



P-Cepheo A/S

Paulas Passage 1
1799 København V
CVR No. 43115197

Annual report 2023

The Annual General Meeting adopted the annual report on 05.07.2024

Allan Bach Pedersen

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management on the annual report	3
Independent auditor's report	4
Management commentary	7
Consolidated income statement for 2023	13
Consolidated balance sheet at 31.12.2023	14
Consolidated statement of changes in equity for 2023	16
Consolidated cash flow statement for 2023	17
Notes to consolidated financial statements	18
Parent income statement for 2023	23
Parent balance sheet at 31.12.2023	24
Parent statement of changes in equity for 2023	26
Notes to parent financial statements	27
Accounting policies	29

Entity details

Entity

P-Cepheo A/S
Paulas Passage 1
1799 København V

Business Registration No.: 43115197
Registered office: København
Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Jan Johan Kühl, Chairman
Allan Bach Pedersen
Henrik Bonnerup

Executive Board

Henrik Bonnerup

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of P-Cepheo A/S for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 05.07.2024

Executive Board

Henrik Bonnerup

Board of Directors

Jan Johan Kühl
Chairman

Allan Bach Pedersen

Henrik Bonnerup

Independent auditor's report

To the shareholders of P-Cepheo A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of P-Cepheo A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity'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 consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 05.07.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bill Haudal Pedersen

State Authorised Public Accountant
Identification No (MNE) mne30131

Brian Schmit Jensen

State Authorised Public Accountant
Identification No (MNE) mne40050

Management commentary

Financial highlights

	2023	2022
	DKK'000	DKK'000
Key figures		
Revenue	372,586	0
Gross profit/loss	258,331	(69)
Operating profit/loss	(13,173)	(69)
Net financials	(2,141)	(6)
Profit/loss for the year	(18,028)	(75)
Profit for the year excl. minority interests	(8,255)	(72)
Balance sheet total	159,110	1,011
Investments in property, plant and equipment	1,243	0
Equity	(15,080)	981
Equity excl. minority interests	(6,768)	937
Cash flows from operating activities	(39,906)	3
Cash flows from investing activities	21,403	0
Cash flows from financing activities	44,967	1,009
Average number of employees	438	0
Ratios		
Equity ratio (%)	(4.25)	92.68

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Equity ratio (%):

Equity excl. minority interests * 100

Balance sheet total

Primary activities

Cepheo empowers businesses to adapt and succeed in a world of change through the passion of people and the power of Microsoft technology.

Development in activities and finances

We help customers transform by bringing business and technical expertise to the table and help our customers use technology and data to make more informed decisions, optimize daily operations and bring out the very best in their people.

We support the full lifecycle of our customers' cloud and on-premise platforms, from scoping and validation, through development and deployment, to managed services including upgrade and deployment services.

We are one of the largest Microsoft Partners in the Nordics with 30+ years of collaboration. Cepheo has a dedicated focus on the Microsoft platform, including Dynamics 365, Power Platform and Azure with related services.

We are 450+ employees across the region in 14 locations across Scandinavia and our Polish Competency Center across 3 locations.

This year is the first FY year with activities for the group. The Cepheo Group started 1 April 2023 with a carve-out of the activities from a large global company. This financial year have operational activities in only 9 month from 1 April to 31 December 2023. With effect from 1 August 2023 Cepheo Group bought Axdata Denmark and Axdata Norway, thus 5 month activities are included in this financial year.

This first FY is effected by the company start, and there has been significant investments in systems and processes within all areas of the group. This also include system and process integrations related to the acquisition of Axdata Denmark and Axdata Norway. There have also been significant investments in developing method and project management including training and improvement of skills for our employees, who are our most valuable asset.

The revenue for the group in the financial year is DKK 372,586k and the result is DKK (18,028)k. Based on the reasons mentioned above the revenue and result is as expected.

Profit/loss for the year in relation to expected developments

This is the first fiscal year for the Group. We refer to the section above "Development in activities and finances" for a description of the profit/loss for the year.

Uncertainty relating to recognition and measurement

As part of the preparation of the financial statements, Management makes a number of significant accounting estimates, judgements and assumptions as a basis for recognizing and measuring the Group's assets as well as judgements made in applying the Group's accounting policies. The estimates, judgements and assumptions made are based on historical experience and other relevant factors. The actual results may deviate from such estimates.

