Deloitte.

TimeXtender Intressenter ApS

Mariane Thomsens Gade 4 B, 3.
8000 Aarhus C
CVR No. 43216457

Annual report 24.04.2022 - 31.12.2022

The Annual General Meeting adopted the annual report on 31.05.2023

Martin Henricson
Chairman of the General Meeting

Contents

Entity details

Entity
TimeXtender Intressenter ApS
Mariane Thomsens Gade 4 B, 3.
8000 Aarhus C

Business Registration No.: 43216457
Registered office: Aarhus
Financial year: 24.04.2022 - 31.12.2022

Board of Directors
Martin Henricson, Chairman
Heine Baden Krog Iversen
Thomas Bill
Per Ivansson

Executive Board
Martin Henricson, Chief Executive Officer

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 TimeXtender Intressenter ApS for the financial year 24.04.2022 - 31.12.2022.

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 31.12.2022 and of the results of their operations and the consolidated cash flows for the consolidated financial statements for the financial year 09.05.2022 - 31.12.2022 and for the parent financial statement for the financial year 24.04.2022 - 31.12.2022.

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.

Aarhus, 22.05.2023

Executive Board

Martin Henricson
Chief Executive Officer

Board of Directors

Martin Henricson
Chairman

Heine Baden Krog Iversen

Thomas Bill

Per Ivansson

Independent auditor's report

To the shareholders of TimeXtender Intressenter ApS

Opinion

We have audited the consolidated financial statements for the financial year 09.05.2022 - 31.12.2022 and the parent financial statements of TimeXtender Intressenter ApS for the financial year 24.04.2022 - 31.12.2022, 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 31.12.2022 and of the results of their operations and the consolidated cash flows for the consolidated financial statements for the financial year 09.05.2022 - 31.12.2022 and for parent financial statement for the finanial year 24.04.2022 - 31.12.2022 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 under the Danish Financial Statements Act.

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 of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 22.05.2023

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Haugegaard Albrechtsen
State Authorised Public Accountant
Identification No (MNE) mne45846

Manal Naffah
State Authorised Public Accountant
Identification No (MNE) mne49116

Management commentary

Financial highlights

	2022 DKK'000
Key figures	
Revenue	38,761
Gross profit/loss	16,662
Operating profit/loss	(59,627)
Net financials	(474)
Profit/loss for the year	(55,998)
Balance sheet total	356,770
Investments in property, plant and equipment	233
Equity	238,558
Cash flows from operating activities	(26,282)
Cash flows from investing activities	(260,315)
Cash flows from financing activities	301,227
Ratios	
Gross margin (%)	42.99
Net margin (%)	(144.47)
Equity ratio (%)	66.87

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

Gross margin (%):
Gross profit/loss * 100
Revenue

Net margin (%):
Profit/loss for the year * 100
Revenue

Equity ratio (%):
Equity * 100
Balance sheet total

Primary activities

At TimeXtender, we are dedicated to automating as much as we can to free up peoples times, enabling them to focus on what matters most.

TimeXtender employees, the Xpeople, believe we are what we give, and that people do business with people. Therefore, we strive, in all we do, to balance data, mind, and heart. We help companies, organizations, and institutions get access to data, for any use case they might have.

TimeXtender provides all the features needed to build a future-proof data environment capable of ingesting, transforming, modeling, and delivering clean, reliable data in the fastest, most efficient way possible. Unlike fragmented approaches, TimeXtender offers a holistic, metadata-driven solution for data integration, optimized for agility.

Our core purpose it empowering the world with data, mind, and heart. We do this standing on our Core Beliefs:
- Simplify
- Automate
- Execute

Because Time Matters

Rising complexity within the field of Data Management
Big Data has become a 21st Century “arms race”, with both the type and volume of data increasing exponentially. Data-empowered growth is now a mainstream pillar of commercial strategy, but only companies that have fast access to reliable data will be able to consistently drive efficiency and innovation. Data stragglers will continue to fall behind.

The “Modern Data Stack” has failed to deliver on its most basic promise: to help companies build a smarter, faster, more flexible data environment in a timely, cost-effective manner. In reality, this fragmented approach makes setup, integration, and maintenance incredibly complex and timeconsuming. It also drives up costs by requiring additional tools for basic functionality, such as metadata management, modeling, governance, observability, and orchestration. The so-called “Modern Data Stack” has its roots in outdated architectures built for antiquated hardware. We believe it’s time to reimagine what’s possible through simplicity and automation.

