

Styrelsen för

Infinitas Holdco Sweden AB

Org nr 559104-8854

får härmed avge

Årsredovisning

för räkenskapsåret 1 januari - 31 december 2023

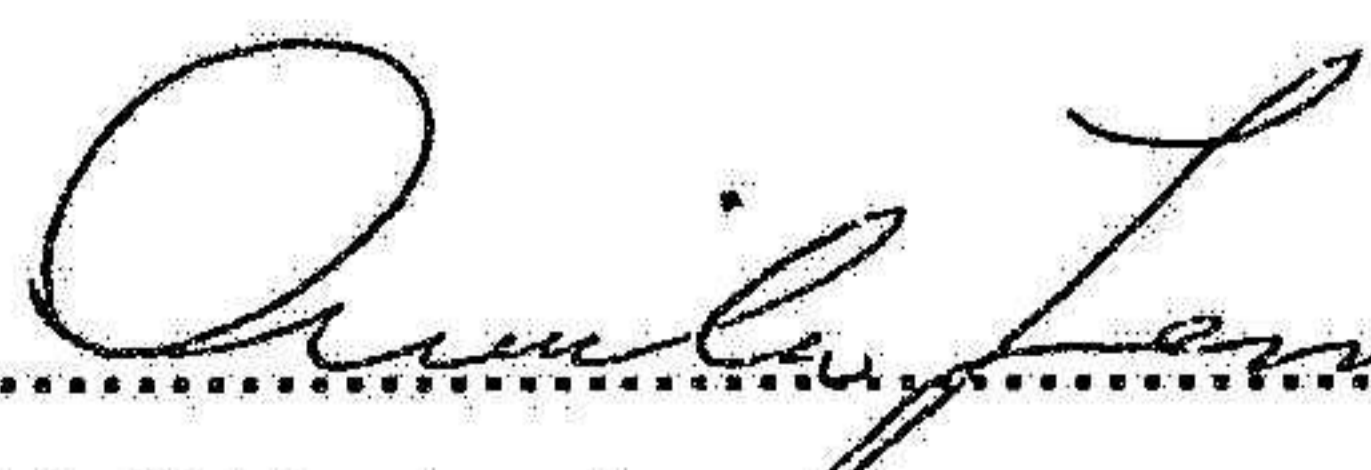
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Fastställelseintyg

Undertecknad styrelseledamot i Infinitas Holdco Sweden AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämman den 27 juni 2024. Årsstämman beslutade att godkänna styrelsens förslag till hur vinsten ska fördelas.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Stockholm 2024-06-27


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ULRIKA JONES

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för räkenskapsåret 1 januari - 31 december 2023

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Infinitas Holdco Sweden AB

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Förvaltningsberättelse

Allmänt om verksamheten

Bolaget är ett holdingbolag som bedriver indirekt förlagsverksamhet genom Liber AB org. nr. 556000-1975 med säte i Stockholm, som är ett helägt dotterföretag till Infinitas Learning Sweden AB org. nr. 556720-7781, med säte i Stockholm. Infinitas Learning Sweden är i sin tur ett helägt dotterföretag till bolaget. Förlagsverksamheten består av såväl tryckta som digitala läromedel och utbildningsmaterial. Utgivningen finns inom grundskola, gymnasium, vuxenutbildning och universitet/högskola. Dessutom riktar sig Liber AB även till professionella yrkesutövare framför allt inom områdena juridik, ledarskap och vård.

Företaget är ett helägt dotterföretag till Infinitas Learning Holding BV, org.nr.34273733 med säte i Holland.

Infinitas Learning International BV, org.nr.69798567 med säte i Holland, är en internationell läromedelskoncern som ägs till 100% av det holländska bolaget NPM Capital NV, org.nr. 33071274 med säte i Holland.

Utveckling av företagets verksamhet, resultat och ställning

<i>Ekonomisk översikt</i>	2023	2022	2021	2020
Nettoomsättning	–	–	–	
Rörelsemarginal %	–	–	–	
Balansomslutning	353 559	334 707	334 433	55 473
Avkastning på sysselsatt kapital %	0,0%	0,0%	0,0%	Neg.
Avkastning på eget kapital %	13,2%	0,2%	16,5%	158,4%
Soliditet %	89,1%	87,9%	87,9%	31,1%

Definitioner: se not 8

Väsentliga händelser under räkenskapsåret

Inget av väsentlighet har inträffat under räkenskapsåret.

Förväntad framtida utveckling

Verksamheten i koncernföretaget Liber AB förväntas vara relativt oförändrad försäljningsmässigt under nästföljande verksamhetsår. Det makroekonomiska läget ger en fortsatt pressad ekonomi för både utbildningsanordnare samt studenter. Vi ser även att oroligheter i världen inte kan uteslutas påverka logistikkedjan. Läromedelsmarknaden, som varit relativt stabil de senaste åren, förblir dock svårbedömd, framförallt följande av digitaliseringen i skolan och dess eventuella följdverkningar.

Information om risker och osäkerhetsfaktorer

Ägarna har ambitionen att driva bolaget inom samma verksamhetsområde som tidigare. Därför förväntas ingen utökad risk eller osäkerhetsfaktor.

Egna aktier

Bolaget innehar inga egna aktier, inga förvärv eller någon avyttring av egna aktier har skett under räkenskapsåret.

Hållbarhetsrapport

Koncernföretaget Liber ABs hållbarhetsredovisning finns tillgänglig på följande adress:
www.liber.se/om-liber/om-oss/

Infinitas Holdco Sweden AB

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Eget kapital

2022-12-31	Bundet eget kapital			Fritt eget kapital			Summa eget kapital
	Aktiekapital	Uppskrivningsfond	Reservfond	Överkursfond	Fond för verkligt värde	Bal.res. inkl årets resultat	
Ingående balans	50	-	-	-	-	293 999	294 049
Årets resultat						274	274
Summa	-	-	-	-	-	-	-
Vid årets utgång	50	-	-	-	-	294 273	294 323

2023-12-31	Bundet eget kapital			Fritt eget kapital			Summa eget kapital
	Aktiekapital	Uppskrivningsfond	Reservfond	Överkursfond	Fond för verkligt värde	Bal.res. inkl årets resultat	
Ingående balans	50	-	-	-	-	294 273	294 323
Årets resultat						20 052	20 052
Vid årets utgång	50	-	-	-	-	314 325	314 375

Förslag till disposition av företagets vinst eller förlust


Styrelsen föreslår att fritt eget kapital, 314 325 575 SEK, disponeras enligt följande:

Balanseras i ny räkning

Summa

314 325 575 SEK314 325 575 SEK

Vad beträffar resultat och ställning i övrigt, hänvisas till efterföljande resultat- och balansräkningar med tillhörande noter.

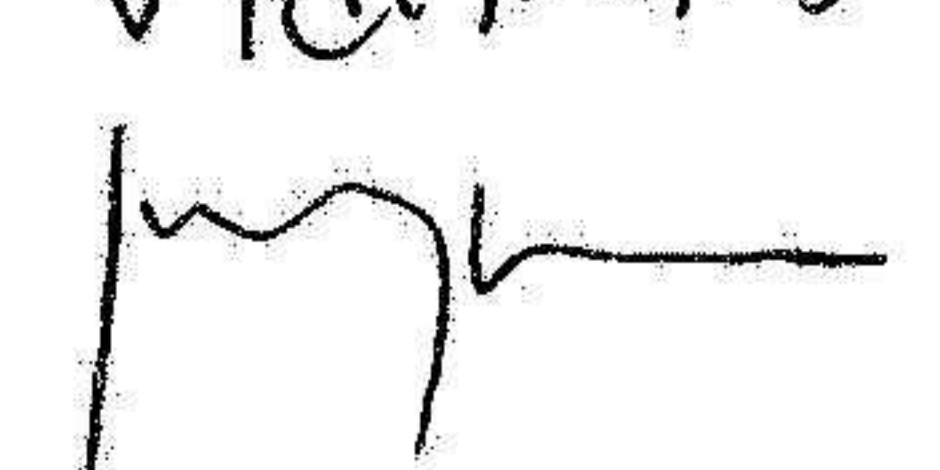
Vidimeras:


Infinitas Holdco Sweden AB

Org nr 559104-8854

Resultaträkning

<i>Belopp i kSEK</i>	<i>Not</i>	<i>2023</i>	<i>2022</i>
	1		
Rörelsens kostnader			
Övriga externa kostnader		-126	-16
Rörelseresultat		-126	-16
Resultat från finansiella poster			
Ränteintäkter och liknande resultatposter	2	1 332	462
Räntekostnader och liknande resultatposter	3	-8	-172
Resultat efter finansiella poster		1 198	274
Bokslutsdispositioner			
Koncernbidrag, erhållna		24 057	-
Resultat före skatt		25 255	274
Skatt på årets resultat	4	-5 203	-
Årets resultat		20 052	274

Vidi Meras:


Infinitas Holdco Sweden AB

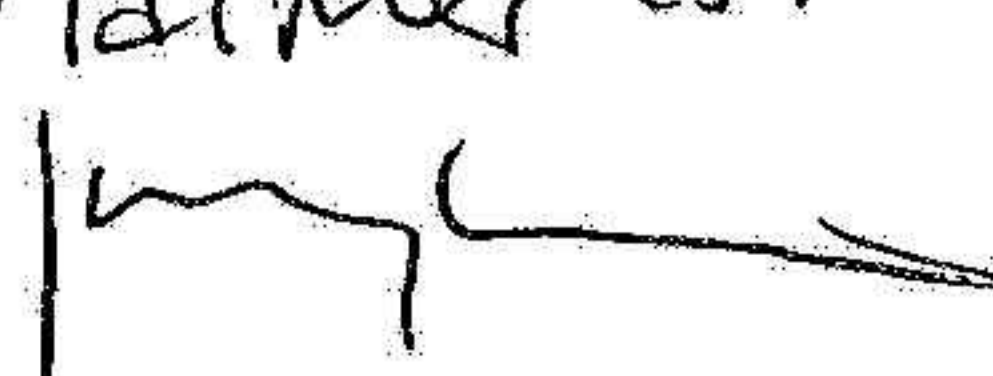
Org nr 559104-8854

Balansräkning

Belopp i kSEK	Not	2023-12-31	2022-12-31
TILLGÅNGAR	1		
Anläggningstillgångar			
<i>Finansiella anläggningstillgångar</i>			
Andelar i koncernföretag	5,9	273 091	273 091
Uppskjuten skattefordran	6	4 504	9 706
		<u>277 595</u>	<u>282 797</u>
Summa anläggningstillgångar		277 595	282 797
Omsättningstillgångar			
<i>Kortfristiga fordringar</i>			
Fordringar hos koncernföretag		24 057	—
		<u>24 057</u>	<u>—</u>
<i>Kassa och bank</i>			
Kassa och bank		51 908	51 910
		<u>51 908</u>	<u>51 910</u>
Summa omsättningstillgångar		75 965	51 910
SUMMA TILLGÅNGAR		<u>353 559</u>	<u>334 707</u>

Balansräkning

Belopp i kSEK	Not	2023-12-31	2022-12-31
EGET KAPITAL OCH SKULDER	1		
<i>Eget kapital</i>			
<i>Bundet eget kapital</i>			
Aktiekapital	8	50	50
		<u>50</u>	<u>50</u>
<i>Fritt eget kapital</i>			
Balanserat resultat		294 273	293 999
Årets resultat		20 052	274
		<u>314 325</u>	<u>294 273</u>
		314 375	294 323
<i>Kortfristiga skulder</i>			
Skulder till koncernföretag		39 184	40 384
		<u>39 184</u>	<u>40 384</u>
SUMMA EGET KAPITAL OCH SKULDER		<u>353 559</u>	<u>334 707</u>

Vidimeras:


Infinitas Holdco Sweden AB

Org nr 559104-8854

Noter

Belopp i kSEK om inget annat anges

Not 1 Redovisningsprinciper

Årsredovisningen har upprättats i enlighet med årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Tillgångar, avsättningar och skulder har värderats till anskaffningsvärden om inget annat anges nedan.

Utländsk valuta

Poster i utländsk valuta

Monetära poster i utländsk valuta räknas om till balansdagens kurs. Icke-monetära poster räknas inte om utan redovisas till kursen vid anskaffningstillfället.

Finansiella tillgångar och skulder

Finansiella tillgångar och skulder redovisas i enlighet med kapitel 11 (Finansiella instrument värderade utifrån anskaffningsvärdet) i BFNAR 2012:1.

Värdering av finansiella tillgångar

Finansiella tillgångar värderas vid första redovisningstillfället till anskaffningsvärde, inklusive eventuella transaktionsutgifter som är direkt hänförliga till förvärvet av tillgången.

Andelar i dotterföretag

Andelar i dotterföretag det finns ägarintresse i redovisas till anskaffningsvärde minskat med ackumulerade nedskrivningar. I anskaffningsvärdet ingår förutom inköpspriset även utgifter som är direkt hänförliga till förvärvet.

Skatt

Skatt på årets resultat i resultaträkningen består av aktuell skatt och uppskjuten skatt. Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats. Uppskjuten skatt är inkomstskatt för skattepliktigt resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser.

Uppskjuten skatteskuld redovisas för alla skattepliktiga temporära skillnader, dock särredovisas inte uppskjuten skatt hänförlig till obeskattade reserver eftersom obeskattade reserver redovisas som en egen post i balansräkningen. Uppskjuten skattefordran redovisas för avdragsgilla temporära skillnader och för möjligheten att i framtiden använda skattemässiga underskottsavdrag. Värderingen baseras på hur det redovisade värdet för motsvarande tillgång eller skuld förväntas återvinnas respektive regleras. Beloppen baseras på de skattesatser och skatteregler som är beslutade per balansdagen och har inte nuvärdeberäknats.

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Uppskjutna skattefordringar har värderats till högst det belopp som sannolikt kommer att återvinnas baserat på innevarande och framtida skattepliktiga resultat. Värderingen omprövas varje balansdag.

Intäkter

Det inflöde av ekonomiska fördelar som företaget erhållit eller kommer att erhålla för egen räkning redovisas som intäkt. Intäkter värderas till verkliga värdet av det som erhållits eller kommer att erhållas, med avdrag för rabatter.

Koncernbidrag och aktieägartillskott

Koncernbidrag som erhållits/lämnats redovisas som en bokslutsdisposition i resultaträkningen. Det erhållna/lämnade koncernbidraget har påverkat företagets aktuella skatt.

Not 2 Ränteintäkter och liknande resultatposter

	2023	2022
Ränteintäkter, övriga	1 332	125
Valutakursvinst	299	337
	<u>1 631</u>	<u>462</u>

Not 3 Räntekostnader och liknande resultatposter

	2023	2022
Räntekostnader, koncernföretag	–	–
Räntekostnader, övriga	–	-10
Valutakursförlust	-307	-162
	<u>-307</u>	<u>-172</u>

Not 4 Skatt på årets resultat

	2023	2022
Förändring uppskjuten skatt	-5 203	–
avser uppskjuten skatt på utnyttjat underskottsavdrag 2023	-5 203	–

Avstämning av effektiv skatt

	2023		2022	
	Procent	Belopp	Procent	Belopp
Resultat före skatt		25 255		274
Förändring uppskjuten skatt	20,6%	-5 203	0,0%	–
Redovisad effektiv skatt	20,6%	-5 203	0,0%	–

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Not 5 Andelar i koncernföretag

	2023-12-31	2022-12-31
<i>Akkumulerade anskaffningsvärden</i>		
Vid årets början	273 091	273 091
Lämnat aktieägartillskott	—	—
Vid årets slut	273 091	273 091
Redovisat värde vid årets slut	273 091	273 091

Spec av företagets innehav av andelar i koncernföretag

Dotterföretag / Org nr / Säte	Antal andelar	Andel i %	2023-12-31	2022-12-31
			Redovisat värde	Redovisat värde
Infinitas Learning Sweden AB, 556720-7781, Stockholm	100 000	100,0	273 091	273 091
			273 091	273 091

i) Ägarandelen av kapitalet avses, vilket även överensstämmer med andelen av rösterna för totalt antal aktier.