The assumptions may be incomplete or inaccurate, and unforeseen events or circumstances may occur for which reason the actual results may differ from the estimates and judgements made. Management considers the following accounting estimates and judgements to be significant in the preparation of the financial statements: Accuracy of other operating income, impairment of goodwill, intangible assets and trade receivables.

The accounting policies are described in detail in accounting policies to the financial statements to which we refer.

Outlook

The Group anticipates to grow the revenue with approx. 5 – 10 percent for the upcoming year, driven by organic growth. 2024 will also be affected significant by investments in systems, processes and improvement of skills for our employees. We refer to the section “development in activities and finances”.

Use of financial instruments

Foreign currency risks

The group is exposed to foreign currency risks primarily from EUR, USD, SEK and NOK due to purchase and sales transactions that are settled in currencies other than DKK. No hedging is done in respect of these currencies, as it is not considered optimal from a risk and cost point of view.

Interest rate risks

Reasonable changes in the interest rate level will have no material impact on the Group. Consequently, no agreements are made on hedging of interest rate exposure.

Knowledge resources

The Group has a focus to attract, develop and retain skilled employees with a high level of relevant competences.

Throughout the year, a considerable number of experienced and highly qualified employees have been added to the Group. This has occurred through both acquisitions of new companies as well as through continuous organic growth. Accordingly, the Group's knowledge and competence base has been strengthened significantly during 2023.

The realization of the Group's goal of ensuring quality, knowledge and know-how at each employee level will be facilitated through recruitment procedures and continuous development of the existing employees and their competences.

Environmental performance

The group does not have activities with a significant effect on the environment. However the groups has an ambition to run a responsible environmental business, exemplified with online meetings instead of physical meeting as much as possible to reduce transport burden on the environment.

Research and development activities

The group focus on developing own IP to support and enhance the Microsoft technology within Dynamics 365, Power Platform and Azure with related services.

Statutory report on corporate social responsibility

Code of conducts, ethics and anti-corruption

The Code of Conduct and anti-corruption policy is intended to reinforce the values of the Cepheo Group to remain tied to service, commitment, reliability and honesty. It links these values to exceptional standards of professional conduct that are expected of all leaders, employees, business partners and suppliers. The Business relationships- and Employee Code of Conduct and anti-corruption policy specifies our standpoint of human rights, workplace responsibilities, as well as ethics and anticorruption.

We have not identified any significant risks, related to anti-corruption or bribery.

Both Code of Conduct and anti-corruption policy will be a mandatory part of the onboarding process in the Group from September 2024 and going forward, as well as all employees will once a year have training.

Environmental and climate

We have not identified any significant risks, related to environmental matters, and therefore we have not developed a formalized stand-alone policy on the topic.

However, at Cepheo we strive to reduce the climate and environmental footprint of our business. We recognize that it is inevitable for our business to have an impact on climate and environment, but we are committed to mitigate these impacts to reduce our footprint on the climate and environment.

One of our strategic focus areas is a commitment through our solutions, to help humans and technology work together to make industries more efficient and sustainable.

We are also committed to strive for reducing our footprint from our own operations.

Social

We have not identified any significant risks, related to social matters. No breaches to employee code of conduct has been reported to the Group.

At Cepheo, we treat each other with respect, and we are committed to supporting proper terms of employment and working conditions.

We aim to attract employees with passion for their work and we believe in the power of diversity, inclusion, and support of each other's development. We are committed to promote diversity in our organization and it is an integrated part of our management strategy.

Employee code of conduct

To support our commitment to ethical business, we have a Code of Conduct that represents the foundation and the ethical values for the way that we wish to do business.

The employee code of conduct serves as a guidance for our employees on how they should conduct their day-to-day business. The purpose of the code of conduct is to ensure that all employees have a clear understanding of the principles and ethical values that Cepheo wants to live up to.

The code of conduct has been rolled out across the Cepheo Group in 2023 and moving forward all employees will have mandatory training within this area once a year.

Governance

We have not identified any significant risks, related to human rights. In our code of conduct we have described our principles for human rights.

We take action to prevent or mitigate actual or potential adverse impacts identified and track implementation. In instances where an adverse impact has occurred, we seek to provide access to remedy (for example apologies, restitution, rehabilitation, financial or non-financial compensation, etc.). In 2023, no incidents of human rights violations have been reported within the organization.

