

IK Investment Partners ApS

Amaliegade 27, st., 1256 København K

Company reg. no. 16 68 28 88

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 20 February 2024.



James William Yates
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Executive Board have approved the annual report of IK Investment Partners ApS for the financial year 1 January - 31 December 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 20 February 2024

Executive board



James William Yates



Mads Ryum Larsen

Board of directors



James William Yates



Mads Ryum Larsen

Independent auditor's report

To the Shareholders of IK Investment Partners ApS

Opinion

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

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

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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.

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 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.

Independent auditor's report

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, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 20 February 2024

MAZARS

Statsautoriseret Revisionspartnerselskab
Company reg. no. 31 06 17 41


Monica Häckert Raavig
State Authorised Public Accountant
mne48484

Company information

The company

IK Investment Partners ApS
Amaliegade 27, st.
1256 København K

Company reg. no. 16 68 28 88
Established: 1 January 1993
Domicile: Copenhagen
Financial year: 1 January - 31 December

Board of directors

James William Yates
Mads Ryum Larsen

Executive board

James William Yates
Mads Ryum Larsen

Auditors

MAZARS STATS AUTORISERET
REVISIONSPARTNERSELSKAB
Midtermolen 1, 2. tv
2100 København Ø

Parent company

IK Investment Partners S.a.r.l
412F route d'Esch, 2086 Luxembourg

Management's review

The principal activities of the company

The company provides private equity advisory services to a fellow group of subsidiary company, IK Investment Partners Ltd, based in London. The employees consist of investment professionals providing advice on the Danish and Norwegian private equity markets.

Development in activities and financial matters

The gross profit for the year totals DKK 6.766.456 against DKK 17.727.906 last year. Income from ordinary activities after tax totals DKK 846.086 against DKK 2.229.433 last year.

Management considers the net profit or loss for the year satisfactory.

Income statement 1 January - 31 December

All amounts in DKK.

Note	2023	2022
Gross profit	6.766.456	17.727.906
1 Staff costs	-5.517.231	-14.337.233
Depreciation and impairment of property, land, and equipment	-237.629	-483.875
Operating profit	1.011.596	2.906.798
Other financial income from group enterprises	66.297	0
Other financial income	40.063	7.052
2 Other financial expenses	-25.649	-9.977
Pre-tax net profit	1.092.307	2.903.873
3 Tax on net profit for the year	-246.221	-674.440
Net profit for the year	846.086	2.229.433
Proposed distribution of net profit:		
Dividend for the financial year	845.000	2.250.000
Transferred to retained earnings	1.086	0
Allocated from retained earnings	0	-20.567
Total allocations and transfers	846.086	2.229.433

Balance sheet at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2023</u>	<u>2022</u>
Non-current assets			
Other fixtures, fittings, tools and equipment		32.415	617.082
Total property, plant, and equipment		32.415	617.082
Other receivables		45.199	564.881
Total investments		45.199	564.881
Total non-current assets		77.614	1.181.963
Current assets			
Receivables from group companies		2.413.675	1.741.492
Deferred tax assets		0	73.166
Income tax receivables		140.076	0
Other receivables		5.864	123.807
Prepayments		7.126	12.151
Total receivables		2.566.741	1.950.616
Cash and cash equivalents		1.633.912	2.918.351
Total current assets		4.200.653	4.868.967
Total assets		4.278.267	6.050.930

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2023</u>	<u>2022</u>
Equity			
	Contributed capital	200.000	200.000
	Retained earnings	19.439	18.353
	Proposed dividend for the financial year	845.000	2.250.000
	Total equity	<u>1.064.439</u>	<u>2.468.353</u>
Provisions			
	Provisions for deferred tax	7.131	0
	Total provisions	<u>7.131</u>	<u>0</u>
Liabilities other than provisions			
	Trade payables	493.328	731.685
	Payables to group companies	2.576.607	2.300.928
	Income tax payable	0	427.158
	Other payables	136.762	122.806
	Total short term liabilities other than provisions	<u>3.206.697</u>	<u>3.582.577</u>
	Total liabilities other than provisions	<u>3.206.697</u>	<u>3.582.577</u>
	Total equity and liabilities	<u>4.278.267</u>	<u>6.050.930</u>

4 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2022	200.000	38.920	2.300.000	2.538.920
Distributed dividend	0	0	-2.300.000	-2.300.000
Profit for the year brought forward	0	-20.567	2.250.000	2.229.433
Equity 1 January 2023	200.000	18.353	2.250.000	2.468.353
Distributed dividend	0	0	-2.250.000	-2.250.000
Profit for the year brought forward	0	1.086	845.000	846.086
	200.000	19.439	845.000	1.064.439

Notes

All amounts in DKK.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Salaries and wages	5.200.383	13.383.664
Pension costs	295.904	912.769
Other costs for social security	8.236	19.028
Other staff costs	<u>12.708</u>	<u>21.772</u>
	<u>5.517.231</u>	<u>14.337.233</u>
 Average number of employees	 <u>2</u>	 <u>6</u>
 2. Other financial expenses		
Financial costs, group enterprises	3.739	0
Other financial costs	<u>21.910</u>	<u>9.977</u>
	<u>25.649</u>	<u>9.977</u>
 3. Tax on net profit or loss for the year		
Tax of the results for the year	165.924	697.158
Adjustment for the year of deferred tax	<u>80.297</u>	<u>-22.718</u>
	<u>246.221</u>	<u>674.440</u>

4. Contingencies

Contingent liabilities

The company has entered into rental agreement concerning Amaliegade 27, Mezz, 1256 Copenhagen. The lease has a notice of termination of 3 months. The residual payment amounts to t.DKK 137 at 31 December 2023.

Accounting policies

The annual report for IK Investment Partners ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined

Accounting policies

- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Other external costs comprise costs incurred for sales, advertising, administration and premises.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, realised and unrealised capital gains and losses relating to transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Accounting policies

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	2-5 years	0%

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounting policies

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Reserve for outstanding loans and collateral

The reserve for outstanding loans and collateral comprises amounts corresponding to loans or collateral used for the establishment of legal self-financing.

An amount corresponding to the loan or collateral is reclassified from "Retained earnings" to "Reserve for outstanding loans and collateral".

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Accounting policies

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.