Not 6 Uppskjuten skatt

	Uppskjuten skattefordran	2023-12-31	Netto
		Uppskjuten skatteskuld	
<i>Väsentliga temporära skillnader</i>			
Övriga temporära skillnader	4 504	—	4 504
Skattemässigt underskottsavdrag	—	—	—
<i>Uppskjuten skattefordran</i>	<u>4 504</u>	<u>—</u>	<u>4 504</u>
		2022-12-31	
	Uppskjuten skattefordran	Uppskjuten skatteskuld	Netto
<i>Väsentliga temporära skillnader</i>			
Övriga temporära skillnader	9 706	—	9 706
Skattemässigt underskottsavdrag	—	—	—
<i>Uppskjuten skattefordran</i>	<u>9 706</u>	<u>—</u>	<u>9 706</u>

Not 7 Disposition av vinst eller förlust

Styrelsen föreslår att fritt eget kapital, kronor 314 325 575, disponeras enligt följande:

Balanseras i ny räkning		<u>314 325 575 SEK</u>
Summa		<u>314 325 575 SEK</u>

Not 8 Antal aktier och kvotvärde

	2023-12-31	2022-12-31
Antal aktier	50 000	50 000
Kvotvärde	1	1

Not 9 Ställda säkerheter och eventalförpliktelser**Ställda säkerheter**

För skulder till kreditinstitut, intresseföretag och gemensamt styrda företag

	2023-12-31	2022-12-31
Pantsatta aktier i dotterbolag	273 091	273 091
Summa ställda säkerheter	273 091	273 091

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Not 10 **Väsentliga händelser efter balansdagen**
Inget av väsentlighet har inträffat efter räkenskapsårets slut.

Not 11 **Hållbarhetsrapport**
För hållbarhetsredovisningen hänvisar bolaget till dotterbolaget Liber ABs hållbarhetsrapport som finns tillgänglig på följande adress: www.liber.se/om-liber/om-oss/

Not 12 **Koncernuppgifter**
Infinitas Holdco Swedens moderbolag är Infinitas Learning Holding BV, org.nr.34273733 med säte i Holland. Infinitas är en internationell läromedelskoncern som ägs av det holländska bolaget NPM Capital NV, org.nr. 33071274 med säte i Holland.

Infinitas Holdco Sweden, som utgör moderföretag för en koncern med dotterföretag enl not 4, upprättar ej koncernredovisning med hänvisning till reglerna i Årsredovisningslagen 7 kap 2§. Infinitas Holdco Sweden ingår i en koncern där Infinitas Learning International BV, org nr. 69798567 med säte i Holland, upprättar koncernredovisning. Koncernredovisningen finns att tillgå hos Infinitas Learning International B.V. med adress: Reykjavikstraat 1, 3543 KH Utrecht, The Nederlands.

Inköp och försäljning inom koncernen

Av koncernens totala inköp och försäljning mätt i kronor avser 0 (0) % av inköpen och 0 (0) % av försäljningen andra företag inom hela den företagsgrupp som koncernen tillhör.

Not 13 **Nyckeltalsdefinitioner**

Rörelsemarginal:	Rörelseresultat / Nettoomsättning
Balansomslutning:	Totala tillgångar
Avkastning på sysselsatt kapital:	(Rörelseresultat + finansiella intäkter) / Genomsnittligt sysselsatt kapital
Finansiella intäkter:	Poster i finansnettot som är hänförliga till tillgångar (som ingår i sysselsatt kapital)
Sysselsatt kapital:	Totala tillgångar - räntefria skulder
Räntefria skulder:	Skulder som inte är räntebärande. Pensionsskulder ses som räntebärande.
Avkastning på eget kapital:	Årets resultat hänförligt till moderföretagets aktieägare / Genomsnittligt eget kapital hänförligt till moderföretagets aktieägare
Soliditet:	(Totalt eget kapital + 79,4 % av obeskattade reserver) / Totala tillgångar

anl=20240703;2024070415817

Infinitas Holdco Sweden AB

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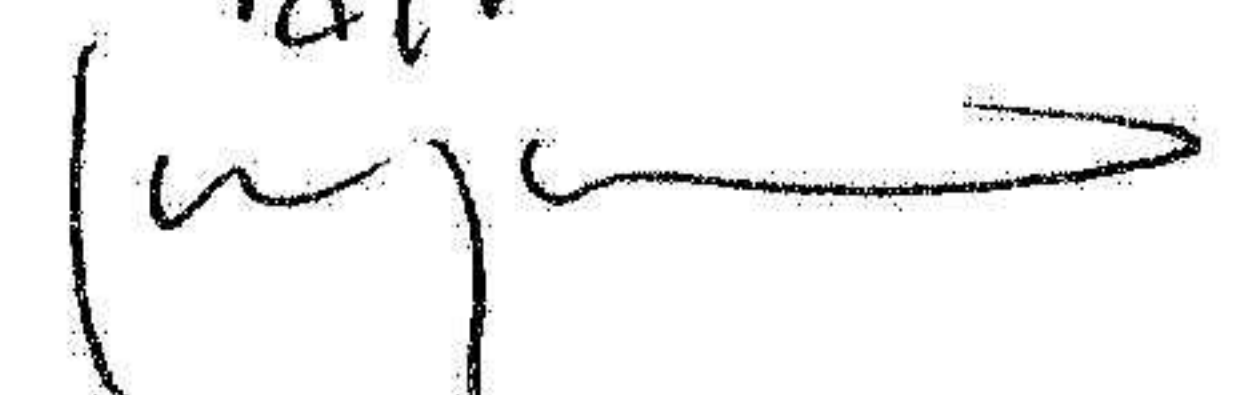
Stockholm Dateras och signeras digitalt

Taco Morelisse
Styrelsens ordförande

Ulrika Jones
Ledamot

Vår revisionsberättelse har lämnats den dag som framgår av vår elektroniska signatur

KPMG AB
Marc Karlsson
Auktoriserad revisor

Vidimeras:


UNDERSKRIFTSSIDA

Detta dokument har undertecknats med elektroniska underskrifter:

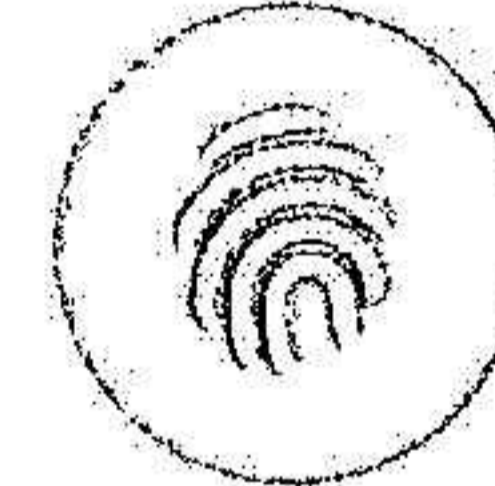
NAMN: Ulrika Jones
TITEL, ORGANISATION: CFO, Liber AB
TID: 2024-05-31 15:11:06 +02:00
IDENTIFIKATIONSTYP: Svensk e-legitimation
IDENTIFIKATIONS-ID: _08a7301c77128a8441036c6fe19dccc9af



NAMN: Taco Morelisse
TITEL, ORGANISATION: CEO, Infinitas
TID: 2024-05-31 17:23:07 +02:00
IDENTIFIKATIONSTYP: E-post (TMorelisse@infinitaslearning.com)
IDENTIFIKATIONS-ID: 78f5a6064ee44e2486949c66b6067686



NAMN: MARC KARLSSON
TITEL, ORGANISATION: Revisor, Kpmg
TID: 2024-05-31 20:23:15 +02:00
IDENTIFIKATIONSTYP: Svensk e-legitimation
IDENTIFIKATIONS-ID: _08233c1ad676a0eac919e09be6c3fb4e83



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Revisionsberättelse

Till bolagsstämman i Infinitas Holdco Sweden AB, org. nr 559104-8854

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Infinitas Holdco Sweden AB för år 2023.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Infinitas Holdco Sweden ABs finansiella ställning per den 31 december 2023 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Infinitas Holdco Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen ansvarar även för den interna kontroll som den bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen för bedömningen av bolagets förmåga att fortsätta verksamheten. Den

upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.

- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens förvaltning för Infinitas Holdco Sweden AB för år 2023 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Infinitas Holdco Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om styrelseledamoten i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda

ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

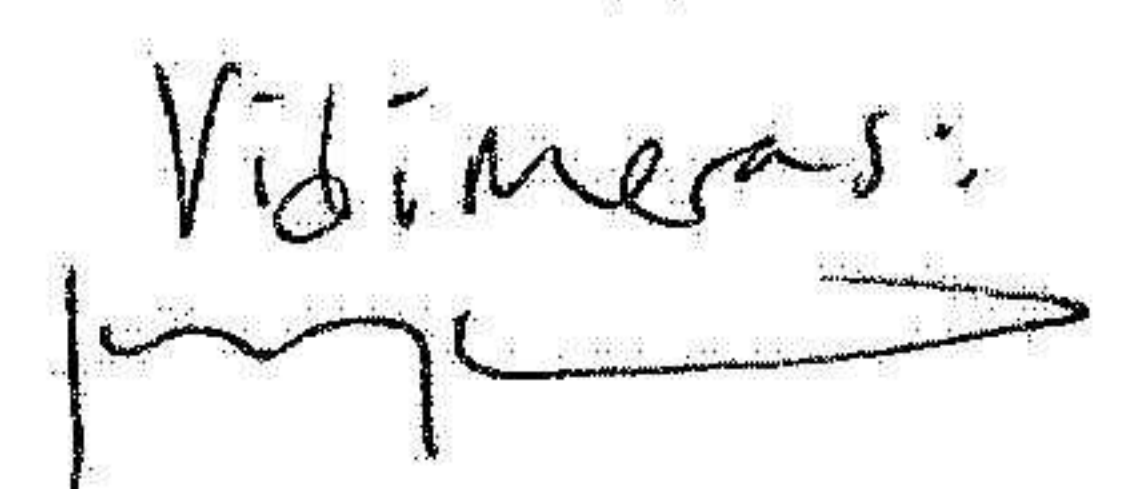
Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Stockholm den 31 maj 2024

KPMG AB

Marc Karlsson

Auktoriserad revisor

Vidimeras:


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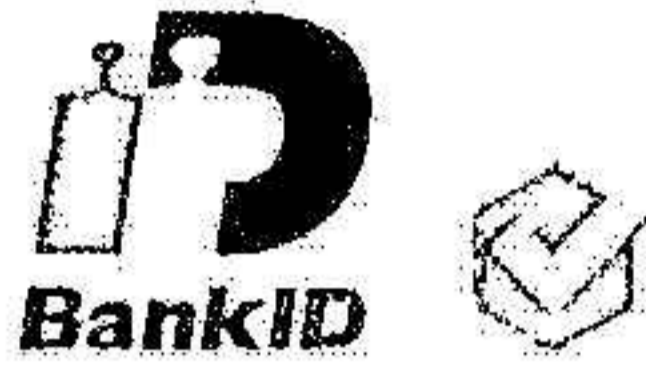
MARC KARLSSON

Undertecknare

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IP: 176.10.xxx.xxx

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Infinitas Learning International B.V.

Bolagsverket
2024-07-03

Annual report 2023

2024070415052

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Consolidated statement of financial position

(Before profit appropriation)

As at 31 December

in thousands of euro

	Note	2023	2022
Assets			
Property plant and equipment	16	2.831	4.773
Right-of-use assets	17	16.190	16.130
Intangible assets	18	906.841	959.052
Other assets including derivatives	29	1.270	3.595
Deferred tax assets	19	601	1.156 *
Total non-current assets		927.733	984.706
Inventories	20	30.803	29.451
Income tax receivable	19	8.662	2.648
Trade and other receivables	21	55.240	53.264
Cash and cash equivalents	22	36.281	40.413
Total current assets		130.986	125.776
Total assets		1.058.719	1.110.482
Equity			
Share capital		-79	-79
Share premium		-389.477	-389.477
Translation reserve		362	458
Retained earnings		174.980	132.155
Equity attributable to owners	23	-214.214	-256.943
Non-controlling interest		20	-227
Total equity		-214.194	-257.170
Liabilities			
Loans and borrowings	25	-597.096	-595.498
Employee benefits	26	-57	-255
Provisions	24	-1.730	-5.027
Deferred tax liability	19	-83.369	-98.772 *
Total non-current liabilities		-682.252	-699.552
Trade and other payables	27	-77.892	-72.508
Contract liabilities	9	-50.586	-47.489
Loans and borrowings short term	25	-12.331	-4.250
Income tax liability		-6.250	-13.461
Other current liabilities	28	-15.214	-16.052
Total current liabilities		-162.273	-153.760
Total liabilities		-844.525	-853.312
Total equity and liabilities		-1.058.719	-1.110.482

*The comparative figures for 2022 have been adjusted to reflect the adjustment as stated in the paragraph Restatement for comparison. The notes on pages 18 to 62 are an integral part of these consolidated financial statements.

Consolidated statement of profit or loss

For the year ended 31 December

in thousands of euro

	Note	2023	2022
Continuing operations			
Revenue	9	328.741	304.324
Cost of materials	10	-79.954	-100.053
Personnel expenses	11	-88.343	-79.546
Other operating expenses	12	-61.952	-61.657
Depreciation, amortisation and impairment	13	-90.756	-134.309
Operating result		7.736	-71.241
Finance income	14	105	0
Finance expenses	14	-56.043	-33.787
Profit (loss) before income tax		-48.202	-105.028
Income tax	15	5.103	11.498
Profit (loss) net of tax		-43.099	-93.530
Profit (loss) for the year		-43.099	-93.530
Attributable to:			
Owners of the Company		-42.852	-91.138
Non-controlling interest		-247	-2.392

The notes on pages 18 to 62 are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

For the year ended 31 December			-	-
in thousands of euro		Note	2023	2022
			-	-
Result for the year			-43.099	-93.530
Other comprehensive income				
<i>Items that will never be reclassified to the statement of profit or loss</i>				
Actuarial gains / (losses) on defined benefit plans		26	37	1.587
Income tax effect		15	-10	-397
			27	1.190
<i>Items that are or may be classified to the statement of profit or loss</i>				
Foreign currency translation differences from foreign operations			115	92
Income tax effect			-19	607
		15	96	699
Other comprehensive income for the period, net of tax			123	1.889
Total comprehensive income for the period, net of tax			-42.976	-91.641
Attributable to:				
Owners of the Company			-42.729	-89.249
Non-controlling interest			-247	-2.392

The notes on pages 18 to 62 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

in thousands of euro

	Note	Share capital	Share premium	Translation reserve	Retained earnings	attributable to owners of the Company	Non-controlling interest	Total equity
Balance at 31 December 2021		-68	-335.028	1.157	42.207	-291.732	-2.619	-294.351
Total comprehensive income for the period								
(Profit)/ loss for the year		0	0	0	91.138	91.138	2.392	93.530
Other comprehensive (income)/ expense		0	0	-699	-1.190	-1.889	0	-1.889
Total comprehensive income for the year		0	0	-699	89.948	89.249	2.392	91.641
Transactions with owners of the company								
Issue of ordinary shares		-1	-8.519	0	0	-8.520	0	-8.520
Issue of preference shares		-10	-45.930	0	0	-45.940	0	-45.940
Total transactions with owners of the company	23	-11	-54.449	0	0	-54.460	0	-54.460
Balance at 31 December 2022		-79	-389.477	458	132.155	-256.943	-227	-257.170
Total comprehensive income for the period								
(Profit)/ loss for the year		0	0	0	42.852	42.852	247	43.099
Other comprehensive (income)/ expense		0	0	-96	-27	-123	0	-123
Total comprehensive income for the year	23	0	0	-96	42.825	42.729	247	42.976
Balance at 31 December 2023		-79	-389.477	362	174.980	-214.214	20	-214.194

The notes on pages 18 to 62 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended 31 december

in thousands of euro

	Note	2023	2022
Cash flow from operating activities			
Profit (loss) for the period		-43.099	-93.530
Depreciation (including impairment) of tangible assets	13	5.422	5.300
Amortisation and impairment of intangible assets	13	85.335	129.009
Amortisations from business combinations		1.911	33.320
Income tax expense	15	-5.103	-11.498
Finance expense, net	14	55.938	33.787
Cash flow from operations before operating working capital and income taxes		100.404	96.388
Change in:			
Inventories	20	-1.934	-512
Trade and other receivables	21	-1.975	-12.256
Employee benefits	26	-58	84
Trade and other payables	27	7.006	3.801
Provisions	24	-3.983	4.500
Cash generated from operating activities before income tax paid		99.459	92.005
Income tax paid		-19.873	-18.364
Net cash from operating activities		79.587	73.641
Cash flow from investing activities			
Acquisition of subsidiaries	28	-10.731	-117.407
Cash acquired from business combinations		0	1.448
Acquisition of property, plant and equipment	16	-1.227	-637
Intangible assets expenditure	18	-33.529	-32.846
Net cash from investing activities		-45.487	-149.442
Cashflow from financing activities			
Repayment of loans	25	0	-40.543
New loan	25	0	110.000
Drawing credit facility	25	7.243	0
Transaction costs for new financing	25	0	-3.708
Payment of lease liability	25	-4.743	-4.597
Issue of share capital and share premium	23	0	54.460
Interest paid		-40.515	-34.296
Net cash (used in)/ from financing activities		-38.015	81.316
Net change in cash and cash equivalents		-3.915	5.514
Cash and cash equivalents as at 1 January		40.413	34.209
Effect of movement in exchange rates on cash held		-217	690
Cash and cash equivalents as at 31 December	22	36.281	40.413

The notes on pages 18 to 62 are an integral part of these consolidated financial statements.