As we develop and mature our efforts, we will set ambitious targets and communicate transparently about

progress and challenges in our annual sustainability reporting.

Business ethics policy

At Cepheo, we have a zero tolerance policy against corruption and prohibit all corrupt practices throughout our business operations. We wish to conduct our business responsibly and according to what is morally and ethically right.

Business relationships code of conduct

Cepheo depend to a high degree on the performance of our business partners, consultants, suppliers, and sub suppliers. For that reason, Cepheo has developed a Business Relationships Code of Conduct. This code of conduct is still in progress and we expect to finish this work in 2024. We plan to integrate the Business relationships Code of Conduct into our standard contracts in the future with all business relations.

Whistleblower policy

At Cepheo, we place a high value on integrity and seek to uncover unethical, illegal, or indefensible practices.

Employees, customers, and external collaborators of the Cepheo Group are provided with an additional channel to report unethical, illegal, or indefensible practices that contravene the Cepheo Group's policies and values. This policy relates to serious matters that may threaten Cepheo Group's financial performance or reputation, such as fraud, bribery, extortion, misuse of internal information, violation of financial regulations, or similar issues.

The purpose of this policy is to complement the management system, enabling both leadership and employees to anonymously report on objectionable conditions, serious transgressions, or suspicions thereof within the company. This is intended to be done without placing the whistleblower in an uncomfortable situation or jeopardising the whistleblower's status within the organisation. At our homepage we Cepheo's whistleblowing reporting channel.

Statutory report on the underrepresented gender

	2023
Supreme management body	
Total number of members	3
Underrepresented gender (%)	0.00
Target figures (%)	20.00
Year of expected achievement of target figures	2028

In 2023, the underrepresented gender was 0% and therefore not an equal gender distribution.

The Board of Directors currently consists of three people of which all are men. The Board of Directors has set a target figure of minimum 20% for the underrepresented gender of independent board members which in this case is a target of 20% female independent board members.

The policy is to secure the best professional competence possible at all levels in the Company. The members of Management are solely appointed based on their qualifications and not their gender. By doing so, equal opportunities for both genders are secured, provided that the candidates applying for the management positions possess the professional skills required. Cepheo supports gender equality in relation to career opportunities and salary conditions. Our equal opportunities policy is put into practice in the Company's employee manual, and we always encourage our female colleagues to apply for leadership positions. When recruiting for management

positions, we strive to have both genders represented.

Furthermore, we focus on developing leadership talents of both genders.

2023

Other management levels

Total number of members	1
Underrepresented gender (%)	0.00

In 2023, the underrepresented gender was 0% and therefore not an equal gender distribution.

Due to an average number of employees below 50 in 2023, no target figures have been set.

Statutory report on data ethics policy

The Group is established during 2023 through the acquisition of several activities and subsidiaries. Our focus in 2023 have been to establish common channels and tools for communication and cooperation across business units. This work has required much effort and has been pivotal in integrating all former companies properly into the Group. Unfortunately, it has meant that we have not had the resources to prioritize the work with data ethics that we started in late 2023. We expect to work further with data ethics policy in 2024.

Danish Venture and Private Equity Association guidelines

In this management report we have not included any reporting about the Danish Venture and Private Equity Association guidelines. This is the first Financial Year for Cepheo Group and as a result of that we have reported on the guidelines in the annual report. It is our expectation that in the annual report for Financial year 2024 we will report and comply with the guidelines.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2023

	Notes	2023 DKK	2022 DKK
Revenue	1	372,585,934	0
Other operating income	2	55,357,054	0
Cost of sales		(100,148,308)	0
Other external expenses	3	(69,463,433)	(69,128)
Gross profit/loss		258,331,247	(69,128)
Staff costs	4	(269,265,411)	0
Depreciation, amortisation and impairment losses	5	(2,239,319)	0
Operating profit/loss		(13,173,483)	(69,128)
Other financial income	6	764,087	0
Other financial expenses	7	(2,905,055)	(5,767)
Profit/loss before tax		(15,314,451)	(74,895)
Tax on profit/loss for the year	8	(2,713,159)	0
Profit/loss for the year	9	(18,027,610)	(74,895)

