
Embankment Group A/S

Amagertorv 11,4, DK-1160 København K

Annual Report for 2024

CVR No. 43 38 62 12

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 15/4 2025

Martin Grønvald Raun
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Embankment Group A/S for the financial year 1 January - 31 December 2024.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and of the results of the Company operations for 2024.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København K, 1 April 2025

Executive Board

David Svante Hansen
CEO

Board of Directors

Anette Eberhard
Chairperson

Rune Mai

Anders Thorhauge Sandholm

Lars Andersen

Kasper Grundtvig Knokgaard

Independent Auditor's report

To the shareholder of Embankment Group A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Embankment Group A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the Financial Statements. We are responsible for the direction, supervision and review of the audit work performed. 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.

Independent Auditor's report

Hellerup, 1 April 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jakob Thisted Binder

State Authorised Public Accountant

mne42816

Company information

The Company	Embankment Group A/S Amagertorv 11,4 DK-1160 København K CVR No: 43 38 62 12 Financial period: 1 January - 31 December Incorporated: 11 July 2022 Financial year: 2nd financial year Municipality of reg. office: 1160 København K
Board of Directors	Anette Eberhard, chairperson Rune Mai Anders Thorhauge Sandholm Lars Andersen Kasper Grundtvig Knokgaard
Executive Board	David Svante Hansen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Management's review

Key activities

The Company has developed and operates a proprietary software platform utilized by its subsidiaries to deliver all-things fund service to alternative investment funds (AIFs) and their AIF managers.

The Company's purpose-built software platform comprises connected, end-to-end fund services software combining several third-party integrations with proprietary in-house built functionality. The combination enables efficient, safe and correct delivery of fund administration, transfer agency, depositary services and includes various tools fitted to serve the delivery and consummation of services and exchange of data, including for instance reporting between investors and fund managers.

Development in the year

The Company remained on budget throughout 2024 and developed significant features, functionality and paved the way for further utilization and development in 2025.

In October 2024, Seed Capital led a EUR 4.7 million investment round in the Company, providing additional capital to further enhance the technology platform and support ongoing improved efficiency, user experience improvements and growth.

The development costs were as expected. Pursuant to the capital increase in October the Company has increased the cost base by investing heavily in technology to strengthen the software platform and execute faster on the product road map.

The Company's financial performance in 2024 is in line with management's expectations. The successful customer acquisition and the adoption of the software platform by the subsidiaries and their customers in turn, is viewed as a confirmation of the Company's ability to deliver value in an underserved segment of the market.

Outlook for 2025

The Company expects to further invest in technology prioritizing continued scalability on a group level and to maintain a high level of customer satisfaction.

Along with the progress of software development, the Company also expects to monetize its software platform in 2025.

Subsequent events

In January 2025, the company, Embankment Group A/S, closed the final tranche of the fundraise initiated in October 2024.

Income statement 1 January - 31 December

	Note	2024	2022/23
		DKK 12 months	DKK 18 months
Gross loss		-3,695,976	-1,675,525
Staff expenses	1	-6,005,724	-1,975,143
Amortisation and impairment losses of intangible assets		-38,550	-52,250
Profit/loss before financial income and expenses		-9,740,250	-3,702,918
Income from investments in subsidiaries		-660,808	-1,367,043
Financial expenses	2	-335,752	-229,314
Profit/loss before tax		-10,736,810	-5,299,275
Tax on profit/loss for the year		0	0
Net profit/loss for the year		-10,736,810	-5,299,275
 Distribution of profit			
		2024	2022/23
		DKK	DKK
Proposed distribution of profit			
Retained earnings		-10,736,810	-5,299,275
		-10,736,810	-5,299,275