1. Reporting entity

Infinitas Learning International B.V., the “Company” or the “Group” is domiciled in the Netherlands and is registered in the Trade Register at the Chamber of Commerce under number 69798567. The registered office is located at Reykjavikstraat 1, Utrecht.

The shares of the Company are held by NPM Capital N.V. (65.4%), Stichting Depository PGGM Private Equity Funds (21.5%), Rabo Participations B.V. (7.2%) and management (5.9%). The ultimate parent of the Company is SHV Holdings N.V. in Utrecht. The Group is incorporated on 9 October 2017.

The Group is primarily involved in multi-media educational publishing and is one of Europe’s leading providers of innovative and engaging teaching and learning resources. The extensive print and digital product portfolio are specifically designed to enhance and enrich the learning process and raise standards of education for K12 students in primary, secondary and vocational education as well as higher education. In addition, the Group also provides interactive educational tools for primary school pupils (Squla) and secondary school students (StudyGo). Squla is linked to the national curriculum in the Netherlands and is designed to supplement the student’s education. Infinitas Learning also provides a range of continuing professional development products and services for teaching professionals for the health sector. In Portugal the Group has some general publishing activities and includes children’s, fiction, non-fiction, culinary and reference titles offered to consumers through own bookstores and retailers. The Group is organized along geographical business segments and now holds leading market positions in the Netherlands, Belgium, Sweden, and Portugal.

As of 31 December 2023, the Group had 1.327 employees (2022: 1.270 employees).

These financial statements cover the year 2023, which ended at the balance sheet date of 31 December 2023. The consolidated financial statements of the Company for the year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as “Infinitas Learning” or the “Group” and individually as “the Company”). The Company is a holding company.

The financial statements per 31 December 2023 were authorised for issue by both the Supervisory Board and the Board of Directors on 27 March 2024 and are subject to adoption by the Annual General meeting of Shareholders.

2. Basis of accounting

The consolidated financial statements of the Company are part of the statutory financial statements of the Company. These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Section 2:362(9) of the Dutch Civil Code.

Details of the Group accounting policies are set out in note 6 Significant accounting policies.

The financial statements of the Company have been prepared on the basis of the going concern assumption. The Group prepared these consolidated financial statements based on historical cost basis except for (i) derivative financial instruments, which are measured at fair value; contingent considerations assumed in a business combination, which are measured at fair value; and (iii) the net defined benefit liability is measured at the fair value of plan assets, less the present value of the defined benefit obligation.

3. Functional and presentation currency

The consolidated financial statements are presented in EUR and all values are rounded to the nearest thousand (EUR 000) except when otherwise indicated. The euro is also the Company’s functional reporting currency.

4. Use of estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates. Uncertainty about these assumptions and estimates at the reporting date could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the next financial year.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and recognised in future periods.

Information about judgements is included in the following notes:

- **Revenue:** Recognition of revenue of digital products at a point in time or over time (note 9).
- **Leases:** the assessment of the lease terms and the use of extension options (note 25).

Information about assumptions and estimation uncertainties are included in the following notes:

- **Income tax (expense) / benefit and Deferred tax assets and liabilities:** Recognition and measurement of deferred tax assets and the availability of future taxable profits against which deductible temporary differences and tax losses carry forward can be utilised. The uncertainty in the acceptability of the tax treatment by the tax authorities is reflected in the measurement of the relevant tax asset and tax liability (note 15 and 19).
- **Intangible assets:** key assumptions underlying the fair value of the assets acquired and the liabilities assumed in Business Combinations and key assumptions regarding recoverable amounts including the recoverability of the intangible assets are discount rate, future cash flows, a perpetual growth rate to assess impairment (note 18).
- **Inventories:** measurement of the provisions for obsolete stock (note 20).
- **Trade and other receivables:** measurement of the expected credit losses ("ECL") allowance related to trade receivables and contract assets using key assumptions in determining the weighted average loss-rate (note 21).
- **Provisions:** recognition and measurement of provisions and contingencies include assumptions about the likelihood and the amount of the expected cash outflows (note 24).
- **Employee benefits:** measurement of defined benefit obligations and plan assets. The assets and liabilities are based upon actuarial and economic assumptions. The main economic assumptions are discount rate, indexation ambition, inflation, average increase salaries and medical trend rate. For actuarial assumptions the company uses generally accepted mortality rates (longevity risk). The withdrawal rates and retirement rates are based upon statistics provided by the relevant entities based on past experiences (note 26).
- **Financial instruments:** measurement of the fair value of an asset or liability using observable market data. Fair values are categorised into different levels in the fair value hierarchy based on the inputs used in the valuation techniques (note 29).

Other uncertainties related to management judgement are presented as applicable in the relevant notes.

5. Changes in significant accounting policies

The Group adopted Deferred Tax related to Assets and Liabilities from a single transaction from 1 January 2023. This amendment clarifies the scope of the initial recognition exemption. Transactions that give rise to equal and offsetting temporary differences, such as leases are excluded from the applying the initial recognition exemption. Consequently, a separate deferred tax asset is recognized in relation to the lease liabilities and a deferred tax liability in relation to the Right-of-Use assets. The Group previously accounted for deferred tax on leases by using the integrally linked approach and accounted for the deferred taxes on leases on a net basis.

The new guidance does not have an impact on the statement of financial position, as the Group applied the offsetting principles. There was also no impact on the opening retained earnings as of 1 January 2022. In Note 19, the deferred tax asset recognized in relation to the lease liabilities and a deferred tax liability in relation to the Right-of-Use assets are disclosed.

Other smaller changes in accounting policies related to

- Disclosure of Accounting Policies – Amendments to IFRS 1 and IFRS Practice Statement 2: The concept of materiality now also includes guidance on applying materiality to disclosures of accounting policies.
- Definition of Accounting Estimates – Amendments to IAS 8: This amendment distinguishes changes in accounting policies from changes in accounting estimates and a new definition for accounting estimates is introduced.

The IASB and IFRIC issued certain new standards and interpretations, which are not yet effective, and the Group has not applied these requirements before the effective date.

- Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants (Amendments to IAS 1): The amendment clarifies the requirements on determining whether a liability is current or non-current. The Group has senior bank loans (Note 25) that are subject to specific covenants. While the liability is now classified as non-current on 31 December 2023, a future breach of the related covenants may require the Group to repay the liabilities earlier than the contractual maturity dates.

The other standards and amendments are not expected to have material impact on the Group's financial statements.

Restatement for comparison

After adoption of the 2022 financial statements, one restatement has been made for comparison purposes. In the 2022 financial statements, certain deferred tax assets and deferred tax liabilities were presented gross.

In the 2023 financial statements these 2022 positions have been adjusted and presented net in accordance with the offsetting principles, hereby decreasing the deferred tax assets and deferred tax liabilities by EUR 4.9 million.

6. Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

(a) Consolidation principles

The consolidated financial statements are prepared by consolidating the Company's and its subsidiaries' statement of profit or loss, comprehensive income statements, balance sheets, cash flow statements and notes to the financial statements as of 31 December 2023.

The consolidated financial statements include the parent company Infinitas Learning International B.V. and the companies in which Infinitas Learning International B.V. has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Companies acquired during the financial year are included in the consolidated financial statements from the date of which control was transferred to the Group and divested subsidiaries are consolidated until the date which said control ceased.

Transactions in which an acquired entity is ultimately controlled by the same party both before and after the business combination is considered a business combination under common control and accounted for using the book value method.

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The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities is considered a business, the Group assesses whether the set of assets and acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. Any contingent consideration is measured at fair value at the date of acquisition. The contingent liabilities are remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

When the Group acquires a business, the identifiable assets acquired, and liabilities assumed are measured at fair value at the date of acquisition. Acquisition costs incurred are expensed and included in other expenses. Any goodwill that arises is tested annually for impairment.

(b) Foreign currency

Foreign currency transactions

The consolidated financial statements are presented in euro, which is also the company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and presented within finance costs.

Foreign operations

The assets and liabilities of foreign operations are translated to euro at closing rates.

Any goodwill arising on the acquisition of a foreign operation, and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition, are treated as assets and liabilities of the foreign operation and translated at closing rate.

The income and expenses of foreign operations are translated to euro at exchange rates at the dates of the transactions.

The exchange differences arising on the translation are recognised in the currency translation reserve as a separate component in 'Other Comprehensive Income' (i.e. in equity).

When a foreign operation is disposed, and control or significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of gain or loss on disposal.

Investment in foreign operation

Foreign currency differences arising on the translation of a financial liability designated as a net investment in a foreign operation are recognised in the currency translation reserve as a separate component in 'Other Comprehensive Income' (i.e. in equity).

(c) Non-recurring items

Non-recurring items relating to Note 11 'Personnel expenses' mainly consist of restructuring expenses. Non-recurring items with respect to Note 12 'Other expenses' consist of fees related to strategic and corporate initiatives, business transformation activities and expenses related to the sale or purchase of companies and/or acquisition costs.

(d) Financial instruments**Financial assets**

Trade receivables are initially recognised when originated. All other financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable is initially measured at the transaction price.

The Group's financial assets include trade and other receivables, cash and cash equivalents, loans and other receivables and derivative financial instruments. The financial assets are classified as subsequently measured at amortised cost or at fair value through profit or loss. The classification of financial assets is based on the business model in which a financial asset is managed and its contractual cash flow characteristics. The Group has only one business model for financial assets. The objective of the business model is to hold assets in order to collect contractual cash flows. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL):

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost are measured at FVTPL. This includes all derivative financial assets.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. For the purposes of this 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. Financial assets measured at amortised cost include trade receivables, loan receivables and cash.

Financial assets that are initially recognized at amortised cost are subsequently remeasured using the effective interest method. The amortised cost is reduced by impairment losses. For impairment of financial assets refer to (h) Impairment below. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets that are initially measured at FVTPL are subsequently remeasured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

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The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss (FVTPL). The Group's financial debt is initially recognised at fair value including the transaction costs directly attributable to the acquisition of the financial liability. Subsequently, these financial liabilities are measured at amortised cost using the effective interest method.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

Financial liabilities are classified as short-term liabilities unless the Group has an unconditional right to postpone settling of the liability at least with 12 months from the end of the reporting period.

When the Group issues new debt instrument and redeems earlier debt instruments in whole or part with the proceeds received, an assessment is made whether the terms and cash flows are non-substantially modified. Transaction fees incurred will adjust the carrying value of the liability and the liability will be remeasured by discounting the modified cash flows using the original effective interest rate. The difference is recognised in profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expired. The Group also derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Cash and Cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. Bank overdrafts that are repayable on demand are only offset to present the net amount when the Group has the legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Cash and cash equivalents and bank overdraft form an integral part of the Group's cash management and are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Derivative financial instruments

The Group holds derivative instruments to manage interest rate risk exposures. Derivatives are recognised initially at fair value. Attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised immediately in

profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. At 31 December 2023, the Group holds derivative financial instruments, i.e. interest rate caps to protect the Group from rises in short-term interest rate above the strike rate.

Risk management principles of financial risks are presented in more detail in Note 29 Financial instruments.

(e) Equity

Shares issued are recognised as ordinary share capital. Equity instruments issued by the Company are recorded at the value of proceeds received. Own equity instruments that are bought back (treasury shares) are deducted from equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(f) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant, and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group. Repair and maintenance costs, including the costs of day-to-day servicing of property, plant, and equipment, are recognised in the income statement as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each part of an item of property, plant, and equipment. Land is not depreciated. Depreciation methods, useful lives and residual values are reviewed each reporting date and adjusted if appropriate.

The estimated useful lives for the current and comparative periods are as follows:

- Buildings 30 years
- Equipment 3 - 10 years
- Right-of-Use assets 3 - 10 years

(g) Goodwill and Intangible assets

Acquired subsidiaries are consolidated using the acquisition method, whereby the cost is allocated to the acquired assets and liabilities assumed at their fair value on the date of acquisition. Goodwill represents the excess of the cost over the fair value of the acquired company's net assets.

Goodwill is not amortised, but it is tested for impairment annually or if there is a triggering event.

The identifiable intangible assets are recognised separately from goodwill if the assets fulfil the related recognition criteria - i.e. they are identifiable or based on contractual or other legal rights - and if their fair value can be reliably measured. Intangible assets are initially measured at cost and amortised over their expected useful lives. Intangible assets for which the expected useful lives cannot be determined are not amortised, but they are subject to annual impairment testing.

With regard to the acquisition of new assets, the Group assesses the expected useful life of the intangible assets on historical data and market information and determines the useful life on the basis of the best knowledge available on the assessment date.

Intangible assets that are identified as part of a business combination include publishing rights, customer relationships and brand names. Publishing rights, brand name and customer relationships have finite useful lives and are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives are as follows:

- Publishing rights 6-12 years
- Customer relationships 6-30 years
- Brand name 10-25 years
- Capitalised development expenditures 3-8 years
- Software 3-6 years

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

Research and development

Research and development include software and development cost. Expenditure on research activities is recognised in the profit or loss when incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically, and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Certain configuration and customization activities undertaken in implementing Software as a Service (SaaS) arrangements are expensed in the profit or loss unless the Company controls the intellectual property of the underlying software code.

(h) Impairment

Financial assets

The Group recognizes a loss allowance for Expected Credit Loss ("ECL") on its financial assets measured at amortised cost and contract assets. The loss allowance is measured at an amount equal to lifetime ECL, except for debt securities and bank balances, which are measured at 12-month ECLs.

The Group has adopted the general expected credit loss model for debt instruments carried at amortised cost. For trade receivables, the simplified approach as permitted by IFRS 9, which requires expected lifetime credit losses to be recognised from initial recognition of the receivable is applied. An allowance matrix as a practical expedient to measure expected credit losses for trade receivable is used. These loss rates consider geographic regions, type of business, credit insurance and types of customers (B2B and B2C). Loss rates are based on past information on actual credit loss experience, adjusted by current information and future expectations on economic conditions when deemed necessary. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available. This includes both quantitative and qualitative information and analysis, based on historical experience and forward-looking information. The credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Group considers a financial

asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full or the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls. ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred, such as significant financial difficulty of the debtor or a breach of contract. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

When the Group considers that there is no realistic prospect of recovery of the asset, the relevant amounts are written off.

Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed whenever there is an indication of an impairment. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

The recoverable amount of an asset or cash-generating unit is the higher of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model based on discounted future cash flows is used. If available, these calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

If the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount, the impairment loss is first allocated to reduce the carrying amount of goodwill allocated to the unit, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

If the recoverable amount of the intangible asset has changed due to a change in the key expectations, previously recognised impairment losses are reversed. However, impairment losses are not reversed beyond the amount the asset had before recognising impairment losses. An impairment of goodwill is not reversed in a subsequent period. Impairment losses and reversals are recognised in profit or loss.

(i) Inventories

Inventories are measured at the lower of cost and net realisable value. The costs of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories is based on the first-in, first out principle.

(j) Employee benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. The Group recognised a liability for the amount expected to be paid resulting from a legal or constructive obligation to pay this amount for past services provided by the employee and the amount can be estimated reliably.

Defined contribution and defined benefit plans

The Group's pension schemes in different countries are post-employment plans and are arranged in accordance with local requirements and legislation and are covered by pension funds and or insurance companies. The pension schemes can be classified in two categories defined contribution plans and defined benefit plans.

Contributions under a defined contribution plan are recognised as an employee benefit expense in profit or loss when they are due. The Group has no further obligation to pay contributions to the pension fund or insurance company. Post-employment benefits provided through industry multi-employer plans, managed by third parties, are accounted for under defined contribution schemes.

The defined benefit obligations are actuarially calculated separately for each plan on the balance sheet date using the projected unit credit method. The Group's net obligations or pension assets represent the present value of future pension payments less the fair value of pension assets and potential past service costs. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using discount rates based on high-quality corporate bonds or government bonds and that have a duration similar to the duration of the related pension liability. The defined benefit costs are recognised as expenses within service costs as part of personnel expenses and net interest expense or income.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognised immediately in the balance sheet with a charge or credit to other comprehensive income (i.e. equity) in the period in which it occurs.

The plan assets are measured based on the mathematical reserves comprising the contributions. It presents the funded value of the plan assets.

When the benefits of the plan are changed or when the plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains or losses on the settlement of a defined benefit plan when the settlement occurs.

Share based payments

The Group has an equity plan in place. Certain managers and employees acquired shares in the company. The shares purchased by the eligible managers and employees reflect a mixture of the different shares issued by Infinitas Learning International B.V.. The Company has no obligation to settle the transaction in cash with any shareholder. The shares are purchased at fair value by the eligible employees.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled within 12 months of the reporting date, then they are discounted.

(k) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, such reimbursement is recognised as a separate asset when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss net of any reimbursement. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for restructuring is recognised only when the group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Future operating losses are not provided for.

(l) Revenue

Revenue is generated through the sale of folio and digital products. Folio products primarily include educational books, whilst digital products grant access to digital content and/or online platforms. Folio products, access to online content and platforms are considered distinct and therefore identified as separate performance obligations. A product or service is considered distinct if it is separately identifiable from other promises in the contract and if the customer can benefit from it on its own. The consideration is allocated between the separate performance obligations based on stand-alone selling prices. For services that are not sold separately the selling prices are estimated based on market information.

The Group recognises revenue when it transfers control over a good or service to a customer. Revenue is recognised when the folio products are delivered and have been accepted by customers at their premises. For contracts that permit the customer to return an item, revenue is recognised to the extent that the sale is highly probable considering expected returns, which are estimated based on historical data. The Group reviews its estimate of expected returns at each reporting date and updates the amounts of the asset and liability accordingly. Revenue from folio products is recognised at a point in time.

Revenue generated by digital products that give access to online learning platforms are recognised over-time the customer has access to the platform. Digital revenue from educational institutions is usually recognised over the school period. Digital revenue from the professional market is recognised over the contractual terms.

Certain blended propositions, consisting of folio learning materials and access to the corresponding digital platform are highly integrated and not considered to be separate performance obligations. For those blended products, Infinitas recognises revenue as a combined single performance obligation using a cost-to-cost (input) method.

The disaggregation of revenue in revenue recognised at a point in time and revenue recognised over time is disclosed in Note 9 Revenue.

(m) Finance income and expenses

Finance income and expense comprise interest receivable and payable and transaction costs on borrowings using the effective interest method, foreign exchange gains and losses and gains and losses on financial instruments that are recognised in income statement.

The effective interest rate is the rate that discounts estimated future cash payments through the expected life

of the financial instrument to the amortised cost of the financial liability. In calculating interest income and expense, the effective interest is applied to the amortised cost of the liability.

(n) Income tax

Income tax expense comprises current and deferred tax. It is recognised in income statement except to the extent that it relates to a business combination or items directly recognised in equity or other comprehensive income.

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognised for all taxable temporary differences, except for:

- When the deferred tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that taxable temporary differences or tax planning opportunities are available or to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Uncertain tax positions

Tax positions are considered uncertain when the fiscal treatment of certain transactions and their related expenses are challenged by the tax authorities. Uncertain tax positions are accounted for consistently with the tax treatment when the acceptance by the tax authorities of the tax treatment is probable. If the acceptance of the tax treatment is not probable, the uncertainty is reflected in the tax position and the uncertainty will be disclosed.

(o) Leases

At inception of a lease contract, the Group assesses whether a contract is or contains a lease. A contract is a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement of a contract, the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. Should the lease transfer ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments;
- The exercise price of a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option and penalties for early termination unless the group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method and it is remeasured when there is a change in future lease payments arising from a change in an index or rate. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

The Group presents right-of-use assets as a separate line item in the Balance Sheet "Right-of-Use assets" and lease liabilities in "Loans and borrowings".

The Group elects not to recognise the right-of-use assets and lease liabilities for leases of low value assets and short-term leases, including IT equipment.

7. Determination of fair values

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities (see Note 4 and 6).

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would consider in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price.

Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data, or the transaction is closed out.

Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of items of plant, equipment, fixtures, and fittings is based on the quoted market prices for similar items.

Intangible assets

The fair value of brand names acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the patent or trademark being owned ("Relief from royalty approach"). The fair value of other intangible assets, including publishing rights, is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets ("Multi period excess earnings method").

Derivatives

The fair value of interest rate caps is based on broker quotes. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. Fair values include the instrument's credit risk and adjustments to take account of the credit risk of the Group and counterparty when appropriate.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Fair value hierarchy

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

8. Financial risk management

Overview

The Group has exposure to the following financial risks from its use of financial instruments:

- credit risk;
- liquidity risk;
- market risk, including interest risks and foreign currency risks.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies, and processes for measuring and managing risk. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the oversight of the Group's risk management. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

The purpose of the Group's risk management policies is to minimize financial risks from its use of financial instruments. The Group does not hold financial instruments and derivative financial instruments for speculative purposes.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers. The Group reviews the creditworthiness of new customers before goods and services are delivered. Key account customers are actively monitored, and yearly credit limits are updated reflecting risk profiles, trading volumes and payment terms.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group monitors the level of its cash and cash equivalents as well as the expected cash inflows and outflows.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Following the increase in the Euribor rates, the Group purchased an interest rate cap instrument with a 4% strike rate and a three-year tenor in 2022 to limit its exposure to increasing interest expenses.

Currency risk

The Group has limited exposure to currency risk on sales and purchases and borrowings since these transactions are mainly denominated in the respective functional currencies of the Group entities. Therefore, the Group does not use derivatives to hedge this currency risk.

Interest on borrowings is denominated in currencies that match the cash flows generated by the underlying operations of the Group, primarily euro, but also Swedish Crowns ("SEK"). This provides an economic hedge, and no derivatives are entered into.

Currency risks that occur from the translation of the statement of profit or loss, balance sheet and cash flow statement of foreign subsidiaries to the functional currency for consolidation purposes are not actively being mitigated. However, the financing of the investments in operating companies has been performed in the functional currency of the operating companies generating a form of natural hedge.

Interest rate risk

The Group is exposed to interest rate risk on the Group's interest-bearing financial instruments. On 7 October 2021, a Senior Facilities Agreement was concluded with the company. Interest is payable at the rate of EURIBOR plus a margin.

The Group adopts a policy of ensuring that the interest rate risk exposure on the Term Loan B of the Senior Facilities Agreement is fully covered taking into consideration (i) a maximum EURIBOR rate of 4% and (ii) a limited exposure period. The Group holds interest rate caps to mitigate future interest exposure in line with its policy. The Group periodically assesses whether the interest rate risk on the loans will be hedged.

Capital management

The Board's policy is to maintain a sufficient capital base so as to maintain investor, creditor, and market confidence and to sustain future development of the business. The Board seeks to maintain a balance between the higher returns that are possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Group must comply with banking covenants and the Board fully intends to do so. The Company therefore monitors its net debt/adjusted EBITDA ratio. There were no changes in the Group's approach to capital management during the year ended 31 December 2023.

Notes to the consolidated financial statements

9. Revenue

The Group develops and owns an industry-leading portfolio of high-quality, curriculum-compliant educational content for all key subjects, delivered in digital and printed folio formats seamlessly integrated with innovative technology, assessment tools, educational games and software designed specifically to meet the evolving needs of teachers, students/pupils, and parents.

The Group is a leading pure-play, educational content, technology, and services business, holding leading market positions in the following market segments:

- Primary Education;
- Secondary Education;
- Higher and vocational Education; and
- Professional.

Nature of the product and services

Sales are primarily generated through the sale of educational books and granting access to online learning platforms. The products are in most cases a blended proposition and include folio learning materials and access to platforms with interactive digital content. Folio learning materials and access to platforms are considered distinct and are accounted for as separate performance obligations. The consideration is allocated based on stand-alone selling prices that are disclosed in the list price.

Certain blended propositions, folio learning materials and access to the corresponding digital platform are highly integrated and not considered to be separate performance obligations. For those blended products, Infinitas recognises revenue as a combined single performance obligation using a cost-to-cost (input) method.

Folio learning materials: revenue is recognised when the materials are delivered to the customer (point-in time). Folio learning materials are invoiced upon delivery. Returns of folio learning material is considered and deducted from revenue based on estimated returns. In general, the products are paid for by the end of the year.

Licenses with access to learning platforms: revenue of access to online learning platform is recognised over the period that the customer has access to the learning platform (over-time) usually during the school year. Licenses are invoiced when ordered mainly in annual instalments and paid in advance.

The table below presents revenue from contracts with customers disaggregated by primary geographical market.

For the year ended <i>in thousands of euro</i>	2023	2022
Netherlands	146.570	139.285
Portugal	76.250	62.029
Belgium	59.940	57.942
Sweden	29.368	29.803
Consumer Home schooling	16.613	15.265
	328.741	304.324

Leya in Portugal and Averbode and Erasme in Belgium were acquired in 2022 and the comparative period reflects the revenues recognized since their acquisition date. Consumer – Homeschooling predominately operates in the Dutch market but is presented as a separate segment. Its products offering is for the consumer market and the digital products are directed to K12 students for homeschooling. The adaptive content is aligned to the Dutch curriculum.

The timing of revenue recognition is as follows:

For the year ended		
<i>in thousands of euro</i>	2023	2022
Recognized at a point in time	241.281	224.423
Recognized over time	87.460	79.901
Timing of revenue recognition	328.741	304.324

The Group operates in a consolidated market with key players. Revenues are also characterised by its seasonal pattern. The majority of the sales are invoiced in the second and third quarter for the start of the new school year. In 2022, revenues are impacted by the purchase price allocations on deferred revenue and amounted to EUR 3.3 million.

The contract liabilities are as follows:

As at 31 December		
<i>in thousands of euro</i>	2023	2022
Contract liabilities	-50.586	-47.489

The contract liabilities primarily relate to the advance consideration received from customers for digital licenses for which revenue is recognised over time.

10. Cost of materials

For the year ended		
<i>in thousands of euro</i>	2023	2022
Author fees and royalties	-33.361	-30.531
Cost of finished goods and trade goods	-37.649	-62.846
Technical Production costs	-2.392	-1.917
Transportation and distribution costs	-1.448	-1.276
Change of inventory provision	-3.788	-2.824
Other costs and materials	-1.316	-659
	-79.954	-100.053

Costs of finished products and trade goods includes the impact of the fair value step up on inventory as part of the purchase price allocation. This impact amounted to EUR 30.0 million in 2022 and related to almost all entities, following their acquisitions in 2022 and 2021. For 2023 such correction is only EUR 0.6 million and relates entirely to the acquisition of LeYa.

11. Personnel expenses

For the year ended <i>in thousands of euro</i>	2023	2022
Wages and salaries	-83.086	-72.723
Compulsory social security contributions	-12.489	-11.517
Pension expenses	-5.263	-5.065
	<u>-100.838</u>	<u>-89.305</u>
Capitalised personnel expenses	12.495	9.759
	<u>-88.343</u>	<u>-79.546</u>

The capitalized personnel expenses are included in the Development costs and Software (note 18).

Average number of employees in 2023 is 1.297 (2022: 1.031), of which 746 were employed outside the Netherlands (Portugal 427, Belgium 216 and Sweden 103). Consumer Home Schooling has 84 employees and is included in the Netherlands. Average number of employees increased by 266 due to the full year effect of the acquired businesses in Portugal (149) and Belgium (60).

For the year ended <i>in thousands of euro</i>	2023	2022
Personnel costs recurring	-80.834	-75.365
Personnel costs non-recurring	-7.509	-4.181
	<u>-88.343</u>	<u>-79.546</u>

Non-recurring personnel costs in 2023 largely relate to business transformation processes and additional resources for ERP implementations (EUR 4.1 million). Furthermore, employee costs related to non-core operations that are being winded down in Poland and Germany or new business initiatives launched amounted to EUR 3.4 million.

In 2022, the restructuring programme for Averbode and Erasme was launched. The integration is substantially completed at year end.

12. Other operating expenses

For the year ended <i>in thousands of euro</i>	2023	2022
IT costs	-13.443	-19.048
Advisory costs	-12.022	-11.527
Logistical costs	-5.627	-5.074
Office costs	-2.687	-2.779
Marketing and promotion costs	-17.972	-14.230
Travel and other staff costs	-5.517	-5.208
Other costs	-4.684	-3.791
	<u>-61.952</u>	<u>-61.657</u>

For the year ended
in thousands of euro

	2023	2022
Other expenses recurring	-56.781	-50.211
Other expenses non-recurring	-5.171	-11.447
	-61.952	-61.657

Other non-recurring expenses include the costs for the transformation of the platform and back-office systems amounted to EUR 2.3 million (2022: EUR 6.9 million) which are included in IT costs. In 2020 the Group started the implementation of a new cloud-based ERP software, and the system is gradually being rolled out during 2022 and 2023. The customisation and configuration activities are expensed when incurred except for the development of the application programming interfaces to existing on-premises systems. These configuration and customisation costs are included within IT costs.

Also, the operating expenses related to the businesses that are being scaled down are presented as non-recurring and amounted to EUR 1.3 million. Costs related to (potential) acquisitions and strategic projects are also presented as non-recurring costs EUR 1.5 million (2022: EUR 3.1 million).

13. Depreciation, amortisation, and impairment

For the year ended
in thousands of euro

	2023	2022
Depreciation (note 16 and 17)	-5.422	-5.300
Amortisation (note 18)	-84.354	-85.360
Impairment (note 18)	-980	-43.649
	-90.756	-134.309

Amortization mainly relates to intangible assets identified as part of the acquisitions, in particular publishing rights, brand names and customer relationships. These amortisations amounted to EUR 56.4 million (2022: EUR 56.9 million). Amortisation and impairment related to software and development costs for the publishing operations amounted to EUR 39.4 million (2022: EUR 40.0 million)

In addition, a goodwill impairment of EUR 42.6 million was recorded for the consumer homeschooling segment in 2022.

