Deloitte.



Forenom ApS

Amager Strandvej 390, st. 1
2770 Kastrup
CVR No. 37401498

Annual report 2023

The Annual General Meeting adopted the annual report on 05.07.2024

Markku Johannes Kangas
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2023	9
Balance sheet at 31.12.2023	10
Statement of changes in equity for 2023	12
Notes	13
Accounting policies	17

Entity details

Entity

Forenom ApS
Amager Strandvej 390, st. 1
2770 Kastrup

Business Registration No.: 37401498
Registered office: Tårnby
Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Veli Matti Packalén
Markku Johannes Kangas

Executive Board

Lars Brejner Dissing

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Forenom ApS for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Kastrup, 05.07.2024

Executive Board

Lars Brejner Dissing

Board of Directors

Veli Matti Packalén

Markku Johannes Kangas

Independent auditor's report

To the shareholders of Forenom ApS

Opinion

We have audited the financial statements of Forenom ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1 in the financial statement, from which it is stated that negotiations are ongoing with the group's bank connection regarding the group's current loan facility. The company's continued operation is conditional on the loan facility for the group being extended, as the company's continued operation requires continued funding from the parent company. The outcome of these negotiations is not expected to be available until the end of August 2024. When presenting the financial statement, management has assumed that the loan facility at group level will be secured, and has therefore presented the financial statement assuming the company's continued operation. As stated in note 1, there is a significant uncertainty, until the final new loan facility has been secured at group level, which may cast considerable doubt on the company's ability to continue operations. Our conclusion is not modified regarding this matter.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

København, 05.07.2024

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Claus Jorch Andersen
State Authorised Public Accountant
Identification No (MNE) mne33712

Rasmus Christiansen
State Authorised Public Accountant
Identification No (MNE) mne50632

Management commentary

Primary activities

The Company's principal activities consist in running a hotel business, business with other rental of rooms and housing and other related business.

Development in activities and finances

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK (10.114.784) and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 43.748.294 and an equity of DKK (38.620.384).

Outlook

The Company expects its operations to develop positively next year.

Continued operations

In order for the company to meet is liabilities as they fall due the parent company Forenom Oy have issued a Letter of support to the company. The letter of support from Forenom Oy is valid until and including 31 December 2024 and states that Forenom Oy will provide the necessary liquidity. In addition, Forenom ApS, has entered into a cash-pool agreement with the parent company (Forenom OY) as the owner of the account. Forenom ApS's balance in the cash pool scheme amounts to a total of DKK 42,6 million (2022: 31,5 M.DKK) as of the balance sheet date. Due to these conditions, Forenom ApS is highly dependent on the continued operations of Forenom OY.

The parent company has an existing loan facility, that currently is under renegotiation. This loan facility originally had a termination date the 30th of april 2024, however an addendom to the loan agreement has been made, securing a standstill period until the 30th of september 2024. During this period the parent company (Forenom OY) and the bank will negotiate a new loan agreement, that will secure the continued operations of the group. The group is dependent upon securering this loan facility, to continue as a going concern.

The Financial Statements are prepared on the assumptions, that the necessary funding will be obtained through one or more of the current ongoing dialogues, and therefore prepared on a going concern basis. However, material uncertainty exists to the group's and Forenom ApS' continued operations, until the final new loan facility has been secured at group level.

Material errors in previous years

Management has identified a number of provisions for other payables that has been incorrectly recognized in prior years. This relates to a number of accruals, including general accurals, tax account reconciliation etc. The provisions relate to a number of postings from previous years, and are therefore recognized as a significant error from previous years. Due to this, the equity at the beginning of the year has been adjusted by 2.224.930 DKK. In addition the comparative figures have been adjusted, resulting in an increase of other payables and a decrease of equity. The correction has no tax effect, and no P&L effect.

In addition, a material error related to the aquission of intangibles has been identified, as not all contracts for intangible assets was capitalized. The comparative figures have been adjusted due to this, resulting in an increase of the intangible assets by 1,6 mio. DKK, a decrease of property plant and equipment of 0,4 mio. DKK, and an increase of other payables by 1,2 mio. DKK. The correction has no tax effect, and no P&L effect.