Balance sheet 31 December

Assets

	Note	2024	2022/23
		DKK	DKK
Acquired trademarks		329,200	337,750
Intangible assets	3	329,200	337,750
Investments in subsidiaries	4	4,604,214	950,342
Deposits		197,704	229,626
Fixed asset investments		4,801,918	1,179,968
Fixed assets		5,131,118	1,517,718
Trade receivables		249,160	3,750
Receivables from group enterprises		26,630	0
Other receivables		277,242	125,329
Prepayments		119,938	223,397
Receivables		672,970	352,476
Cash at bank and in hand		24,633,506	5,076,244
Current assets		25,306,476	5,428,720
Assets		30,437,594	6,946,438

Balance sheet 31 December

Liabilities and equity

	Note	2024	2022/23
		DKK	DKK
Share capital		791,488	567,872
Share premium account		0	0
Retained earnings		26,274,447	357,853
Equity		27,065,935	925,725
Convertible and profit-yielding instruments of debt		0	5,223,065
Long-term debt		0	5,223,065
Trade payables		448,814	274,475
Payables to group enterprises		2,005,850	254,062
Other payables		916,995	269,111
Short-term debt		3,371,659	797,648
Debt		3,371,659	6,020,713
Liabilities and equity		30,437,594	6,946,438
Contingent assets, liabilities and other financial obligations	5		
Accounting Policies	6		

Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	567,872	0	357,853	925,725
Capital increase	223,616	36,653,404	0	36,877,020
Net profit/loss for the year	0	0	-10,736,810	-10,736,810
Transfer from share premium account	0	-36,653,404	36,653,404	0
Equity at 31 December	791,488	0	26,274,447	27,065,935

Notes to the Financial Statements

	2024	2022/23
	DKK 12 months	DKK 18 months
1. Staff expenses		
Wages and salaries	5,428,684	1,655,156
Pensions	332,160	108,746
Other social security expenses	32,402	6,248
Other staff expenses	212,478	204,993
	<u>6,005,724</u>	<u>1,975,143</u>
Average number of employees	<u>10</u>	<u>8</u>

	2024	2022/23
	DKK 12 months	DKK 18 months
2. Financial expenses		
Other financial expenses	330,734	227,521
Exchange adjustments, expenses	5,018	1,793
	<u>335,752</u>	<u>229,314</u>

3. Intangible fixed assets	Acquired trademarks
	DKK
Cost at 1 January	390,000
Additions for the year	30,000
Cost at 31 December	<u>420,000</u>
Impairment losses and amortisation at 1 January	52,250
Amortisation for the year	38,550
Impairment losses and amortisation at 31 December	<u>90,800</u>
Carrying amount at 31 December	<u>329,200</u>
Amortised over	<u>3-10 years</u>

Notes to the Financial Statements

	2024	2022/23
	DKK	DKK
4. Investments in subsidiaries		
Cost at 1 January	2,317,385	0
Additions for the year	4,314,680	2,317,385
Cost at 31 December	<u>6,632,065</u>	<u>2,317,385</u>
Value adjustments at 1 January	-1,367,043	0
Net profit/loss for the year	-660,808	-1,367,043
Value adjustments at 31 December	<u>-2,027,851</u>	<u>-1,367,043</u>
Carrying amount at 31 December	<u>4,604,214</u>	<u>950,342</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership and Votes
Embankment Depository Services A/S	København	1,000,000	100%
Embankment Fund Services A/S	København	400,000	100%

	2024	2022/23
	DKK	DKK
5. Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Rental obligation, non-cancelation period	160,657	321,313

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Embankment Foundercorp ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

6. Accounting policies

The Annual Report of Embankment Group A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024 are presented in DKK.

Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Income statement

Revenue

Revenue is recognised when the risks relating to the service have been transferred, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation and impairment of intangible assets.

Notes to the Financial Statements

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company.

Income from investments in subsidiaries

The item “Income from investments in subsidiaries” in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with Danish group entities. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Trademarks are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Software licences are amortised over the period of the agreements, which is 10 years.

Impairment of fixed assets

The carrying amounts of intangible assets are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

Notes to the Financial Statements

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposit.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums and subscriptions.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.