14. Finance income and expense

For the year ended
in thousands of euro

	2023	2022
Net foreign exchange gain	105	0
Finance income	105	0
Net foreign exchange loss	0	-1.541
Interest expense	-56.043	-32.246
Finance expense	-56.043	-33.787
Net finance expense	-55.938	-33.787

The interest expense primarily relates to the senior facility agreement. The ongoing Euribor increase adversely impacted the interest expense in 2023. The bank loan is measured using the effective interest method and the impact (EUR 2.4 million) is presented as finance expense (2022: EUR 2.1 million). Additionally, the fair value of the interest rate cap instrument declined to EUR 0.8 million (2022: EUR 3.5 million) which is presented within interest expense in 2023.

The interest expense related to leases amounted to EUR 0.6 million (2022: EUR 0.5 million).

15. Income tax (expense) / benefit

Amounts recognised in profit or loss <i>in thousands of euro</i>	2023	2022
Current tax benefit/ (expense)		
Current period	-9.847	-10.257
Change in deferred tax benefit/ (expense)		
Origination and reversal of temporary differences	14.950	21.755
Total income tax (expense)/ benefit	5.103	11.498

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that taxable temporary differences or tax planning opportunities are available, or to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Amounts recognised in OCI *in thousands of euro*

	Before Tax	Benefit	Net of Tax
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability (asset)	1.587	-397	1.190
	1.587	-397	1.190
Items that are or may be reclassified to profit or loss			
Foreign operations - foreign currency translation differences	2.445	0	2.445
Foreign currency translation differences on equity loans	-2.353	607	-1.746
	92	607	699
	1.679	210	1.889

	Before Tax	Benefit	2023 Net of Tax
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability (asset)	37	-10	27
	37	-10	27
Items that are or may be reclassified to profit or loss			
Foreign operations - foreign currency translation differences	26	0	26
Foreign currency translation differences on equity loans	89	-19	70
	115	-19	96
	152	-29	123

A reconciliation between tax expense and the product of accounting result multiplied by the Company's domestic tax rate for period ended 31 December 2023 is as follows:

For the year ended <i>in thousands of euro</i>	2023	2022
Result for the year	-43.099	-93.530
Total income tax benefit	5.103	11.498
	-48.202	-105.029
Income tax using the Company's domestic tax rate (25,8%)	12.436	27.097
Effect of tax rates in foreign jurisdictions	-710	-1.736
Adjustments in respect to current income tax of previous periods benefit / (expense)	3.791	3.400
Adjustments in respect to deferred tax of previous periods benefit/ (expense)	-999	0
Tax credits / tax increase	130	103
Non taxable items	87	-11.026
Non deductible expenses and other items	-360	-799
Losses for which no deferred tax asset was recognized	-9.006	-5.633
Other	-266	92
Effective income tax benefit	5.103	11.498
Effective income tax in %	-10,6%	-10,9%

The enacted and future tax rates of the Netherlands amounted to 25,8% effectively from 1 January 2022 onwards. Adjustments related to prior years (net impact EUR 2.8 million) mainly relate to prior periods interest deductibility in the Netherlands (EUR 0.9 million) and the deductibility of the restructuring costs in Belgium (EUR 1.3 million). In 2023, Plantyn received a ruling regarding the deductibility of the restructuring costs of the acquired businesses. Non-taxable items in 2022 mainly reflects Consumer Homeschooling' goodwill impairment of EUR 42.6 million. Amendments to the interest deductibility rules in the Netherlands, limit the deduction of interest expenses above 20% of tax EBITDA. In 2023 interest expenses of EUR 33.3 million were deemed not deductible in the Netherlands and Sweden. It is assumed that the non-deductible interest cannot be utilised in future periods in the majority of the countries and as a result no deferred tax assets is set up. As of 31 December 2023, interest losses not valued amounted to EUR 62 million (2022: EUR 29 million).

In December 2022, the Group came to an agreement with the tax inspector on the open tax returns for 2016 to 2019. In January 2023, the payments were made to the tax department. The settlement was sufficiently provided for as part of the uncertain tax position.

16. Property, plant and equipment

<i>in thousands of euro</i>	Land and buildings	Equipment	Total 2022
Cost			
Balance at 1 January	316	2.523	2.839
Acquisition through Business Combination	2.583	282	2.865
Additions	0	637	637
Other movements related to PPA	582	-1.179	-597
Effect of movement in exchange rates	0	-81	-81
Balance as at 31 December	3.481	2.181	5.662
Depreciation and impairments			
Balance at 1 January	-1	-230	-231
Depreciation for the period	-162	-778	-940
Other movements related to PPA	-77	281	204
Effect of movement in exchange rates	0	78	78
Balance as at 31 December	-240	-649	-889
	3.241	1.532	4.773
<i>in thousands of euro</i>			
Cost			
Balance at 1 January	3.481	2.181	5.662
Additions	294	933	1.227
Disposal and disinvestments	-2.470	48	-2.423
Effect of movement in exchange rates	-3	-13	-16
Balance as at 31 December	1.301	3.149	4.450
Depreciation and impairments			
Balance at 1 January	-240	-649	-889
Depreciation for the period	-30	-715	-745
Effect of movement in exchange rates	3	12	15
Balance as at 31 December	-267	-1.352	-1.619
	1.034	1.797	2.831

The carrying amount of the property, plant and equipment does not materially deviate from fair value. In 2023, the buildings in Averbode and LeYa were sold for EUR 2.3 million, resulting in a net loss of EUR 0.1 million.

17. Right-of-Use Assets

The Group leases buildings for its office space. Rental contracts are typically fixed with periods between 5 and 10 years. Some leases include an option to extend the lease for an additional period after the end of the contract term. The Group assesses at lease commencement, whether it is reasonably certain to exercise the option to extend. During the lease term the Group reassesses the option to exercise.

The Group leases also vehicles which have lease terms of three to five years in general. In addition, the Group leases some other IT equipment, also having a lease term of two to three years.

Right-of-use assets amount to EUR 16.2 million as of 31 December 2023 (2022: 16.1 million) and includes buildings, vehicles, and equipment.

<i>in thousands of euro</i>	Right-of-Use Building	Right-of-Use Vehicles	Right-of-Use Equipment	Total 2022
Cost				
Balance at 1 January	9.636	1.548	76	11.260
Acquisition through Business Combination	5.075	832	47	5.954
Addition	1.627	1.341	356	3.324
Depreciation	-3.066	-1.112	-182	-4.360
Effect of movement in exchange rates	-44	-3	-1	-48
Balance as at 31 December	13.228	2.606	296	16.130

<i>in thousands of euro</i>	Right-of-Use Building	Right-of-Use Vehicles	Right-of-Use Equipment	Total 2023
Cost				
Balance at 1 January	13.228	2.606	296	16.130
Addition	2.281	2.267	188	4.736
Depreciation	-3.143	-1.330	-203	-4.676
Effect of movement in exchange rates	-7	4	3	0
Balance as at 31 December	12.359	3.547	284	16.190

In Portugal and Belgium various new lease contracts for buildings were concluded to replace the owned offices and warehouses that were sold. In prior year, a new office lease contract in Stockholm was signed and the acquisition of Leya is presented as acquisition through business combination. Several contracts for the lease of vehicles expired and were replaced by new vehicles with similar lease contracts.

18. Intangible assets

<i>in thousands of euro</i>	Goodwill	Publishing rights	Brand name	Client contracts	Development costs	Software	Total 2022
Cost							
Balance at 1 January	448.519	262.566	71.350	16.583	47.212	57.160	903.390
Acquisition through Business Combination	87.223	55.574	17.141	0	7.572	1.794	169.304
Addition	0	0	0	0	19.859	12.987	32.846
Disposals	0	0	0	0	-2.708	0	-2.708
Effect of movement in exchange rates	0	0	0	0	-764	0	-764
Balance as at 31 December	535.742	318.140	88.491	16.583	71.171	71.941	1.102.068
Depreciation and impairments							
Balance at 1 January	0	-6.519	-1.053	-461	-3.817	-5.024	-16.874
Amortization	0	-40.246	-4.568	-1.503	-17.742	-21.300	-85.360
Impairment	-42.644	0	0	0	-907	-98	-43.649
Disposals	0	0	0	0	2.708	80	2.788
Effect of movement in exchange rates	0	0	0	0	79	0	79
Balance as at 31 December	-42.644	-46.765	-5.621	-1.964	-19.680	-26.342	-143.016
	493.098	271.375	82.870	14.619	51.491	45.599	959.052

<i>in thousands of euro</i>	Goodwill	Publishing rights	Brand name	Client contracts	Development costs	Software	Total 2023
Cost							
Balance at 1 January	535.742	318.140	88.491	16.583	71.171	71.941	1.102.068
Addition	0	0	0	0	19.288	14.241	33.529
Disposals	0	0	0	0	-1.409	-974	-2.383
Effect of movement in exchange rates	0	0	0	0	281	0	281
Balance as at 31 December	535.742	318.140	88.491	16.583	89.331	85.208	1.133.495
Depreciation and impairments							
Balance at 1 January	-42.644	-46.765	-5.621	-1.964	-19.680	-26.342	-143.016
Amortization	0	-39.864	-4.565	-1.503	-17.090	-21.332	-84.354
Impairment	0	0	0	0	-537	-443	-980
Disposals	0	0	0	0	1.454	490	1.944
Effect of movement in exchange rates	0	0	0	0	-248	0	-248
Balance as at 31 December	-42.644	-86.629	-10.186	-3.467	-36.101	-47.627	-226.654
	493.098	231.511	78.305	13.116	53.230	37.581	906.841

The Group identifies as part of the acquisition publishing rights, brand names, customer relations and platform technology in addition to goodwill. Publishing rights, brand names, customer relationships and technology are amortised over their estimated useful lives. Goodwill has an indefinite life. Software includes platform technology and back-office systems.

Development costs relate to the development of learning materials and are internally generated intangible assets. Software costs comprise both the inhouse developed and acquired software to fulfil our services. The Group substantially develops all its software internally. At year-end Software under development amounted to EUR 4.1 million (2022: EUR 5.0 million). The majority of Software under development is made available for use in January 2024.

Impairment losses for intangible assets with definite lives

Intangible assets with definite useful lives are amortised using the straight-line method. At each reporting date it is assessed whether there is an indication that these intangible assets maybe impaired. If such indication exists, the recoverable amount of the asset is estimated by determining the higher of its fair value less costs of disposal or the present value of the future cash flows of the asset. The future cash flows are based on internally available sales forecasts for at least five years at a discount rate consistent with the WACC of the Cash Generating Unit ("CGU"). Total impairment losses on development costs amounted to EUR 0.5 million and on software EUR 0.4 million (2021: EUR 0.9 million and EUR 0.1 million).

Impairment losses for intangible assets with indefinite lives

For the purpose of impairment testing the intangible assets with indefinite useful lives are allocated to the Group's five cash generating units (CGUs) representing the lowest levels within the Group at which the intangible assets with indefinite useful lives are monitored for internal management purposes. Excluding goodwill, the Group has no intangible assets with indefinite useful lives at the end of the financial year.

The carrying amounts of goodwill are allocated as follows to the CGU's:

in thousands of euro

	2023	2022
Netherlands	317.010	317.010
Portugal	80.122	80.122
Belgium	73.829	73.829
Sweden	10.137	10.137
Consumer Homeschooling	12.000	12.000
	493.098	493.098

Methodology and assumptions

The impairment testing of the goodwill and recoverable assets of the CGU is carried out on a cash flow basis. The Value in Use is used as the recoverable amount. The recoverable amount is based on the present value of future cash flows and include the following key assumptions:

- Cash flows projections are based on a 5-year forecast period. Cash flows beyond this period were extrapolated using a constant growth rate of one percent for both revenues and expenses. The terminal growth rates are based on management's estimate of the long-term compound annual EBITDA growth rates. These assumptions are based on management expectation of long-term average growth rate for the industry.
- Cash flow estimates are based on strategic plans and include assumptions on revenue growth, margin development and profitability based on past experience and the expected development of products and activities and market positions.
- CGU specific discount rates are determined, resulting in range of pre-tax discount rates of 10,1% to 10,8% percent, except for Consumer homeschooling, which applies a pre-tax discount rate of 13,8 percent. The discount rate considers industry average weighted cost of capital.
- The Value in Use of the corporate assets is allocated on a pro rata basis to the CGU's.

The carrying amount of the CGU includes deferred tax liabilities related to its purchase price allocations.

Consumer homeschooling operates in a consumer market, which is more volatile to macro-economic trends, such as consumer confidence and inflation. Last year an impairment of EUR 42.6 was booked as a result. The strategic review of these operations in 2023 resulted in a restructuring and lay off of employees and other cost savings initiatives. Following the implementation of these initiatives the performance improved significantly already in 2023 positively impacting the Value in Use. Management will continue to monitor the business developments of Consumer homeschooling going forward as any adverse changes to the key assumptions could lead to an additional impairment. In particular revenue projections are a critical assumption.

The recoverable amount of the CGU's was determined on Value in Use determined by discounting the future (forecasted) cash flow. The CGU's demonstrated sufficient headroom. For all the CGU's the critical key assumptions are the development of the profitability and the discount rate. An increase in the WACC by one percent or a decrease of the EBITDA by 10% will not trigger an impairment. These estimates exclude simultaneous changes in other variables.

Actual cash flows may differ from estimated cash flows if the key assumptions are not realised as estimated.

19. Deferred tax assets and liabilities

Balance as at 31 December 2022

in thousands of euro

	Deferred tax asset	Deferred tax liability
Property, Plant and Equipment	0	-236
Development costs	0	-5.285
Other intangible assets	0	-93.880
Inventories	0	-100
Employee Benefit Plans	0	119
Right-of-Use assets	-315	-3.257
Lease liabilities	315	3.610
Other items	180	257
Losses carry forward	976	0
	1.156	-98.772

Balance as at 31 December 2023

in thousands of euro

	Deferred tax asset	Deferred tax liability
Property, Plant and Equipment	0	-36
Development costs	0	-5.604
Other intangible assets	0	-80.202
Inventories	0	15
Employee Benefit Plans	0	107
Right-of-Use assets	-297	-3.342
Lease liabilities	287	3.664
Other items	171	40
Losses carry forward	440	1.989
	601	-83.369

In these financial statements the deferred tax positions are presented applying the offsetting principles considering the legally enforceable right to settle on a net basis. The 2022 deferred tax asset and deferred tax liability balance are therefore reduced with EUR 4.9 million.

Movement in temporary differences during the year are as follows:

<i>in thousands of euro</i>	Balance as at 1 January 2022	Business combinations	Recognised in profit or loss	Recognised in equity	Other	Translation impact	Balance as at 31 December 2022
Property, Plant and Equipment	-67	-236	67	0	0	0	-236
Development costs	-5.937	0	652	0	0	0	-5.285
Other intangible assets	-97.801	-17.277	21.198	0	0	0	-93.880
Inventories	-854	-1.098	1.851	0	0	1	-100
Employee Benefit Plans	500	0	16	-397	0	0	119
Right-of-Use assets	0	-1.145	159	0	-2.586	0	-3.572
Lease liabilities	0	1.179	-152	0	2.898	0	3.925
Other items	619	832	-711	0	-303	0	437
Losses carry forward	2.302	0	-1.326	0	0	0	976
	-101.238	-17.745	21.754	-397	9	1	-97.616

<i>in thousands of euro</i>	Balance as at 1 January 2023	Business combinations	Recognised in profit or loss	Recognised in equity	Other	Translation impact	Balance as at 31 December 2023
Property, Plant and Equipment	-236	0	200	0	0	0	-36
Development costs	-5.285	0	-319	0	0	0	-5.604
Other intangible assets	-93.880	0	13.678	0	0	0	-80.202
Inventories	-100	0	116	0	0	0	16
Employee Benefit Plans	119	0	-2	-10	0	0	107
Right-of-Use assets	-3.572	0	-67	0	0	0	-3.639
Lease liabilities	3.925	0	26	0	0	0	3.951
Other items	437	0	-138	0	-89	0	210
Losses carry forward	976	0	1.456	0	0	-3	2.429
	-97.616	0	14.950	-10	-89	-3	-82.768

Following the acquisitions in 2021 and 2022, deferred tax liabilities of EUR 80.2 million relating to intangible assets identified, including brand names, publishing rights, customer relationships and technology platforms were recognised on 31 December 2023 (2022: EUR 93.9 million).