Events after the balance sheet date

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Revenue		152,397,606	124,979,915
Cost of sales		(103,267,727)	(82,152,347)
Other external expenses		(29,173,296)	(21,236,941)
Gross profit/loss		**19,956,583**	**21,590,627**
Staff costs	3	(17,602,981)	(14,443,050)
Depreciation, amortisation and impairment losses		(7,904,739)	(4,548,071)
Operating profit/loss		**(5,551,137)**	**2,599,506**
Other financial income	4	0	16,880
Other financial expenses	5	(2,338,717)	(1,589,848)
Profit/loss for the year		**(7,889,854)**	**1,026,538**
Proposed distribution of profit and loss:			
Retained earnings		(7,889,854)	1,026,538
Proposed distribution of profit and loss		**(7,889,854)**	**1,026,538**

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Acquired intangible assets		16,037,212	9,331,299
Intangible assets	6	**16,037,212**	**9,331,299**
Plant and machinery		190,295	21,549
Other fixtures and fittings, tools and equipment		14,069,856	14,873,271
Property, plant and equipment	7	**14,260,151**	**14,894,820**
Fixed assets		**30,297,363**	**24,226,119**
Trade receivables		2,325,437	3,809,761
Receivables from group enterprises		209,632	0
Other receivables		7,424,808	8,394,182
Prepayments		3,491,054	3,280,600
Receivables		**13,450,931**	**15,484,543**
Current assets		**13,450,931**	**15,484,543**
Assets		**43,748,294**	**39,710,662**

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		50,000	50,000
Retained earnings		(38,670,384)	(30,780,530)
Equity		**(38,620,384)**	**(30,730,530)**
Other provisions	8	3,740,162	4,735,002
Provisions		**3,740,162**	**4,735,002**
Payables to group enterprises		3,274,653	2,830,000
Holiday pay obligation		521,268	503,640
Other payables		1,559,205	1,749,212
Non-current liabilities other than provisions	9	**5,355,126**	**5,082,852**
Deposits		7,421,642	8,105,541
Prepayments received from customers		5,738,531	4,036,462
Trade payables		1,931,771	176,643
Payables to group enterprises	10	54,540,991	36,631,685
Other payables	11	3,640,455	11,673,007
Current liabilities other than provisions		**73,273,390**	**60,623,338**
Liabilities other than provisions		**78,628,516**	**65,706,190**
Equity and liabilities		**43,748,294**	**39,710,662**
Going concern	1		
Events after the balance sheet date	2		
Unrecognised rental and lease commitments	12		
Contingent assets	13		
Assets charged and collateral	14		
Related parties with controlling interest	15		

Statement of changes in equity for 2023

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50,000	(28,555,600)	(28,505,600)
Corrections of material errors	0	(2,224,930)	(2,224,930)
Adjusted equity beginning of year	**50,000**	**(30,780,530)**	**(30,730,530)**
Profit/loss for the year	0	(7,889,854)	(7,889,854)
Equity end of year	**50,000**	**(38,670,384)**	**(38,620,384)**

Notes

1 Going concern

In order for the company to meet is liabilities as they fall due the parent company Forenom Oy have issued a Letter of support to the company. The letter of support from Forenom Oy is valid until and including 31 December 2024 and states that Forenom Oy will provide the necessary liquidity. In addition, Forenom ApS, has entered into a cash-pool agreement with the parent company (Forenom OY) as the owner of the account. Forenom ApS's balance in the cash pool scheme amounts to a total of DKK 42,6 million (2022: 31,5 M.DKK) as of the balance sheet date. Due to these conditions, Forenom ApS is highly dependent on the continued operations of Forenom OY.

The parent company has an existing loan facility, that currently is under renegotiation. This loan facility originally had a termination date the 30th of april 2024, however an addendom to the loan agreement has been made, securing a standstill period until the 30th of september 2024. During this period the parent company (Forenom OY) and the bank will negotiate a new loan agreement, that will secure the continued operations of the group. The group is dependent upon securering this loan facility, to continue as a going concern.

The Financial Statements are prepared on the assumptions, that the necessary funding will be obtained through one or more of the current ongoing dialogues, and therefore prepared on a going concern basis. However, material uncertainty exists to the group's and Forenom ApS' continued operations, until the final new loan facility has been secured at group level.

2 Events after the balance sheet date

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

3 Staff costs

	2023 DKK	2022 DKK
Wages and salaries	15,761,043	13,551,895
Pension costs	1,383,806	696,866
Other social security costs	458,132	194,289
	17,602,981	**14,443,050**

Average number of full-time employees	**39**	**25**

4 Other financial income

	2023 DKK	2022 DKK
Other interest income	0	16,880
	0	**16,880**

5 Other financial expenses

	2023 DKK	2022 DKK
Financial expenses from group enterprises	2,309,352	1,545,440
Other interest expenses	18,187	16,190
Exchange rate adjustments	11,178	28,218
	2,338,717	**1,589,848**