Consolidated balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Acquired intangible assets		1,519,375	0
Goodwill		26,542,374	0
Intangible assets	10	28,061,749	0
Other fixtures and fittings, tools and equipment		542,340	0
Leasehold improvements		104,438	0
Property, plant and equipment	11	646,778	0
Deposits		4,762,547	0
Financial assets	12	4,762,547	0
Fixed assets		33,471,074	0
Trade receivables		87,968,605	0
Contract work in progress		1,421,738	0
Other receivables		1,827,815	0
Prepayments	13	6,660,076	0
Receivables		97,878,234	0
Cash		27,761,044	1,011,439
Current assets		125,639,278	1,011,439
Assets		159,110,352	1,011,439

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital	14	1,008,800	1,008,800
Translation reserve		143,353	0
Retained earnings		(7,919,903)	(72,039)
Equity belonging to Parent's shareholders		(6,767,750)	936,761
Equity belonging to minority interests		(8,312,597)	44,181
Equity		(15,080,347)	980,942
Bank loans		44,967,060	0
Prepayments received from customers		12,520,616	0
Trade payables		30,902,871	18,250
Tax payable		3,202,567	0
Other payables		82,597,585	12,247
Current liabilities other than provisions		174,190,699	30,497
Liabilities other than provisions		174,190,699	30,497
Equity and liabilities		159,110,352	1,011,439
Unrecognised rental and lease commitments	16		
Contingent assets	17		
Non-arm's length related party transactions	18		
Subsidiaries	19		

Consolidated statement of changes in equity for 2023

	Contributed capital DKK	Translation reserve DKK	Retained earnings DKK	Equity belonging to Parent's shareholders DKK	Equity belonging to minority interests DKK
Equity beginning of year	1,008,800	0	(72,039)	936,761	44,181
Exchange rate adjustments	0	143,353	0	143,353	174,116
Other entries on equity	0	0	407,331	407,331	1,241,521
Profit/loss for the year	0	0	(8,255,195)	(8,255,195)	(9,772,415)
Equity end of year	1,008,800	143,353	(7,919,903)	(6,767,750)	(8,312,597)

	Total DKK
Equity beginning of year	980,942
Exchange rate adjustments	317,469
Other entries on equity	1,648,852
Profit/loss for the year	(18,027,610)
Equity end of year	(15,080,347)

Consolidated cash flow statement for 2023

	Notes	2023 DKK	2022 DKK
Operating profit/loss		(13,173,483)	(69,128)
Amortisation, depreciation and impairment losses		2,239,319	0
Working capital changes	15	(26,831,302)	77,534
Cash flow from ordinary operating activities		(37,765,466)	8,406
Financial income received		764,087	0
Financial expenses paid		(2,905,055)	(5,767)
Cash flows from operating activities		(39,906,434)	2,639
Acquisition of subsidiaries, net of cash acquired		21,403,052	0
Cash flows from investing activities		21,403,052	0
Free cash flows generated from operations and investments before financing		(18,503,382)	2,639
Loans raised		44,967,060	0
Cash capital increase		0	1,008,800
Cash flows from financing activities		44,967,060	1,008,800
Increase/decrease in cash and cash equivalents		26,463,678	1,011,439
Cash and cash equivalents beginning of year		1,011,439	0
Currency translation adjustments of cash and cash equivalents		285,927	0
Cash and cash equivalents end of year		27,761,044	1,011,439
Cash and cash equivalents at year-end are composed of:			
Cash		27,761,044	1,011,439
Cash and cash equivalents end of year		27,761,044	1,011,439

Notes to consolidated financial statements

1 Revenue

	2023
	DKK
Denmark	180,213,117
Norway	115,807,925
Sweden	75,910,427
Australia	654,465
Total revenue by geographical market	372,585,934
Consultancy and programming	237,067,941
Sale of software and other service agreements	133,679,566
Other reveue	1,838,427
Total revenue by activity	372,585,934

2 Other operating income

Other operating totalling DKK 55,357,054 relates to acquisition of activity.

