



Annual report

2023

Approved at the Company's annual
general meeting 8 April 2024

Chair, Lars Bloch

Table of content

2023 highlights →

Words from the CEO: Empowered by a resilient strategy	03
The emagine DNA	05
Statistics of the year	07
Key events of the year	08
Financial highlights	10
Markets we operate in	11
Performance review	12
Outlook 2024	14

Our business →

Trends shaping the industry	16
The emagine business model	18
2025 strategy: Paving the way for global recognition	22
Expansion through acquisitions	25
Crafting a unique company culture	28
Embracing change as an opportunity for growth and global excellence	30
Harnessing AI for quality and speed in service delivery	32
Risk management	34

ESG & Governance →

Pioneering sustainability, social responsibility, and ethical governance for a brighter future	37
Material topics	40
Double Materiality Matrix 2024	41
Stakeholder engagement	44
Sustainability Roadmap	46
Environmental	47
Case: reducing e-waste and promotes a circular economy through recycling	48
Social	50
Case: Leadership programme	51
Case: People-centric leadership: Finding strengths in diversity	52
Gender Pay gap analysis	55
Governance	56
Applied ESG governance	57
Statutory gender reporting	58
ESG figures	59
ESG Accounting Policies	60
Corporate governance	61
Internal control measures	63
Board of directors	64

Financial statements →

Consolidated financial statements	67
Parent Company financial statement	101
Management statement	112
Independent auditor's report	114

About this report: Annual reporting covers emagine's environmental, social and governance related impact and actions and serves as the statutory statement on corporate social responsibility, the underrepresented gender and data ethics policy in accordance with sections 99a, 99b, and 99d of the Danish Financial Statement Act. Please see the ESG and Governance section.



Empowered by a resilient strategy

I am pleased to present the executive summary of the emagine Group's annual report for 2023. It has been a remarkable year for us, marked by record-breaking achievements, strategic acquisitions, and a steadfast commitment to our vision and values.

By Anders Gratte, CEO emagine





Achieving remarkable outcomes despite market fluctuations

Despite having to navigate challenging global macroeconomic conditions, and confronting lower demand in the Nordics, emagine Group delivered outstanding results in 2023. We achieved record revenue and adjusted EBITDA, which showcases our resilience and adaptability in the face of adversity.

In 2023, we expanded our footprint through the acquisition of two Swedish consultancies, Skillspark and Quality Sourcing. This strategic move has not only opened new market avenues, but has also elevated our services to unparalleled heights in the Group. We believe these acquisitions will contribute significantly to our growth and market presence.

Over the past year, emagine has invested significant effort into seamlessly integrating previous acquisitions into our ongoing operations. We worked hard to align the acquired entities with our existing frameworks and processes, which will continue in the coming year, as we set our sights on other strategic initiatives.

Demonstrating our commitment to excellence through ambitious goals

Our commitment to high-level investment remains unwavering, and we focus on nurturing our employees and enhancing operational and digital frameworks. As we actively explore acquisition opportunities in the market, these investments are crucial to successfully implementing our long-term strategy for sustainable and profitable growth.

emagine is driven by the ambitious vision of becoming a consultancy that is recognized as an industry pioneer. We focus on three key pillars — consolidating operations, enhancing core offerings, and developing a unique operating model — and are committed to excellence in service delivery, sustainability, and client satisfaction. This strategy is not merely a roadmap: it reflects our dedication to challenging and enhancing the way businesses leverage expertise.

We are dedicated to improving our environmental performance, and have set ambitious goals to monitor progress. Over the last two years, we have included all relevant indirect emissions in our reporting, which reflects our commitment to accurate and transparent business insights. Our

goal is to achieve the EcoVadis Gold rating by the end of 2024. .

A resilient strategy allows for an optimistic outlook

I would like to express my sincere gratitude to our employees, clients, consultants, partners, and stakeholders. Your unwavering support and dedication have been instrumental in our success, and we look forward to continuing our collaborative journey of shared accomplishments.

We anticipate profitable organic growth of between 5–10% in 2024, and remain optimistic, despite geopolitical instability and financial market fluctuations. We foresee a steady demand to drive growth in our IT consultancy services, supported by our resilient business strategy and strong market position.

emagine remains steadfast in its pursuit of excellence, innovation, and sustainable growth. We are confident that our strategic initiatives and stakeholders' commitment will propel us to new heights in the coming year.