A holistic, metadata-driven approach to data integration
You can’t optimize for everything all at once. That’s why we take a holistic approach to data integration that optimizes for agility, not fragmentation. By unifying each layer of the data stack, TimeXtender empowers you to build data solutions 10x faster, while reducing your costs by 70%-80%.

TimeXtender is not the tool for you if you want to spend all your time setting up and maintaining a complex, fragmented stack of tools, and then writing and managing all the code it will take to integrate everything together into a single source of truth. However, TimeXtender is the tool of choice for those who simply want to get shit done.

Development in activities and finances

Aggressive investments towards our new 2028 ambitions resulted in a negative EBITDA of 28,552K DKK for the consolidated business for the period 09.05.2022-31.12.2022.

The financial year for the parent is 24.04.2022-31.12.2022, and shows a negative result on 2,180k DKK.

Uncertainty relating to recognition and measurement
No significant uncertainties are attached to recognition and measurement.

Unusual circumstances affecting recognition and measurement
No significant unusual circumstances affecting recognition and measurement have occurred.

Outlook
Together with Monterro we have set ambitious milestones towards 2028; we will +10x our ARR, in a mix of strong organic growth of +40% YoY and an aggressive acquisition strategy enhancing the offering at speed. We aim to be cashflow positive in 2023 and profitable from 2024, with a goal of delivering +20% in net profit every year from 2025. We aim for +90% recurring revenue, +90% gross margin and CAC payback of less than 12 month.

As part of reaching the 2028 ambitions, we have set some financial milestones for 2023:
- Top line subscription growth of +40%
- Cashflow positive on a monthly base from second half of 2023
- EBITDA neutral

During 2022, our 2022 ambitions changed, when we joined forces with Monterro, as the focus shifted from getting a positive EBITDA and becoming profitable for the year, to making key strategic investments to prepare for our future growth. The 2023 milestones, while ambitious, are in line with the performance delivered in previous years. The commercial strategy to meet the milestones keeps being a focused execution on growing the TimeXtender ecosystem of partners and customers. The growth in 2023 will be supported by our new consumption based pricing and tiered partner program. Based on the performance delivered in 2022, the trajectory for 2023, the organization in place and the current state of the market for modern data estates, we firmly believe in our ability to deliver on the milestones set out above and the approved 2023 budget.

To reach the achievement of the milestones, we forecast a total revenue of 73.8M DKK.

Furthermore, the wider and deeper offering we have, the more we can get into the solutions of our existing partners, deepening the relationship and make us more interesting to new partners:

- A wider offering will help increase revenue per partner, increasing the payback of PAC and lower CAC
- A deeper offering will make our offering stickier and help maintain and improve our retention, and will support a high Net Retention Rate as we keep adding more services to the same customers

Acquisitions to make our offering wider and deeper are a key strategic pillar on our growth journey, and activities are expected to happen during 2023 – this expects to further accelerate our top and bottom line.

Knowledge resources
As a software development company, we recognize the critical importance of knowledge resources in driving innovation and maintaining a competitive edge. Acquiring and retaining top talent, enhance our technical capabilities, and stay abreast of the latest industry trends are essential assets that enable us to deliver cutting-edge software solutions to our customers.

Environmental performance

We give back time to the world – as time is the only finite resource – through our commitment to balancing data, mind, and heart.

We truly do believe that time matters, which is why we are constantly on the lookout to simplify and automate, to execute on what matters most. We seek to free up more time in the world – to do good and get it right. We are on a path to have impact on

our world, challenging the way we work and think, and empowering the future for generations to come – we are here to make it right. Our future well-being, environmentally and socially, lies in the decisions we make every day. We choose to focus on specific Impact goals, as we want our business to be a force for good in the world. We believe that to make big changes in the world, we will need to start small in the communities we serve, eventually leading to a growing, lasting impact. We put actions behind our intentions and incorporate it in everything we do, spanning from small healthy competitions to nudge healthy habits to internal awards rewarded with $$ to donate to a charity of the XPeople's choice.