Unrecognised deferred tax assets

The Group was not able to deduct all interest expenses in its taxable amount due to tax rules on interest deductibility applicable in the countries. Based on management judgement, the use of tax benefits related to interest deductibility is unlikely in future years. Deferred tax assets of EUR 11.6 million have not been recorded in the consolidated statement of financial position (2022: EUR 6.7 million)

Deferred tax assets for operating losses are recorded in the consolidated balance sheet based on future taxable profits. Due to the seasonal business cycle the Group incurred taxable losses in prior periods, which were valued and utilised to the extent possible in 2023.

20. Inventories

As at 31 December <i>in thousands of euro</i>	2023	2022
Work in progress	666	1.235
Finished goods	30.137	28.216
	30.803	29.451

Finished goods, which were part of an acquisition include a fair value adjustment of EUR 0.4 million (2022: EUR 1.0 million). The provision for obsolescence amounts to EUR 20.4 million (2022: EUR 23.6 million) and a large part relates to general publishing in Portugal.

During the reporting period inventories of EUR 3.8 million were written down to net realisable value (2022: EUR 2.8 million). The write-downs and reversals are included in Change of inventory provision within Raw materials and consumables used (note 10).

21. Trade and other receivables

As at 31 December <i>in thousands of euro</i>	2023	2022
Trade receivables	38.415	35.938
Prepayments	10.478	12.395
Other receivables	6.347	7.576
	55.240	55.909

Trade receivables are considered to be held within a held-to-collect business model. Trade receivables are non-interest bearing and are generally on 30 – 60-day terms. The Group's exposure to credit risks and impairment losses related to trade receivables are disclosed in note 29.

The fair value of the receivables does not significantly differ from the carrying amounts of the receivables.

22. Cash and cash equivalents

As at 31 December <i>in thousands of euro</i>	2023	2022
Bank balances	35.545	37.693
Cash	17	37
Deposits	719	2.684
	36.281	40.413

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 29.

Note 32 includes an amount of EUR 0.8 million relating to bank guarantees provided by the Group as of 31 December 2023, all other cash and bank balances are free on demand.

23. Equity

Share capital and share premium

Infinitas Learning International B.V. was incorporated on 9 October 2017 by NPM Capital N.V. having issued 10 shares with a nominal value of EUR 1 each. The company was domiciled in Amsterdam and the operating activities were limited to minor advisory support services. Subsequently, the nominal value of the shares of the Company was amended from a nominal value of EUR 1,00 per share to EUR 0.0001 per share, resulting in an increase of number of shares from ten to 100.000 shares.

The Company issued on 7 October 2021 new ordinary shares, and four classes of Cumulative Preference Shares A through D. In addition, also share premium was paid on the various ordinary shares and preference shares. In May 2022, the Company issued additional ordinary, and preference shares to fund the acquisition of LeYa. The shares were paid in full and included share premium. The table below presents the various types of shares, the nominal value and share premium.

<i>in euro</i>	Number of shares	Share capital	Share premium	Total
Ordinary shares I	56.815.194	5.682	61.537.391	61.543.073
Ordinary shares II	3.564.059	356	3.889.528	3.889.884
	60.379.253	6.038	65.426.919	65.432.957
Preference shares A	318.159.585	63.632	320.312.729	320.376.361
Preference shares B	2.100	5.000	-	5.000
Preference shares C	3.720.208	3.720	3.736.556	3.740.276
Preference shares D	10	100	-	100
	321.881.903	72.452	324.049.285	324.121.737
		78.490	389.476.204	389.554.694

Preference shares

All classes of the preference shares A to D do not carry voting rights. The preference shares accrue a dividend coupon of 9% annually and distribution of the dividend coupon is subject to approval of the management board. Profits if and to the extent possible are added to the respective Dividend Reserve CP (Cumulative Preference) A to D for the holders of the different classes of Preference shares or Overdue Preferred Dividend CP, when no distribution is made. Due to the net loss incurred in past and current years, the dividend coupon is added to the Overdue Preferred Dividend CP. Accumulated dividends amounted to EUR 66 million (2022: EUR 34 million).

The Overdue Preferred Dividend CP is ranked before the Dividend Reserve CP and is ranked before Share Premium Reserve Preference shares. The preference share rank before the ordinary shares. The various classes of preference shares rank pari passu.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations as well as from the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

24. Provisions

As at 31 December
in thousands of euro

	Restructuring provision	Miscellaneous provisions	2022
Balance at 1 January	-618	-546	-1.164
<i>Current part</i>	-618	-49	-667
<i>Non-current part</i>	0	-497	-497
<i>Total current and non-current part</i>	-618	-546	-1.164
Acquisition through Business Combination	-118	-223	-341
Utilisations	243	20	263
Additions/ releases	-4.267	-496	-4.763
Current and non-current as at 31 December	-4.760	-1.245	-6.005
Current part classified under other current liabilities	-383	-595	-978
Non-current	-4.377	-650	-5.027

As at 31 December
in thousands of euro

	Restructuring provision	Miscellaneous provisions	2023
Balance at 1 January	-4.760	-1.245	-6.005
<i>Current part</i>	-383	-595	-978
<i>Non-current part</i>	-4.377	-650	-5.027
<i>Total current and non-current part</i>	-4.760	-1.245	-6.005
Utilisations	4.214	550	4.764
Additions/ releases	-677	-105	-781
Current and non-current as at 31 December	-1.223	-799	-2.022
Current part classified under other current liabilities	-222	-69	-291
Non-current	-1.001	-729	-1.730

A restructuring was announced in 2022 in Belgium to integrate Averbode and Erasme into the Plantyn operations. During 2023 the execution of the plan commenced and the majority of activities and functions in the locations Averbode and Bouge were transferred to Berchem. Also, the warehousing activities were closed and are now performed by an external logistic provider. The integration will be completed during 2024.

Miscellaneous provisions present jubilee provisions.

25. Loans and borrowings

The Group has two interest-bearing loans as per 31 December 2023, which are measured at amortised cost using the effective interest rate method. For more information about the Group's exposure to interest rate, foreign currency, and liquidity risk, see note 29.

As at 31 December
in thousands of euro

	Non-current	Current	Total 2022
Senior Facility	-583.122	0	-583.122
Lease Liability	-12.377	-4.250	-16.627
	-595.498	-4.250	-599.748

As at 31 December
in thousands of euro

	Non-current	Current	Total 2023
Senior Facility	-585.521	0	-585.521
Lease Liability	-11.575	-5.088	-16.663
Current Account Facility	0	-7.243	-7.243
	-597.096	-12.331	-609.427

Senior Facility

In October 2021 a bullet Facility B Loan of EUR 489 million was taken out to finance the acquisition of then Infinitas Learning Group. Following the acquisition of Leya in May 2022, the Group acquired a new bullet loan for EUR 110 million. The loans are presented as a non-current liability and no redemption of the loans is expected in 2024. Transaction fees of EUR 18.4 million were incurred for the loans and a total of EUR 2.4 million (2022: EUR 2.1 million) is released to interest.

In addition to the term loans, the Company has multiple revolving credit facilities. The Revolving Credit Facility of EUR 90 million is part of the Senior Facility Agreement and is not drawn at year end 2023. In Portugal, LeYa arranged several smaller credit facilities with local banks for a total of EUR 22 million. At year-end 2023 EUR 7.2 million is drawn.

As at 31 December
in thousands of euro

2022	Currency	Maturity	Nominal interest rate	Face value	Carrying value
Senior Facility	EUR	2028	Euribor + margin	-599.000	-583.122

For the year ended 31 December
in thousands of euro

2023	Currency	Maturity	Nominal interest rate	Face value	Carrying value
Senior Facility	EUR	2028	Euribor + margin	-599.000	-585.521

The Senior Facility Agreement comprises a Term Loan B and a Revolving Credit Facility, with the following main terms and conditions:

Terms and Conditions	Term Loan B	Revolving Credit Facility
Borrower	Infinitas Learning Finco B.V. and Infinitas Learning Sweden AB	Infinitas Learning Finco B.V.
Currency	EUR	Multi-currency
Size	EUR 599 million	EUR 90 million
Maturity	2028	2028
Interest	EURIBOR + margin	EURIBOR + margin
Amortisation	Bullet	Revolving
Security	Full security from the Original Obligors, over their assets and undertakings and share pledges in respect of shares in each Original Obligor.	Full security from the Original Obligors, over their assets and undertakings and share pledges in respect of shares in each Original Obligor.

Margin is depending on a margin ratchet. On 31 December 2023, the margin was 4.5% for Term Loan B and 3.25% for Revolving Credit Facility. The Company has a quarterly springing bank covenant, the leverage ratio. No compliance testing was required at year-end 2023. The Revolving Credit Facility is not drawn at year end 2023. All assets and shares in material companies, being Noordhoff Uitgevers B.V., Plantyn NV, Liber AB, Futurewhiz B.V., LeYa S.A. and Edicioes ASA II S.A. and have been pledged as security to the bank loans in 2023.

Lease liabilities

The Group leases buildings for its office space. Rental contracts are typically for a fixed period of 5 to 10 years. Some leases include an option to extend the lease for an additional period after the end of the contract term. The Group assesses at lease commencement, whether it is reasonably certain to exercise the option to extend. During the lease term the Group reassesses the option to exercise.

The Group also leases vehicles which have lease terms of three to five years in general. In addition, the Group leases some other IT equipment, having a lease term of two to three years. Lease liabilities are allocated between buildings, vehicles and equipment as follows:

As at 31 December
in thousands of euro

	2023	2022
Buildings	-12.843	-13.643
Vehicles	-3.477	-2.614
Other	-343	-370
	-16.663	-16.627

The short-term lease amount of EUR 5.1 million (2022: EUR4.3 million) is reclassified to other current liabilities and presented as current part of loans and borrowings. The maturity of the lease liabilities is as follows:

As at 31 December
in thousands of euro

	2023	2022
Less than one year	-5.088	-4.250
One to two years	-4.487	-3.869
Two to three years	-3.828	-3.390
Three to four years	-2.099	-2.667
Four to five years	-1.046	-1.739
More than five years	-1.247	-1.354
Total undiscounted lease payable	-17.795	-17.269

The reconciliation of the movement of liabilities to the cash flow arising from finance activities is as follows:

<i>in thousands of euro</i>	Non-current Financial Liabilities	Lease liabilities	Total
As at 1 January 2022	-474.719	-8.136	-482.855
Acquisition through Business Combination	-38.320	-6.066	-44.386
Proceeds from loans and borrowings	-106.292	0	-106.292
Repayment of loans and borrowings	38.320	0	38.320
Payments of lease liabilities	0	4.597	4.597
Reclassifications	0	617	617
New leases	0	-3.432	-3.432
Amortised costs - loans and borrowings	-2.111	0	-2.111
Exchange rate differences	0	43	43
As at 31 december 2022	-583.122	-12.377	-595.499
As at 1 January 2023	-583.122	-12.377	-595.499
Payments of lease liabilities	0	4.743	4.743
Reclassifications	0	838	838
New leases	0	-4.785	-4.785
Amortised costs - loans and borrowings	-2.397	0	-2.397
Exchange rate differences	-2	6	4
As at 31 december 2023	-585.521	-11.575	-597.096

26. Employee benefits

The Group makes contributions to non-contributory defined benefit plans that provide pension benefits for employees of Plantyn N.V. There are three defined benefit plans. All other pension schemes in the Group are treated as defined contribution plans. The main defined benefit plan is an insured plan.

For the year ended
in thousands of euro

	2023	2022
Defined benefit plans	-440	-349

The details of the main defined benefit plan are as follows:

As at 31 December

in thousands of euro

	2023	2022
Present value of the unfunded obligations	0	0
Present value of the funded obligations	-4.735	-5.156
Total present value of obligations	<u>-4.735</u>	<u>-5.156</u>
Fair value of plan assets	4.582	4.887
	<u>-153</u>	<u>-269</u>

Movement in the present value of the defined benefit obligation is as follows:

in thousands of euro

	2023	2022
Defined Benefit obligations as at 1 January	-5.156	-6206
Acquisition through Business Combination		0
Service cost	-149	-220
Interest cost	-172	-62
Actuarial gains and (losses)	112	1.323
Employee contribution	-12	-15
Benefits paid by the plan	642	24
Defined Benefit obligations as at 31 December	<u>-4.735</u>	<u>-5.156</u>

Movement in the present value of the plan assets is as follows:

in thousands of euro

	2023	2022
Fair value plan assets as at 1 January	4.887	4.588
Acquisition through Business Combination		0
Return on plan assets	166	47
Contributions paid into the plan	251	212
Actuarial gains and (losses)	-80	64
Benefits paid by the plan	-642	-24
Fair value plan assets as at 31 December	<u>4.582</u>	<u>4.887</u>

Expenses recognised in the consolidated statement of profit or loss are the following:

in thousands of euro

	2023	2022
Current service cost	-149	-220
Interest on obligation	-172	-62
Return on plan assets	166	47
	<u>-155</u>	<u>-235</u>

Expenses recognised in the following line items in the consolidated statement of profit or loss are:

<i>in thousands of euro</i>	2023	2022
Personnel expenses	17	-173
Financial expenses	-172	-62
	-155	-235

The following key parameters are assumed in the calculation:

	2023	2022
Discount rate	4,00%	3,50%
Return on plan assets	4,00%	3,50%
Future salary increases until and including age 50	1,50%	1,50%
Future salary increases after 50	0,00%	0,00%
Inflation	2,20%	2,20%

The rates used to discount the obligations has been determined by reference to market yields at the balance sheet date on high quality corporate bonds. Assumptions regarding future morality are based on published statistics and mortality tables.

The sensitivity analysis is intended to illustrate the inherent uncertainty in the evaluation of the DBO under market conditions at the measurement date. Its results cannot be extrapolated due to non-linear effects that changes in the key actuarial assumptions may have on the overall defined benefit obligation. Furthermore, the analysis does not indicate a probability of such changes occurring and it does not necessarily present the Group's view of expected future changes in the defined benefit obligation. Any management actions that may be taken to mitigate the inherent risks in the post-retirement defined benefit plans or changes in asset values are not reflected in this analysis.

An increase in the discount rate with 0.5% is reflected as a reduction or (increase) of the defined benefit obligation:

<i>in thousands of euro</i>	Reduction
Effect on the aggregate service and interest cost	7
Effect on the defined benefit obligation	138

An increase in the inflation rate with 0.5% is reflected as a reduction or (increase) of the defined benefit obligation:

<i>in thousands of euro</i>	Increase
Effect on the aggregate service and interest cost	-7
Effect on the defined benefit obligation	-120

For Plantyn the total expected cash contribution to the plan for financial year 2024 amounts to EUR 0.2 million (2022: EUR 0.2 million) and the total expected expense for the financial year to be recognized in the statement of profit or loss EUR 0.3 million (2022: EUR 0.3 million). The average age of the active participants is 49 years and therefore the maturity profile has a long duration of approximately 12 years.

For all other pension schemes the total expected cash contribution and expense to be recognized in the income statement for the coming year amounts to approximately EUR 5.6 million. There is no additional contribution in case of a deficit in the plan. The proportion of the plan in the total multi-employer defined benefit plan is less than 1%.