3 Fees to the auditor appointed by the Annual General Meeting

	Deloitte	Other	Total
	2023	2023	2023
	DKK	DKK	DKK
Statutory audit services	543,418	68,835	612,253
Other assurance engagements	50,000	0	50,000
Tax services	103,150	0	103,150
Other services	460,000	0	460,000
	1,156,568	68,835	1,225,403
	Deloitte	Other	Total
	2022	2022	2022
	DKK	DKK	DKK
Statutory audit services	0	54,250	54,250
	0	54,250	54,250

4 Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	237,151,172	0
Pension costs	14,560,658	0
Other social security costs	15,028,059	0
Other staff costs	2,525,522	0
	269,265,411	0
Average number of full-time employees	438	0

Special incentive programmes

The Group has established an incentive scheme comprising both the Board of Directors, the Executive Management and other employees and the incentive scheme is made to motivate and retain the participants.

The incentive scheme contains 1,400,000 warrants.

The incentive scheme allow participants to subscribe for a number of warrants, each entitling the holder to buy shares with a nominal value of DKK 0.01 in the subsidiary Cepheo A/S at a price agreed in advance.

A total of 875,000 warrants have been issued as of 31st December 2023.

Remuneration of management

The Management has not received any remuneration in 2023.

5 Depreciation, amortisation and impairment losses

	2023	2022
	DKK	DKK
Amortisation of intangible assets	1,643,157	0
Depreciation on property, plant and equipment	596,162	0
	2,239,319	0

6 Other financial income

	2023	2022
	DKK	DKK
Other interest income	75,525	0
Other financial income	688,562	0
	764,087	0

7 Other financial expenses

	2023	2022
	DKK	DKK
Other interest expenses	388,503	0
Exchange rate adjustments	1,990,892	0
Other financial expenses	525,660	5,767
	2,905,055	5,767

8 Tax on profit/loss for the year

	2023	2022
	DKK	DKK
Current tax	2,804,736	0
Change in deferred tax	(91,577)	0
	2,713,159	0

9 Proposed distribution of profit/loss

	2023	2022
	DKK	DKK
Retained earnings	(8,255,195)	(72,039)
Minority interests' share of profit/loss	(9,772,415)	(2,856)
	(18,027,610)	(74,895)

10 Intangible assets

	Acquired intangible assets	Goodwill
	DKK	DKK
Addition through business combinations etc	1,657,500	28,047,406
Cost end of year	1,657,500	28,047,406
Amortisation for the year	(138,125)	(1,505,032)
Amortisation and impairment losses end of year	(138,125)	(1,505,032)
Carrying amount end of year	1,519,375	26,542,374

11 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Addition through business combinations etc	1,138,502	104,438
Cost end of year	1,138,502	104,438
Depreciation for the year	(596,162)	0
Depreciation and impairment losses end of year	(596,162)	0
Carrying amount end of year	542,340	104,438

12 Financial assets

	Deposits DKK
Addition through business combinations etc	4,762,547
Cost end of year	4,762,547
Carrying amount end of year	4,762,547

13 Prepayments

Prepayments comprise various prepaid expenses. Prepayments are measured at cost.

14 Contributed capital

	Number	Par value DKK	Nominal value DKK
A-shares	50,440,000	0.00	504,400
B1-shares	24,960,000	0.00	249,600
B2-shares	24,960,000	0.00	249,600
B3-shares	260,000	0.00	2,600
B4-shares	260,000	0.00	2,600
	100,880,000		1,008,800

The par value of each share is DKK 0.01.

15 Changes in working capital

	2023 DKK	2022 DKK
Increase/decrease in receivables	10,262,394	0
Increase/decrease in trade payables etc.	(37,093,696)	77,534
	(26,831,302)	77,534

16 Unrecognised rental and lease commitments

	2023	2022
	DKK	DKK
Total liabilities under rental or lease agreements until maturity	31,792,838	0

17 Contingent assets

As of 31.12.2023, the Group has non-recognized tax loss carryforward of DKK 8,319,253, which corresponds to a contingent asset value of DKK 1,830,236.