What did we achieve:

- 644 ATTENDEES ACROSS OUR 6 MENTAL HEALTH MONTH SESSIONS
- 168,5 TONS OF CO2 WERE OFFSET FROM XPEOPLE TRAVELS
- 44 WEEKLY YOGA AND RECHARGE SESSIONS HELD
- 7000 TREES PLANTED IN 2022 AFTER NEW PARTNERS & CUSTOMERS
- 30+ CAUSES HAND PICKED AND SUPPORTED BY THE XPEOPLE

Research and development activities

Our engineering team spent Q1 and Q2 putting the final touches on the biggest update to our software in years; version 21.

Version 21 was a major reimagining of the TimeXtender application. This new release focused on the introduction of cloud-powered ODX, Modern Data Warehouse, and Shared Semantic Model instances, and with that, a turn towards a more web-based infrastructure and software-as-a-service business model.

In version 21, instances became self-contained objects that can be strung together in the software to create the needed flow of data. We eliminated the need to manage local repositories and projects; everything is now managed by TimeXtender to create a more trouble-free experience. Instances can now be created and managed by company admins in our new, web-based TimeXtender Portal, and be made available for developers in TimeXtender Desktop application when they've signed in.

With the release of version 21, we also made it possible for admins to set up and manage data sources and user access from any device, anywhere, inside the portal. Data source credentials can now be kept confidential by admins, while still granting users access to the data sources they need in the desktop application.

Another major upgrade in version 21 is that the TimeXtender Desktop now authenticates and configures directly from the portal. This means that users no longer need to enter license keys and activate the software. Setting up ODX services also makes use of sign-in to remove the need for messing with client secrets.

We launched the alpha release of Version 21 internally in June and the partner preview release in July. Version 21 was officially launched to the public on September 6th.

We then immediately shifted focus to building out a Free Plan to enable our Product-Led Growth sales motion, and support for Snowflake as a target for the Modern Data Warehouse, which were both completed in Q4.

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 2022

	Notes	2022 DKK
Revenue		38,760,743
Other external expenses		(22,098,510)
Gross profit/loss		**16,662,233**
Staff costs	1	(50,736,737)
Depreciation, amortisation and impairment losses	2	(25,552,393)
Operating profit/loss		**(59,626,897)**
Other financial income	3	16,592
Other financial expenses	4	(490,825)
Profit/loss before tax		**(60,101,130)**
Tax on profit/loss for the year	5	4,103,599
Profit/loss for the year	6	**(55,997,531)**

Consolidated balance sheet at 31.12.2022

Assets

	Notes	2022 DKK
Completed development projects	8	12,231,534
Acquired intangible assets		147,112,445
Goodwill		171,526,543
Intangible assets	7	**330,870,522**
Leasehold improvements		232,712
Property, plant and equipment	9	**232,712**
Fixed assets		**331,103,234**
Trade receivables		8,220,259
Other receivables		765,778
Tax receivable		1,800,610
Prepayments	10	249,774
Receivables		**11,036,421**
Cash		**14,630,550**
Current assets		**25,666,971**
Assets		**356,770,205**

Equity and liabilities

	Notes	2022 DKK
Contributed capital		69,510
Translation reserve		87,118
Retained earnings		238,400,888
Equity		**238,557,516**
Deferred tax	11	32,364,738
Provisions		**32,364,738**
Debt to other credit institutions		5,440,749
Other payables	12	1,887,825
Deferred income	16	16,426,956
Non-current liabilities other than provisions	14	**23,755,530**
Prepayments received from customers		100,467
Trade payables		1,857,327
Other payables	15	29,873,377
Deferred income	16	30,261,250
Current liabilities other than provisions		**62,092,421**
Liabilities other than provisions		**85,847,951**
Equity and liabilities		**356,770,205**
Contingent liabilities	18	
Assets charged and collateral	19	
Transactions with related parties	20	
Subsidiaries	21	

Consolidated statement of changes in equity for 2022

	Contributed capital DKK	Share premium DKK	Translation reserve DKK	Retained earnings DKK	Total DKK
Contributed upon formation	40,000	0	0	0	40,000
Increase of capital	29,510	124,804,315	0	0	124,833,825
Exchange rate adjustments	0	0	87,118	0	87,118
Group contributions etc.	0	0	0	169,594,104	169,594,104
Transfer to reserves	0	(124,804,315)	0	124,804,315	0
Profit/loss for the year	0	0	0	(55,997,531)	(55,997,531)
Equity end of year	**69,510**	**0**	**87,118**	**238,400,888**	**238,557,516**