27. Trade and other payables

As at 31 December
in thousands of euro

	2023	2022
Trade creditor	-14.426	-16.391
Accruals	-49.300	-46.098
Personnel liabilities	-10.104	-9.032
Other payables	-4.062	-987
Total trade payables and other payables	<u>-77.892</u>	<u>-72.508</u>

The Group's exposure to liquidity risk related to trade and other payables is disclosed in note 29.

Accrued expenses includes royalty to authors for EUR 35.4 million (2022: EUR 33.8 million). Royalties to authors are determined in accordance with local agreements and paid out throughout the year. Depending on local agreements, the majority of the royalties is paid in March of each year.

28. Other current liabilities

As at 31 December
in thousands of euro

	2023	2022
Current part of provisions (note 25)	-291	-978
Other miscellaneous current liabilities	-14.923	-15.074
	<u>-15.214</u>	<u>-16.052</u>

Other miscellaneous liabilities are the following:

As at 31 December
in thousands of euro

	2023	2022
Interest payable	-14.923	-554
Earn out payable	0	-10.731
Interest rate cap payable	0	-3.789
Other miscellaneous current liabilities	<u>-14.923</u>	<u>-15.074</u>

The Group uses the semi-annual interest rollover period for its senior bank facility, which are usually paid in March and September of each year. However, in 2022, this frequency was amended to quarterly payments but adjusted to semi-annually again in 2023. Consequently, at year-end 2023 the interest payable relates to the fourth quarter, whilst in 2022 the interest due was settled and paid in full at year-end.

The earn out payable of EUR 10.7 million related to the acquisition of LeYa and Averbode which were paid in full in January 2023.

Just before year-end 2022, an interest cap was bought, which was paid in January 2023. The interest cap is measured at fair value and included in the line other assets including derivatives in the balance sheet. For more details on the interest rate cap reference is made to note 29.

29. Financial instruments

The following table shows the carrying amounts and fair values of financial assets and liabilities. The Company does not have any financial assets and financial liabilities measured at fair value except for the interest rate cap instrument. The carrying amount for financial assets and financial liabilities is a fair approximation of its fair value. The fair value of the senior facility amounts to EUR 596 million and approximates the nominal value of the loan (2022: EUR 553 million). The increase in the fair value of the loan is mainly related to the increase in interest rates.

Accounting classification and fair values as of 31 December 2023 is as follows:

As at 31 December

<i>in thousands of euro</i>	Financial assets			Total 2022
	Mandatorily at FVTPL	at amortised cost	Other finance liabilities	
Financial assets measured at fair value				
Derivatives	3.595	0	0	3.595
	3.595	0	0	3.595
Financial instruments not measured at fair value				
Trade and other receivables	0	55.909	0	55.909
Cash and cash equivalents	0	40.413	0	40.413
	0	96.322	0	96.322
Financial liabilities not measured at fair value				
Senior Facility	0	0	-583.122	-583.122
Lease liabilities	0	0	-16.627	-16.627
Trade and other payables	0	0	-72.508	-72.508
Other current liabilities	0	0	-15.074	-15.074
	0	0	-687.331	-687.331

As at 31 December

<i>in thousands of euro</i>	Financial assets			Total 2023
	Mandatorily at FVTPL	at amortised cost	Other finance liabilities	
Financial assets measured at fair value				
Derivatives	770	0	0	770
	770	0	0	770
Financial instruments not measured at fair value				
Other investments	0	500	0	500
Trade and other receivables	0	55.240	0	55.240
Cash and cash equivalents	0	36.281	0	36.281
	0	92.021	0	92.021

Financial liabilities not measured at fair value

Senior Facility	0	0	-585.521	-585.521
Lease liabilities	0	0	-16.663	-16.663
Current Account Facility	0	0	-7.243	-7.243
Trade and other payables	0	0	-77.892	-77.892
Other current liabilities	0	0	-14.923	-14.923
	0	0	-702.243	-702.243

The Group does not hold any financial liabilities measured at fair value as of 31 December 2023 (2022: nil).

Derivative instruments

In December 2022, the Group purchased a new derivative financial instrument, a EURO interest rate cap, to mitigate interest risk exposure. The interest rate cap expires on March 31, 2026. The notional value amounts to EUR 419.3 million having a fair value of EUR 0.8 million as of 31 December 2023 (2022: EUR 3.6 million). The fair value is determined based on forward interest yield curves.

Credit risk**Trade and other receivables**

Approximately 40% of the Group's sales are recognised in the third quarter of the year. Accounts receivables from the sales during the summer period are settled towards the end of the third quarter of each year. As a result, the accounts receivable balances are minimal at year end.

The group entities have established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. In addition, the most significant group entities are insured against credit risks. The group entities are responsible for managing credit risk and actively monitor their key accounts.

The Group establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade and other receivables.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

As at 31 December

in thousands of euro

	2023	2022
Trade and other receivables	44.762	43.514
Cash and cash equivalents	36.281	40.413
	81.043	83.927

The maximum exposure to credit risk for trade receivables and other receivables excluding prepayments at the reporting date by segment was:

As at 31 December

in thousands of euro

	2023	2022
Netherlands	11.822	13.185
Portugal	18.526	18.255
Belgium	5.735	6.303
Sweden	6.344	3.533
Consumer Homeschooling	1.439	2.234
Corporate	896	4
	44.762	43.514

The maximum exposure to credit risk for trade receivables at the reporting date by type of customer was:

As at 31 December

in thousands of euro

	2023	2022
Wholesale customers	9.513	3.969
Retail customers	11.770	12.731
Other	23.479	26.814
	44.762	43.514

Other customers refer to (semi-) government institutions, receivables from payment providers and other receivables.

The Group embedded sufficient client acceptance and credit control procedures to ensure a maximum recoverability of the trade receivables. The exposure to credit risk for the prepayments and other receivables is practically nil considering the nature of these accounts in the majority of the countries the group operates. In Portugal legal requirements limit the write down of long outstanding receivables. The increase in the impairment of the trade receivables is entirely related to the acquisition of the LeYa group.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as of 31 December 2023.

As at 31 December

<i>in thousands of euro</i>	Weighted average loss rate (%)	Gross	Impairment	Net 2022
Not past due	0%	24.996	-43	24.953
Past due 0-30 days	1%	4.174	-29	4.145
Past due 31-60 days	3%	927	-10	917
Past due 61-150 days	17%	1.040	-153	887
More than 150 days	94%	24.464	-11.852	12.612
		55.601	-12.087	43.514

<i>in thousands of euro</i>	Weighted average loss rate (%)	Gross	Impairment	Net 2023
Not past due	0%	23.584	-48	23.536
Past due 0-30 days	1%	2.620	-17	2.603
Past due 31-60 days	4%	1.864	-79	1.785
Past due 61-150 days	7%	1.952	-133	1.819
More than 150 days	79%	26.816	-11.797	15.018
		56.836	-12.074	44.762

The Group uses an allowance matrix to measure the ECLs of trade receivable. Loss rates are calculated estimating the probability of a receivable progressing through successive stages of delinquency to write-off. Probability of default rates are calculated separately considering exposures due to geographic regions, age of customer relationship and any credit insurance in place. The rates are adjusted by current information and future expectations on economic conditions were deemed necessary. During 2023, the Group continued monitoring the potential impact of rising inflation rates on the expected credit losses and assessed the impact to be very limited and not material. Most of the customers are funded by state, regional or municipal governments.

Other receivables include small items, and the Group assesses the risk involved to individual items not material. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Derivatives

The derivative instruments are entered into with banks and financial institutions counterparties, which are rated at BBB, based on S&P ratings.

Liquidity risk

The Group aims to minimise liquidity risk by ensuring sufficient revenues, maintaining adequate credit lines, using several financial institutions for its senior facility programme. The Group's committed funding must be sufficient to cover for its obligations and business operations during the following 12 months.

Liquidity risk is monitored continuously using rolling forecasts. The Group maintains a revolving credit facility of EUR 90 million on which interest would be payable at the rate of EURIBOR plus 350 basis points. In addition, there are local revolving credit facilities for a total of EUR 23.2 million with various Portuguese banks. Current market developments and/or rising inflation did not have any material impact on the Group's funding sources or availability of funds during 2023.

The interest-bearing senior facility is contractually due in full in the year of maturity and presented as such in the future cash flows below (see also note 25).

2022

For the period ended 31 December

<i>in thousands of euro</i>	Face value	Contractual cash flows	1 year	2-3 years	3 years or more
Senior Facility	-599.000	-872.541	-34.700	-99.952	-737.889
Lease liabilities	-16.627	-17.269	-4.250	-7.259	-5.760
Trade and other payables	-72.508	-72.508	-72.508	0	0
Other current liabilities	-15.074	-15.074	-15.074	0	0
	-703.209	-977.392	-126.532	-107.211	-743.649

2023

For the period ended 31 December

<i>in thousands of euro</i>	Face value	Contractual cash flows	1 year	2-3 years	3 years or more
Senior Facility	-599.000	-821.654	-49.690	-88.638	-683.326
Current Account Facility	-7.243	-7.243	-7.243	0	0
Lease liabilities	-16.663	-17.795	-5.088	-8.315	-4.392
Trade and other payables	-77.892	-77.892	-77.892	0	0
Other current liabilities	-14.923	-14.923	-14.923	0	0
	-715.721	-939.507	-154.836	-96.953	-687.718

In the table above, the lease liabilities present the long term and short-term portion of the leases with EUR 5.1 million (2022: EUR 4.3 million) included as short term, payable within one year.

Currency risk

The majority of the group entities operate in the euro zone and cash flows are denominated in euro's, except for the operations in Sweden, which are denominated in Swedish Kronas (SEK). The Group is exposed to translation differences resulting from converting the statement of profit or loss and balance sheet of the Swedish entities into euros. On an annual basis the Swedish entities account for approximately 9% of sales (2022: 10%).

The impact on net sales of a 10% weakening or strengthening of the euro against the SEK for the year amounts to approximately EUR 2.7 million lower or EUR 3.3 million higher revenues respectively.

Interest rate risk

The Group holds an interest rate cap maturing on March 31, 2026. A 1% higher EURIBOR rate during financial period in 2023 would have resulted in EUR 4.5 million higher interest expense (2022: EUR 4.0 million).

30. Share based payments

Certain managers and employees are eligible to participate in the Management Incentive Plan, that was introduced in 2021. Under this plan the holders obtained certain ordinary shares and preference shares and are entitled to a portion of the proceeds in case of an exit or (interim) distribution.

Upon subscription and subsequent emissions, the eligible employees paid fair value for the instruments which was equal to the nominal value of the instruments. All holders paid the same nominal value for the different classes of equity instruments. Employees who cease their employment are irrevocably required to offer its shares against a predetermined redemption calculation method. If an employee leaves the Company before an exit, such employee shall be obliged to irrevocably offer its stake in the Company, without an obligation for the Company or another entity designated by the majority stakeholder to purchase such stake. Redemption before an exit will only classify as an employee benefit in case the Company makes use of its right to purchase. In 2023, the majority shareholder settled with one employee upon leave, without any costs for the Company.

At the grant-date fair value of this arrangement is zero and does not lead to expenses to be recognised in these financial statements.

31. Note to the cash flow statement

2022	Inventory	Trade and other receivables	Trade and other payables	Provisions	Employee benefits
Movement balance sheet	7.452	-33.841	34.382	4.841	-1.503
Movement due to acquisition	22.056	20.700	-29.719	-341	0
Movement due to purchase price allocation	-30.020	0	-3.300	0	0
Movement due to disposal	0	0	393	0	0
Other movements	0	885	2.046	0	1.587
	-512	-12.256	3.802	4.500	84

2023	Inventory	Trade and other receivables	Trade and other payables	Provisions	Employee benefits
Movement balance sheet	-1.351	-1.975	5.384	-3.983	-198
Movement due to acquisition	0	0	0	0	0
Movement due to purchase price allocation	-583	0	0	0	0
Movement due to disposal	0	0	0	0	0
Other movements	0	0	1.622	0	140
	-1.934	-1.975	7.006	-3.983	-58

32. Contingent liabilities guarantees and commitments

Infinitas Learning Group has given guarantees of EUR 0.8 million (2022: EUR 1.2 million) to owners of real estate as a security for rent. The shares in the group companies and certain assets are pledged in relation to the senior facility.

33. Related parties

Emoluments of key management personnel

The emoluments, including settlements and pension obligations which were expensed during the financial year amounted to EUR 2.3 million (2022: EUR 1.9 million) for the executive directors and supervisory board.

Key management personnel compensation comprised the following:

For the year ended 31 December

in thousands of euro

	2023	2022
Short-term employee benefits	-1.864	-1.473
Post-employment benefits	-223	-162
Termination benefits	0	0
Other benefits	0	0
	-2.087	-1.635

The remuneration for the Supervisory Board amounted to EUR 0.2 million (2022: EUR 0.2 million).

Other related party transactions

The Company has a related party relationship with its subsidiaries, as included in note 34. All outstanding balances with these related parties are to be settled in cash. None of the balances is secured.

34. Group entities

As per period ended 31 December 2023 Infinitas Learning International holds ownership in its Group entities:

	Shareholding	Statutory seat	Country of incorporation
Infinitas Learning Finco B.V. *	100%	Utrecht	Netherlands
Infinitas Learning Holding B.V. *	100%	Utrecht	Netherlands
Infinitas Technology B.V. *	100%	Utrecht	Netherlands
Infinitas Learning Netherlands B.V. *	100%	Utrecht	Netherlands
Noordhoff Uitgevers B.V. *	100%	Groningen	Netherlands
Digitaalbedrijf B.V. *	100%	Utrecht	Netherlands
NPM Investments XXIV B.V. *	86%	Amsterdam	Netherlands
Futurewhiz B.V. *	86%	Amsterdam	Netherlands
De Digitale School B.V. *	86%	Amsterdam	Netherlands
Scoyo GmbH	86%	Berlin	Germany
Plantyn N.V.	100%	Berghem	Belgium
Uitgeverij Averbode N.V.	100%	Scherpenheuvel	Belgium
Editions Averbode Erasme N.V.	100%	Scherpenheuvel	Belgium
Infinitas Holdco Sweden AB	100%	Stockholm	Sweden
Infinitas Learning Sweden AB	100%	Stockholm	Sweden
Liber AB	100%	Stockholm	Sweden
Infinilearning Portugal S.A.	100%	Lisbon	Portugal
Infinilearning Portugal Technology Lda.	100%	Lisbon	Portugal
LeYa S.A.	100%	Lisbon	Portugal
Edicoes ASA II S.A.	100%	Lisbon	Portugal
UnyleYa-Ensino e Formacao a distancia S.A.	100%	Lisbon	Portugal
Editorial Caminho S.A.	100%	Lisbon	Portugal
Ler Mais, Sociedade Uniperssoal Lda.	100%	Lisbon	Portugal
Publicacoes Dom Quixote, Uniperssoal Lda.	100%	Lisbon	Portugal
Texto Editores Lda.	100%	Maputo	Mozambique

With respect to the separate financial statements of the Dutch legal entities included in the consolidation, substantially all subsidiaries availed themselves of the exemption laid down in section 403, subsection 1 of Book 2 of the Dutch Civil Code. Pursuant to section 403, Infinitas Learning International B.V. has assumed joint and several liability for the debts arising out of the legal acts of these subsidiaries. The determination of which Dutch subsidiaries of the Group, whether significant in the context of this Note or not, make use of the 403 exemption follows from the Dutch trade register. Each of these subsidiaries has filed Infinitas Learning International's 403 declaration with the Dutch trade register. The above significant subsidiaries that make use of the 403 exemption are marked by *.

35. Auditor's costs

KPMG Accountants N.V. was appointed as the Company's auditor in 2023. Member firms were involved in the audit of the subsidiaries outside the Netherlands. KPMG performed the audit of the consolidated financial statements as well as fulfils local statutory audit requirements.