18 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

19 Subsidiaries

	Registered in	Corporate form	Ownership %
Cepheo Holding A/S	Denmark	A/S	48.70
Cepheo A/S	Denmark	A/S	45.85
Cepheo Danmark A/S	Denmark	A/S	45.85
Cepheo Norge AS	Norway	AS	45.85
Cepheo Sverige AB	Sweden	AB	45.85
Cepheo Polska Sp. Z.o.o.	Poland	Sp. Z.o.o.	45.85
Axdata AS	Norway	AS	45.85
Axdata Pty Ltd.	Australia	Ltd.	32.10

Parent income statement for 2023

	Notes	2023 DKK	2022 DKK
Other external expenses		(45,000)	(9,125)
Gross profit/loss		(45,000)	(9,125)
Income from investments in group enterprises		(8,210,184)	(61,501)
Other financial income	1	421,031	0
Other financial expenses	2	(421,042)	(1,413)
Profit/loss for the year	3	(8,255,195)	(72,039)

Parent balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Investments in group enterprises		0	947,299
Financial assets	4	0	947,299
Fixed assets		0	947,299
Receivables from group enterprises		37,771,518	0
Receivables		37,771,518	0
Cash		475,791	1,587
Current assets		38,247,309	1,587
Assets		38,247,309	948,886

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		1,008,800	1,008,800
Retained earnings		(7,776,550)	(72,039)
Equity		(6,767,750)	936,761
Bank loans		44,967,060	0
Trade payables		45,000	9,125
Other payables		2,999	3,000
Current liabilities other than provisions		45,015,059	12,125
Liabilities other than provisions		45,015,059	12,125
Equity and liabilities		38,247,309	948,886
Employees	5		
Contingent liabilities	6		
Related parties with controlling interest	7		
Non-arm's length related party transactions	8		

Parent statement of changes in equity for 2023

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1,008,800	(72,039)	936,761
Exchange rate adjustments	0	143,353	143,353
Other entries on equity	0	407,331	407,331
Profit/loss for the year	0	(8,255,195)	(8,255,195)
Equity end of year	1,008,800	(7,776,550)	(6,767,750)

Notes to parent financial statements

1 Other financial income

	2023	2022
	DKK	DKK
Financial income from group enterprises	421,031	0
	421,031	0

2 Other financial expenses

	2023	2022
	DKK	DKK
Other interest expenses	326,565	0
Other financial expenses	94,477	1,413
	421,042	1,413

3 Proposed distribution of profit and loss

	2023	2022
	DKK	DKK
Retained earnings	(8,255,195)	(72,039)
	(8,255,195)	(72,039)

4 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	1,008,800
Disposals	(494,312)
Cost end of year	514,488
Impairment losses beginning of year	(61,501)
Exchange rate adjustments	143,353
Share of profit/loss for the year	(8,210,184)
Investments with negative equity value depreciated over receivables	7,199,513
Other adjustments	385,538
Reversal regarding disposals	28,793
Impairment losses end of year	(514,488)
Carrying amount end of year	0

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

5 Employees

The Entity has no employees other than the Executive Board. The Executive Board has not received any remuneration.

6 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

7 Related parties with controlling interest

Polaris Private Equity V K/S owns the majority of the shares in the Entity, thus exercising control.

8 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied the parent financial statements are consistent with those applied last year. This is the first year preparing consolidated financial statements.

Non-comparability

Last year, the Group did not prepare consolidated financial statements, with reference to section 110 of the Danish Financial Statements Act. Due to acquisitions during 2023, the Group has prepared consolidated financial statements for the financial year 2023. The comparison numbers for the consolidated financial statement has been adjusted accordingly.

Last year was the Groups first financial year. The Group was founded on 07.03.2022 and therefore the financial year 2022 covers the period 07.03.2022 - 31.12.2022.

Due to the shorter financial year last year and that the investment in subsidiaries was acquired in 2023, the comparison figures are not comparable to the financial year 2023.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised in intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful lives. Useful life is reassessed annually. Negative balances (negative goodwill) are recognised as income in the income statement.

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, comprising goodwill.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost.

Other external expenses

Other external expenses include expenses relating to the Entity's normal activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on payables and transactions in foreign currencies, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on payables and transactions in foreign currencies, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, useful life has been determined based on an assessment of whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation period used is 6 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Intellectual property rights etc. comprise development projects completed and acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement. The amortisation period used is 5 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

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

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Goodwill is the difference between cost of investments and fair value of the pro rata share of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, useful life has been determined based on an assessment of whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 5-6 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet in receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Minority interests

On initial recognition, minority interests are measured at the minority interests' share of the acquiree's net assets measured at fair value. No goodwill related to the minority interests' equity interests in the acquiree is recognised.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.