Consolidated cash flow statement for 2022

	Notes	2022 DKK
Operating profit/loss		(59,626,897)
Amortisation, depreciation and impairment losses		25,552,393
Working capital changes	17	8,135,292
Other adjustments		107
Cash flow from ordinary operating activities		**(25,939,105)**
Financial income received		16,592
Financial expenses paid		(359,450)
Cash flows from operating activities		**(26,281,963)**
Acquisition etc. of intangible assets		(3,920,186)
Acquisition of enterprises		(256,394,620)
Cash flows from investing activities		**(260,314,806)**
Free cash flows generated from operations and investments before financing		**(286,596,769)**
Loans raised		218,165
Cash capital increase		124,833,825
Group contribution		169,594,104
Group contribution previous owners, settled in new ownership		6,581,225
Cash flows from financing activities		**301,227,319**
Increase/decrease in cash and cash equivalents		**14,630,550**
Cash and cash equivalents end of year		**14,630,550**
Cash and cash equivalents at year-end are composed of:		
Cash		14,630,550
Cash and cash equivalents end of year		**14,630,550**

Notes to consolidated financial statements

1 Staff costs

	2022 DKK
Wages and salaries	48,828,533
Pension costs	4,427,160
Other social security costs	1,401,230
	54,656,923
Staff costs classified as assets	(3,920,186)
	50,736,737

Average number of full-time employees	**62**

Special incentive programmes
Special incentive programmes At November 2022, an incentive scheme was established comprising all employees. The scheme is made to increase employee engagement and actual as well as perceived ownership. The scheme runs from 1 November 2022 to 31 October 2028. When an option has vested, the option holder may subscribe for one new share in TimeXtender Intressenter ApS at a fixed price. As it is the Group's practice to settle the schemes by way of shares (equity-settled share-based payment arrangements), no costs have been recognized in 2022.

The Executive Management and The Board of Directors has not received any remuneration.

2 Depreciation, amortisation and impairment losses

	2022 DKK
Amortisation of intangible assets	25,552,393
	25,552,393

3 Other financial income

	2022 DKK
Other interest income	16,592
	16,592

4 Other financial expenses

	2022 DKK
Other interest expenses	358,046
Exchange rate adjustments	132,779
	490,825

5 Tax on profit/loss for the year

	2022 DKK
Current tax	(1,791,832)
Change in deferred tax	(2,311,767)
	(4,103,599)

6 Proposed distribution of profit/loss

	2022 DKK
Retained earnings	(55,997,531)
	(55,997,531)

7 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK	Goodwill DKK
Addition through business combinations etc	11,103,813	157,620,477	183,778,439
Additions	3,920,186	0	0
Cost end of year	**15,023,999**	**157,620,477**	**183,778,439**
Amortisation for the year	(2,792,465)	(10,508,032)	(12,251,896)
Amortisation and impairment losses end of year	**(2,792,465)**	**(10,508,032)**	**(12,251,896)**
Carrying amount end of year	**12,231,534**	**147,112,445**	**171,526,543**

8 Development projects

Development projects comprise current costs for development of the software product TimeXtender. The costs comprise payroll costs for employees directly attributable to areas of the TimeXtender that are expected to generate future earnings for TimeXtender.

Based on an assessment of the development projects, Management has concluded that the carrying amount can be maintained without indication of impairment.

9 Property, plant and equipment

	Leasehold improvements DKK
Addition through business combinations etc	232,712
Cost end of year	**232,712**
Carrying amount end of year	**232,712**

10 Prepayments

Prepayments are related to prepaid costs.

11 Deferred tax

	2022 DKK
Intangible assets	32,364,738
Deferred tax	**32,364,738**

Changes during the year	2022 DKK
Beginning of year	34,676,505
Recognised in the income statement	(2,311,767)
End of year	**32,364,738**

12 Other payables

	2022 DKK
Holiday pay obligation	1,887,825
	1,887,825

13 Deferred income

Deferred income is composed of subscription-based revenue already invoiced relating to subsequent financial years.

14 Non-current liabilities other than provisions

	Due after more than 12 months 2022 DKK	Outstanding after 5 years 2022 DKK
Debt to other credit institutions	5,440,749	0
Other payables	1,887,825	1,887,825
Deferred income	16,426,956	93,186
	23,755,530	**1,981,011**

15 Other payables

	2022 DKK
VAT and duties	1,042,635
Wages and salaries, personal income taxes, social security costs, etc. payable	375,437
Holiday pay obligation	394,838
Other costs payable	28,060,467
	29,873,377

16 Deferred income

Deferred income is composed of subscription-based revenue already invoiced relating to the year 2023.

