760</u>	<u>75,207,136</u>
<b>Total liabilities</b>		<u>79,742,760</u>	<u>75,207,136</u>
<b>Total equity and liabilities</b>		<u>69,433,638</u>	<u>71,961,356</u>

## LRQA Danmark ApS

## Statement of changes in equity

	<b>Share Capital</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>DKK</b>	<b>DKK</b>	<b>DKK</b>
<b>Equity at 31 December 2022</b>	40,000	(3,285,780)	(3,245,780)
Loss for the year	0	(7,063,342)	(7,063,342)
<b>Equity at 31 December 2023</b>	<u>40,000</u>	<u>(10,349,122)</u>	<u>(10,309,122)</u>

## LRQA Danmark ApS

### Notes to the financial statements

#### 1. Accounting policies

The annual report of LRQA Danmark ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

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

##### 1.1 Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

##### 1.2 Income statement

###### (a) Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other operating income less costs of other external expenses.

###### (b) Revenue

Income from the sale of services is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

###### (c) Other operating income

The item Other operating income includes items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of equipment, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds. Indemnities are recognised when it is more probable than not that the company is going to be indemnified.

## Notes to the financial statements

### 1. Accounting policies (continued)

#### (d) Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the company's activities, including losses on the sale of intangible assets and items of equipment.

#### (e) Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

#### (f) Staff costs

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.

#### (g) Depreciation, amortisation and impairment of intangible assets and equipment

Depreciation, amortisation and impairment of intangible assets and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and equipment.

#### (h) Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to liabilities and foreign currency transactions, amortisation of liabilities.

### 1.3 Balance sheet

#### (a) Intangible assets

##### Goodwill

Acquired goodwill is measured at cost less accumulated amortisation and impairment losses. Goodwill is amortised over 10 years.

#### (b) Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful lives (in years)
Other fixtures and fittings, plant and equipment	5

#### (c) Receivables

Receivables are measured at amortised cost.

## LRQA Danmark ApS

**Notes to the financial statements****1. Accounting policies (continued)****(d) Prepayments**

Prepayments recognised under current assets comprise expenses incurred concerning subsequent financial years.

**(e) Cash and cash equivalents**

Cash and cash equivalents comprise cash and deposits at banks.

**(f) Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

**(g) 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.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

**(h) Deferred income**

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

**2. Staff costs and incentive plans**

	<b>2023 DKK</b>	<b>2021/2022 DKK</b>
Wages and salaries	2,258,471	3,225,888
Pensions	389,990	404,449
Other social security costs	(15,466)	14,632
Other staff costs	16,477	(139,248)
	<u>2,649,472</u>	<u>3,505,721</u>
 Average number of full-time employees	 3	 2

## LRQA Danmark ApS

## Notes to the financial statements

## 3. Financial income

	31 December 2023 DKK	31 December 2022 DKK
Foreign exchange gains	0	2,199,025
Other interest income	17,000	18,350
	<u>17,000</u>	<u>2,217,375</u>

## 4. Financial costs

	31 December 2023 DKK	31 December 2022 DKK
Exchange adjustments	1,445,157	0
Other financial costs	45,086	868,477
	<u>1,490,243</u>	<u>868,477</u>

## 5. Tax for the year

	2023 DKK	2021/2022 DKK
<b>Tax for the year</b>		
Current tax charge for the year	(380,036)	0
Adjustment of the deferred tax charge for the year	(337,177)	(926,758)
	<u>(717,213)</u>	<u>(926,758)</u>

## 6. Intangible assets

	Goodwill DKK
Cost at 1 January 2023	70,029,279
Additions during the year	0
<b>Cost at 31 December 2023</b>	<u>70,029,279</u>
Amortisation and impairment losses as at 1 January 2023	8,753,660
Amortisation for the year	7,002,928
<b>Amortisation at 31 December 2023</b>	<u>15,756,588</u>
<b>Carrying amount at 31 December 2023</b>	<u>54,272,691</u>

## LRQA Danmark ApS

## Notes to the financial statements

## 6. Intangible assets (continued)

Rationale for the depreciation period for Goodwill. Investments related to the acquisition of companies with significant market potential are considered to be of strategic importance. Taking into account the company's expectations for activities and earnings, the economic lifespan of goodwill for such acquisitions has been set at 10 years.

## 7. Tangible assets

	<b>Computer equipment DKK</b>
Cost at 1 January 2023	12,782
Additions during the year	0
<b>Cost at 31 December 2023</b>	<u>12,782</u>
Depreciation and impairment losses at 1 January 2023	2,982
Depreciation and impairment losses for the year	2,556
<b>Depreciation and impairment losses at 31 December 2023</b>	<u>5,538</u>
<b>Carrying amount at 31 December 2023</b>	<u>7,244</u>

## 8 Contingent liabilities

The Company has entered into leases on premises. The leases commitments amounts to DKK17.380 at 31 December 2023 (2022: DKK36.340).