6 Intangible assets

	Acquired intangible assets DKK
Cost beginning of year	9,441,996
Additions	8,350,586
Cost end of year	**17,792,582**
Amortisation and impairment losses beginning of year	(110,697)
Amortisation for the year	(1,644,673)
Amortisation and impairment losses end of year	**(1,755,370)**
Carrying amount end of year	**16,037,212**

7 Property, plant and equipment

	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	125,386	25,200,918
Additions	212,760	5,450,654
Disposals	(10,002)	(510,913)
Cost end of year	**328,144**	**30,140,659**
Depreciation and impairment losses beginning of year	(103,837)	(10,300,782)
Depreciation for the year	(42,182)	(6,187,935)
Reversal regarding disposals	8,170	417,914
Depreciation and impairment losses end of year	**(137,849)**	**(16,070,803)**
Carrying amount end of year	**190,295**	**14,069,856**

8 Other provisions

Other provisions consists of provisions for legal cases and for refurbishment of lease contracts.

Provisions for disputes and legal cases are measured at the best estimate of the related costs to settle liabilities as of the balance sheet date.

Provisions for refurbishment of lease hold contracts are based on an management estimate of the expected

costs for refurbishing the tenancies. When evaluating the estimate, management has used the historical costs for refurbishment of lease holds.

The estimates used are based on assumptions that the management deems reasonable, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate and unexpected events or circumstances may occur. Furthermore, the company is subject to risks and uncertainties which may lead to the actual results deviating from these estimates.

The notes state the assumptions about the future and other discretionary uncertainties at the balance sheet date, where there is a significant risk of changes that could lead to a significant adjustment of the accounting value of the assets or the liability within the next financial year.

9 Non-current liabilities other than provisions

	Due after more than 12 months 2023 DKK	Outstanding after 5 years 2023 DKK
Payables to group enterprises	3,274,653	0
Holiday pay obligation	521,268	521,268
Other payables	1,559,205	0
	5,355,126	**521,268**

Holiday obligation consists of frozen holiday payment, and will be payed as the individual employees retire. Payables to group enterprises and other payables has no expected outstanding amount after 5 years.

10 Payables to group enterprises

The Forenom Group has entered into a cash pool agreement with Nordea. The parent company Forenom OY is the owner of the account and the Group's subsidiaries are sub-account owners. Nordea can settle withdrawals and deposits against each other, and the net amount constitutes a balance between Nordea and Forenom OY. Forenom ApS's balance in the cash pool scheme amounts to a total of DKK 42,6 million (31,5 M.DKK) as of 31.12.2023 and is presented as payable to affiliated companies.

11 Other payables

	2023 DKK	2022 DKK
VAT and duties	368,337	4,298,898
Wages and salaries, personal income taxes, social security costs, etc. payable	611,220	220,085
Holiday pay obligation	601,540	705,470
Other costs payable	2,059,358	6,448,554
	3,640,455	**11,673,007**

12 Unrecognised rental and lease commitments

	2023 DKK	2022 DKK
Liabilities under rental or lease agreements until maturity in total	**21,515,604**	**16,821,807**

13 Contingent assets

The company has an unrecognized deferred tax asset amounting to TDKK 7,808 (2022: TDKK 6,470).

14 Assets charged and collateral

Forenom ApS has provided bank guarantees for t.DKK 6.376 as part of its normal operations.

15 Related parties with controlling interest

The company is reflected in the group report as the parent company Forenom OY, Mannerheimintie 113, SF-00280 Helsinki, Finland.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Material errors in previous years

Management has identified a number of provisions for other payables that has been incorrectly recognized in prior years. This relates to a number of accruals, including general accurals, tax account reconciliation etc. The provisions relate to a number of postings from previous years, and are therefore recognized as a significant error from previous years. Due to this, the equity at the beginning of the year has been adjusted by 2.224.930 DKK. In addition the comparative figures have been adjusted, resulting in an increase of other payables and a decrease of equity. The correction has no tax effect, and no P&L effect.

In addition, a material error related to the aquission of intangibles has been identified, as not all contracts for intangible assets was capitalized. The comparative figures have been adjusted due to this, resulting in an increase of the intangible assets by 1,6 mio. DKK, a decrease of property plant and equipment of 0,4 mio. DKK, and an increase of other payables by 1,2 mio. DKK. The correction has no tax effect, and no P&L effect.

Lastly, a number of mapping changes has been made for asset and liabilities, to give a more true and fair view of the financial statement.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the

income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales
Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses
Other external expenses include expenses relating to the Entity's normal activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs
Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses
Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Other financial income
Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Balance sheet

Intellectual property rights etc.
Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

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

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-10 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

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

Other provisions
Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.