17 Changes in working capital

	2022 DKK
Increase/decrease in receivables	1,606,858
Increase/decrease in trade payables etc.	6,528,434
	8,135,292

18 Contingent liabilities

The Parent and the Danish subsidiaries participate in a Danish joint taxation arrangement in which TimeXtender Intressenter ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Parent and the Danish subsidiaries are 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 the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

19 Assets charged and collateral

Bank debt and loans from Vækstfonden are secured on a registered all-monies mortgage with a floating charge of DKK 8,218 thousand, rights, operating equipment, fixtures and fittings, inventories and unsecured claims.

20 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.

21 Subsidiaries

	Registered in	Corporate form	Ownership %
TimeXtender A/S	Aarhus, Denmark	A/S	100.00
TDCNA Inc.	Portland, USA	Inc.	100.00
Timextender Vietnam Company Limited	Hanoi, Vietnam	Ltd.	100.00

Parent income statement for 2022

	Notes	2022 DKK
Gross profit/loss		**(2,088,844)**
Other financial expenses		(91,373)
Profit/loss for the year	1	**(2,180,217)**

Parent balance sheet at 31.12.2022

Assets

	Notes	2022 DKK
Investments in group enterprises		308,252,523
Financial assets	2	**308,252,523**
Fixed assets		**308,252,523**
Cash		**11,377,581**
Current assets		**11,377,581**
Assets		**319,630,104**

Equity and liabilities

	Notes	2022 DKK
Contributed capital		69,510
Retained earnings		292,218,202
Equity		**292,287,712**
Payables to group enterprises		172,733
Other payables		27,169,659
Current liabilities other than provisions		**27,342,392**
Liabilities other than provisions		**27,342,392**
Equity and liabilities		**319,630,104**
Employees	3	
Transactions with related parties	4	

Parent statement of changes in equity for 2022

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Contributed upon formation	40,000	0	0	40,000
Increase of capital	29,510	124,804,315	0	124,833,825
Group contributions etc.	0	0	169,219,952	169,219,952
Other entries on equity	0	0	374,152	374,152
Transfer to reserves	0	(124,804,315)	124,804,315	0
Profit/loss for the year	0	0	(2,180,217)	(2,180,217)
Equity end of year	**69,510**	**0**	**292,218,202**	**292,287,712**

Notes to parent financial statements

1 Proposed distribution of profit and loss

	2022 DKK
Retained earnings	(2,180,217)
	(2,180,217)

2 Financial assets

	Investments in group enterprises DKK
Additions	308,252,523
Cost end of year	**308,252,523**
Carrying amount end of year	**308,252,523**

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

3 Employees

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

4 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 prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

Financial period
The company and the group has been established in 2022. The Annual Report has no comparative figures. The financial period for the parant company is from 24.04.2022 - 31.12.2022. The financial period for the group (consolidated financial statement) is from 09.05.2022 - 31.12.2022.

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. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

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. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually.

The uniting-of-interests method is applied on acquisition of enterprises, mergers, demergers, contributions of assets and exchanges of shares, etc. in which the enterprises concerned are controlled by the Parent, under which method the combination is considered completed at the date of acquisition without restatement of comparative figures. Under the uniting-of-interests method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accounting policies and accounting estimates. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity.

Income statement

Gross profit or loss

Gross profit or loss comprises of other external costs in parent company.

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.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary 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, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises.

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.

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. Useful life has ben determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill included intangible resources of a temporary nature that cannot be seperated and recognised as seperate assets Useful lives are reassessed annually. The amortisation periods used are 10 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 in progress with related intellectual property rights, acquired intangible assets comprise customer contracts and technology.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Acquired intangible are measured at cost less accumulated amortisation. Customer contracts and technology are amortised on a straight-line basis over the expected economic benefit from the development work. The amortisation period is 10 years.

Intangible property rights assets are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Plant and machinery, and other fixtures and fittings, tools and equipment 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
Leasehold improvements	5

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 measured at cost. Investments 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.

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.

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

Cash
Cash comprises bank deposits.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

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.

Deferred income
Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

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 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 and short-term securities with an insignificant price risk.