

Insutex ApS

Rosenvvej 10, 4800 Nykøbing F
CVR no. 44 14 31 27

Annual report for the financial year 26.06.23 - 31.12.23

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 13.05.24

Josefine Louise Schwarz Bonde
Dirigent



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The company

Insutex ApS
Rosenvvej 10
4800 Nykøbing F
Tel.: 61 65 59 99
Registered office: Guldborgsund
CVR no.: 44 14 31 27
Financial year: 01.01 - 31.12

Executive Board

Josefine Louise Schwarz Bonde

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement by the Executive Board on the annual report

I have on this day presented the annual report for the financial year 26.06.23 - 31.12.23 for Insutex ApS.

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

The financial statements have not been audited, and I declare that the relevant conditions have been met.

In my opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.23 and of the results of the company's activities for the financial year 26.06.23 - 31.12.23.

I believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Nykøbing F, May 13, 2024

Executive Board

Josefine Louise Schwarz Bonde

To the management of Insutex ApS

Based on the company's accounting material and other information provided by management, we have compiled the financial statements of Insutex ApS for the financial year 26.06.23 - 31.12.23.

The financial statements comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including significant accounting policies.

We performed this compilation engagement in accordance with ISRS 4410, Engagements to Compile Financial Statements.

We have applied our professional expertise to assist management with the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and the code of ethics of International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including principles of integrity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile them are management's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by management for the compilation of the financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial statements are prepared in accordance with the Danish Financial Statements Act.

Nykøbing F, May 13, 2024

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Ole Olsen

State Authorized Public Accountant
MNE-no. mne9539

Primary activities

Purpose

Insutex's purpose is to make the construction industry more sustainable. By developing and selling an insulation material made of textile waste, we are contributing to that purpose and inspiring positive change within the industry.

Key Activities

2023 marked the first financial year of Insutex. Significant investments were made in product development, process optimization, and supply chain development, with promising test results. These investments uniquely position the company to enter into major framework agreements for larger construction projects in the future. Entering a new market required substantial resources to establish a presence.

Capital

During the first financial year, Insutex's investors made an initial investment through a capital increase in 2023 to ensure future liquidity and development. The company is in a phase of development and growth, thus it is actively working on product development and expanding its customer base. Consequently, there are increased costs associated with this year. Additionally, management is in the process of securing additional external financing for further development and certifications.

Objectives and Expectations for the Coming Year

In 2023, the company strategically focused its activities in the construction industry, resulting in numerous successful traction opportunities. This effort aimed to broaden Insutex's purpose and product offerings. Furthermore the company has developed several prototypes, which have laid the foundation for future product catalog. Insutex anticipates continuous product development throughout 2024 and plans to enter the market by the end of 2024 or early 2025 through one or more pilot projects.

	26.06.23
	31.12.23
Note	EUR

Loss before tax	-73,592
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Tax on loss for the year	15,814
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Loss for the year	-57,778
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Proposed appropriation account

Retained earnings	-57,778
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Total	-57,778
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ASSETS		31.12.23
		EUR
Note		
	Development projects in progress	30,945
1	Total intangible assets	30,945
	Total non-current assets	30,945
	Deferred tax asset	9,006
	Income tax receivable	6,808
	Other receivables	3,213
	Total receivables	19,027
	Cash	58,515
	Total current assets	77,542
	Total assets	108,487

EQUITY AND LIABILITIES

	31.12.23
	EUR
Note	
Contributed capital	6,041
Reserve for development costs	24,137
Retained earnings	67,414
Total equity	97,592
Trade payables	10,895
Total short-term payables	10,895
Total payables	10,895
Total equity and liabilities	108,487

2 Contingent liabilities

Statement of changes in equity

Figures in EUR	Contributed capital	Share premium	Reserve for development costs	Retained earnings	Total equity
Statement of changes in equity for 26.06.23 - 31.12.23					
Capital contributed on establishment	6,041	149,329	0	0	155,370
Other changes in equity	0	0	30,945	-30,945	0
Tax on changes in equity	0	0	-6,808	6,808	0
Transfers to/from other reserves	0	-149,329	0	149,329	0
Net profit/loss for the year	0	0	0	-57,778	-57,778
Balance as at 31.12.23	6,041	0	24,137	67,414	97,592

1. Intangible assets

Figures in EUR	Development projects in progress
Additions during the year	30,945
Cost as at 31.12.23	30,945
Carrying amount as at 31.12.23	30,945

Reference is made to mention in the management report.

2. Contingent liabilities*Other contingent liabilities*

The company is taxed jointly with the other companies in the group and is liable for income taxes on a pro rata basis and must comply with any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The maximum liability totals an amount corresponding to the share of the capital in the company which is owned directly or indirectly by the ultimate parent. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income etc.

3. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

No comparative figures have been provided as this is the company's first financial year.

Basis of recognition and measurement

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

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Euro (EUR).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

3. Accounting policies - continued -**INCOME STATEMENT****Gross loss**

Gross loss comprises other external expenses.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET**Intangible assets***Development projects in progress*

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

3. Accounting policies - continued -

Development projects in progress are transferred to completed development projects when the asset is ready for use.

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Cash

Cash includes deposits in bank account.

Equity

An amount equivalent to internally generated development costs in the balance sheet is recognised in equity under reserve for development costs. The reserve is measured less deferred tax and reduced by amortisation and impairment losses on the asset. If impairment losses on development costs are subsequently reversed, the reserve will be restored with a corresponding amount. The reserve is dissolved when the development costs are no longer recognized in the balance sheet, and the remaining amount will be transferred to retained earnings.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences

3. Accounting policies - continued -

between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.