The following fees were charged by KPMG to the Company, its subsidiaries, and other consolidated companies, as referred to in section 2:382a (1) and (2) of the Dutch Civil Code.

For the year ended 31 December

in thousands of euro

	2023	2022
Audit services	711	765
Other audit services	60	4
Taxation services	88	80
Other services	48	28
	<u>907</u>	<u>877</u>

With the expansion of the Group, additional audit procedures were carried out in 2022.

36. Subsequent events

The Group signed a sale and purchase agreement on January 18, 2024, to acquire all shares in Wydawnictwa Szkolne i Pedagogiczne S.A. ("WSiP"), a Polish based educational publishing company. The transaction will be completed when all regulatory approvals are obtained, which is expected in the very near future. WSiP holds a leading market position in K12 education in Poland. Revenues are approximately EUR 55 million in 2023 and it has over 500 employees. The purchase price is partly paid from own funds and a capital contribution by the shareholders. The transaction will have a material financial impact on the Group in 2024.

Corporate statement of financial position

As at 31 December
in thousands of euro

	Note	2023	2022
Assets			
Investments in subsidiaries	D	212.350	254.537
Total non-current assets		212.350	254.537
Other receivables		88	8.965
Cash and cash equivalents		3.576	0
Total current assets		3.664	8.965
Total assets		216.014	263.502
Equity			
Share capital		-79	-79
Share premium		-389.477	-389.477
Legal reserve		-47.203	-24.859
Translation reserve		362	458
Other reserves		-1.731	-1.704
Retained earnings		181.063	67.580
Result for the year		42.852	91.138
Total equity	F	-214.213	-256.943
Liabilities			
Bank overdraft		0	-5.603
Accounts payable to subsidiaries		0	-81
Trade and other payables		-805	-875
Current tax liability		-874	0
Other current liabilities		-122	0
Total current liabilities		-1.801	-6.559
Total liabilities		-1.801	-6.559
Total equity and liabilities		-216.014	-263.502

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Corporate statement of profit or loss

For the year ended

in thousands of euro

	Note	2023	2022
Continuing operations			
Total revenue and other income	A	1.572	1.480
Other operating expenses	B	-2.010	-2.700
Total operating expenses		-438	-1.220
Financial income and expenses			
Finance expenses		-344	-10
Share result in result participating interest		-42.309	-89.928
Profit (loss) before income tax		-43.091	-91.158
Income tax	E	239	20
Profit (loss) for the period		-42.852	-91.138

Notes to the corporate financial statements

The Company adopted the same principles for the recognition and measurement of assets and liabilities and determination of the result (hereafter referred to as 'accounting policies') of the Corporate Financial Statements of Infinitas Learning International B.V. as those applied to the Consolidated Financial Statements under IFRS (applying the option provided in Article 362 sub 8, Part 9, Book 2 of the Dutch Civil Code).

Participating interests in group companies

Group companies are all entities in which the Company has directly or indirectly control. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the group company and has the ability to affect those returns through its power over the group company. Group companies are recognised from the date on which control is obtained by the Company and derecognised from the date that control by the Company over the group company ceases. Investments in consolidated subsidiaries are measured at net equity value. The net equity value is based on the measurement of assets (including goodwill), provisions and liabilities and the determination of profit based on the principles applied in the Consolidated Financial Statements.

Group companies with a negative net equity value is valued at nil. This measurement also covers any receivables provided to the participating interests that are, in substance, an extension of the net investment. This relates to loans for which settlement is neither planned nor likely to occur in the foreseeable future. A share in the profits of the participating interest in subsequent years will only be recognised if and to the extent that the cumulative unrecognised share of loss has been absorbed. If the Company fully or partially guarantees the debts of the relevant participating interest, or if it has the constructive obligation to enable the participating interest to pay its debts (for its share therein), then a provision is recognised accordingly to the amount of the estimated payments by the Company on behalf of the participating interest.

Share of result of participating interests

The share in the result of participating interests consists of the share of the Company in the result of these participating interests. Participating interests themselves, are eliminated to the extent that they can be considered as not realised. The Company makes use of the option to eliminate intragroup expected credit losses against the book value of loans and receivables from the Company to participating interests, instead of elimination against equity value of the participating interests.

A Other income

The Company recharges certain costs related to the management activities to its subsidiaries under a management service agreement.

B Other operating expenses

Other operating expenses mainly consist of wages and salaries, recurring advisory costs as well as strategic advisory projects and costs for possible acquisition targets.

C Directors remuneration

Infinitas Learning International B.V. has 2 board members, which are part of the senior management team of the Group.

The emoluments including pensions costs as referred to in Section 2:383 (1) of the Dutch Civil code, charged in the financial year to the Company amounted to salaries EUR 0.9 million (EUR 0.8 million), social securities EUR nil (2022: EUR nil) and pension expenses EUR 0.1 million (2022: EUR 0.1 million) respectively and were incurred from the date of appointment.

The supervisory board comprises of 5 members. The members receive a fixed annual compensation. The total remuneration in 2023 amounted to EUR 0.2 million (2022: EUR 0.2 million).

See also Note 33 to the Consolidated Financial Statements on remuneration.

D Investment in subsidiaries

For the year ended
in thousands of euro

	2023	2022
Balance as at 1 January	254.537	288.116
Capital contributions	0	54.460
Income group companies after taxes	-42.309	-89.928
Other	26	1.190
Exchange differences	96	699
Total changes	-42.187	-33.579
Balance as at 31 December	212.350	254.537

The Company, with statutory seat in Utrecht is a holding company. The participating interests of the Company are presented in note 34 to the consolidated financial statements.

E Taxation

Infinitas Learning International is head of the fiscal unity, which includes Infinitas Learning Finco B.V., Infinitas Learning Holding B.V., Infinitas Technology B.V., Noordhoff Uitgevers B.V. and Digitaalbedrijf B.V.. The Corporate Financial Statements on behalf of Infinitas Learning International are prepared as if the company is independently subject to corporate income tax, excluding the offset of profits within the tax group of which the entity is the parent. As a result, the company reports a tax benefit for the tax-deductible expenses and no tax on the result of consolidated entities as the tax of these entities is booked at the level of the entity itself.

F Equity

For a breakdown of equity attributable to equity holders, see the Consolidated Statement of Changes in Equity and related notes. Pursuant to Dutch law, there are limitations on the distribution of equity attributable to equity holders. Such limitations relate to share capital and legal reserves required by Dutch law as presented below. Dutch law also requires that in determining the amount for distribution, the company's ability to continue to pay its debt must be considered. The total distributable reserves amounted to EUR 0 million as of 31 December 2023 (2022: EUR nil).

Share capital and share premium

On 7 October 2021, Infinitas Learning International B.V. issued ordinary and preference shares for in total EUR 68k. The ordinary and preference shares were fully paid-in with a share premium amount of EUR 335.0 million. Prior to the acquisition of LeYa in May 2022, additional ordinary and preference shares were issued for EUR 10k in total and having a share premium of EUR 54.4 million. The shares issued were fully paid on transaction date.

Retained earnings

Movement in retained earnings are as follows:

in thousands of euro

	2023	2022
Balance as at 1 January	67.580	1.571
Loss/(profit) previous year	91.138	42.719
Addition to legal reserve (except cumulative translation reserve)	22.345	23.290
Balance as at 31 December	181.063	67.580

For the year ended

in thousands of euro

	2023	2022
Retained earnings as per Consolidated Statement of financial position	174.980	132.155
Capitalised software development costs	23.935	11.940
Capitalised development costs	23.268	12.919
Actuarial gains and losses	1.731	1.704
Other	1	0
Profit / (loss) for the period	-42.852	-91.138
Retained earnings as per Consolidated Statement of financial position	181.063	67.580

The table above presents the reconciliation between retained earnings in the consolidated financial statement and the corporate financial statements.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the participating interest. The foreign currency translation legal reserve of EUR 0.4 million primarily relates to investments in Sweden. During the year, an amount of EUR nihil (2022: EUR nihil) from the translation reserve was transferred to the profit and loss account due to the disposal of a foreign business. More details on the movement in the translation reserve is included in the consolidated statement of changes in equity.

Other reserves

Other reserves include the defined benefits plans that are accounted for through equity by the participating interests.

Legal reserves

A legal reserve for the carrying amount of EUR 47.2 million (2021: 24.9 million) has been recognised for capitalised development costs. The movements in the legal reserve are as follows:

Legal reserve

in thousands of euro

	Development costs	software	Legal reserve
Balance as at 1 January 2022	-69	-1.500	-1.569
Addition / release retained earnings	-11.871	-11.419	-23.290
Balance as at 31 December 2022	-11.940	-12.919	-24.859
Addition / release retained earnings	-11.995	-10.349	-22.344
Balance as at 31 December 2023	-23.935	-23.268	-47.203

Unappropriated result

Appropriation of result of 2022

The financial statements for the reporting year 2022 have been adopted by the General Meeting on May 2, 2023. The General Meeting has adopted the appropriation of loss after tax for the reporting year 2022 as proposed by the Board of Management.

Appropriation of result of 2023

The Board of Management proposes, with consent of the Supervisory Board, to the General Meeting to appropriate the loss after tax for 2023 as follows: to add the amount of EUR 42.9 million loss to retained earnings.

G Commitment and contingencies

Infinitas Learning International B.V. has issued several declarations of joint and several liabilities for various group companies in compliance with Article 403, Book 2 of the Dutch Civil Code. These declarations of joint and several liabilities for group companies are included in a complete list of subsidiaries and participating interests, which is available at the offices of the Chamber of Commerce in Amsterdam. In Note 24 Group Entities, the determination of which Dutch subsidiaries of the Group make use of the 403 exemption are disclosed. For each of these subsidiaries Infinitas Learning International has filed a 403 declaration with the Dutch trade register.

Utrecht, 27 March 2024

The Board of Directors

T. Morelisse

M. Jansen

The Supervisory Board

H. Samsom

J. Martin

B. Coopmans

H. van Rijbroek

E. Aendekerk

Other information

Extract Articles of Association on profit appropriation

Under Infinitas Learning's articles of association, the profits are to the extent possible first allocated to the preferred dividend reserves. The amount added to the dividend reserve is 9% of the nominal value of the preference shares. If in one or previous financial years less than the preferred dividend has been added to the dividend reserve, the available profits shall first be applied to supplement any preferred dividend that was not booked into the relevant dividend reserve. Thereafter any remaining part of profits is at the disposal of the General Meeting for the distribution on ordinary shares.

The preference shares do not entitle the holders to voting rights in the General Meeting, but only entitle the holder to a share in the distributable profits and reserves.

Foundation ILI and Manco ILI B.V. administer the preference and ordinary shares respectively. The Board of the foundation appoints its directors, who can represent the foundation. Any amendment to the Articles of Association requires the approval of the general meeting of the shareholders.



Independent auditor's report

To: the General Meeting and the Supervisory Board of Infinitas Learning International B.V.

Report on the audit of the accompanying financial statements

Our opinion

We have audited the financial statements 2023 of Infinitas Learning International B.V., with its registered office in Utrecht. The financial statements comprise the consolidated financial statements and the corporate financial statements.

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of Infinitas Learning International B.V. as at 31 December 2023 and of its result and its cash flows for the year ended 31 December 2023 in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the accompanying corporate financial statements give a true and fair view of the financial position of Infinitas Learning International B.V. as at 31 December 2023 and of its result for the year ended 31 December 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

- 1 the consolidated statement of financial position as at 31 December 2023;
- 2 the following consolidated statements for the year ended 31 December 2023: the statement of profit or loss, comprehensive income, changes in equity and cash flows; and
- 3 the notes comprising material accounting policy information and other explanatory information.

The corporate financial statements comprise:

- 1 the corporate statement of financial position as at 31 December 2023;
- 2 the corporate statement of profit or loss for the year ended 31 December 2023; and
- 3 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Infinitas Learning International B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).



We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of fraud and non-compliance with laws and regulations and going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

Audit response to the risk of fraud and non-compliance with laws and regulations

In chapter 'Risks and uncertainty factors' of the Report of the Board of Directors, the Board of Directors describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the Company and its business environment and the Company's risk management in relation to fraud and non-compliance. Our procedures included, among other things, assessing the Company's Code of Conduct, internal Privacy Policy, Security Policy, Anti-bribery Policy, Antitrust Policy, incidents register and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with the Board of Directors and other relevant functions, such as the General Counsel and the Coordinating Privacy Officer. We have also incorporated elements of unpredictability in our audit, such as performing hardclose procedures per 31 October 2023.

As a result from our risk assessment, we identified the following laws and regulations as those most likely to have a material effect on the financial statements in case of non-compliance:

- Anti-bribery and corruption laws and regulations.
- General Data Protection Regulation (GDPR) (reflecting the Company's role as data processor).

Based on the above and on the auditing standards, we identified the following fraud risks that are relevant to our audit, including the relevant presumed risks laid down in the auditing standards, and responded as follows:

Management override of controls (a presumed risk)

Risk:

Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively such as in processes related to journal entries and controls over the capitalization of initial development cost and software.

Responses:

- We evaluated the design and the implementation of key segregation of duties and management authorization and review internal controls in place within the journal entry process.



- We performed a data analysis of high-risk journal entries related to unusual or unexpected journal entries related to sales and deferred revenue, and capitalized initial development cost and software. Where we identified instances of unexpected journal entries or other risks through our data analytics, we performed additional audit procedures to address each identified risk, including testing of transactions back to source information.
- We evaluated key estimates and judgments for potential bias by management, including retrospective reviews of prior years' estimates with respect to the recoverable amounts to assess impairments.

Revenue recognition (a presumed risk)

Risk:

Revenues generated through granting access to online learning platforms are recognized over the period that the customer has access to the learning platform (over time).

The opportunity to recognize these revenues prematurely, at a point in time, is considered to be a risk of fraud in our audit.

Responses:

- We assessed the appropriateness of the Company's revenue recognition accounting policies.
- We evaluated the design and the implementation of internal controls related to the recognition of revenue of access to online learning platforms.
- We performed test of details in which we audited the existence and accuracy of the invoiced revenue and recalculated the revenue to be recognized over time for the items selected.
- We performed substantive analytical procedures in relation to deferred revenue.

Capitalizing Initial Development Cost and Software

Risk:

The opportunity to capitalize initial development costs and software while capitalization criteria are not met are considered to be a risk of fraud in our audit since capitalizing costs will improve EBITDA.

Responses:

- We assessed the appropriateness of the Company's accounting policies related to cost capitalization.
- We evaluated the design and implementation of internal controls related to management's review of the capitalized development cost and software.
- We performed test of details in which we assessed whether the project selected meets the capitalization criteria.
- We challenged the key assumptions used or estimates made in capitalizing development costs and software and assessed the useful economic life attributed to the asset.
- We performed test of details in which we audited the existence and accuracy of the costs capitalized.



We communicated our risk assessment, audit responses and results to the Board of Directors and the Audit Committee of the Supervisory Board. Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Audit response to going concern

The Board of Directors has performed its going concern assessment and has not identified any going concern risks. Our main procedures to assess the Board of Directors' assessment were:

- we considered whether the Board of Directors' assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit.
- we analysed the Company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks.
- We inquired with the Board of Directors' on the key assumptions and principles underlying the Board of Directors' assessment of the going concern risks.
- We inspected the financing agreement in terms of conditions that could lead to going concern risks, including the term of the agreement and any covenants.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on management's going concern assessment.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the management report, in accordance with Part 9 of Book 2 of the Dutch Civil Code, and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors and the Supervisory Board for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during our audit.

Misstatements can arise from fraud or errors 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 the financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining 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 errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining 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;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;



- concluding on the appropriateness of management's use of the going concern basis of accounting 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 ceasing to continue as a going concern;

- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are solely responsible for the opinion and therefore responsible to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. In this respect we are also responsible for directing, supervising and performing the group audit.

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 findings in internal control that we identify during our audit.

Amstelveen, 27 March 2024

KPMG Accountants N.V.

P. van Asperen RA