**Sincerely,
Anders Gratte**

CEO, emagine



The emagine DNA – Becoming an industry pioneer

Our entire way of thinking, operating, and doing business is rooted in our DNA, and desire to challenge and enhance the way businesses leverage expertise. It's based on a strong set of values, which characterizes the type of company we are, but more importantly, who we are as people. Ultimately, we work towards the same goal, to fulfil our vision.

Purpose



Driven by a desire

to challenge and enhance the way businesses leverage expertise

Values



Characterized by being

Dedicated - Responsible - Genuine - Confident

Mission



With a promise

to continuously find new ways to deliver, no matter the timing, place or expertise



Vision

To become a global consultancy, recognized as a pioneer in the industry



Being a pioneer means

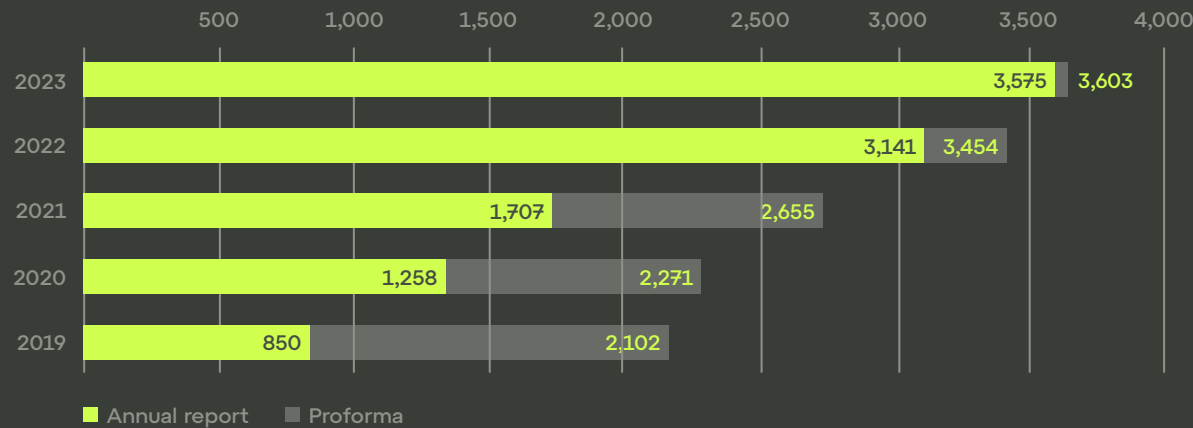
... challenging status quo and the has-been. It means to challenge the traditional consultancies and the brokers. We are neither, but a better alternative, who dares to defy conventional methods and processes, ultimately to disrupt ourselves, the industry and our clients' way of thinking.

We explore new paths to excellent delivery, by acknowledging that true expertise is not defined by location or terms of employment. Skills are placeless. And so, we elevate ourselves to become a pioneer within our industry, by changing the old ways of consulting to the better.



Statistics of the year

Revenue (DKKm)



Revenue growth
14%

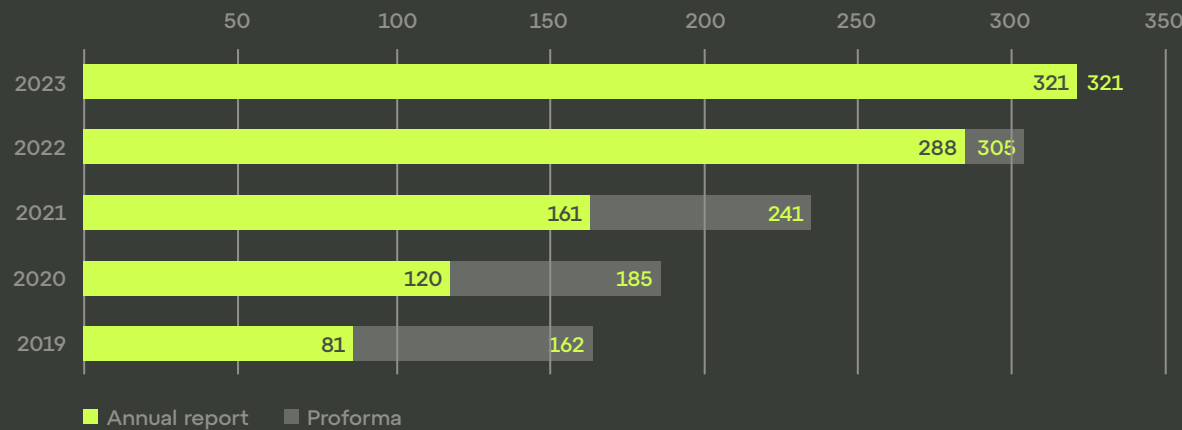
Proforma revenue growth
4%

Proforma revenue growth (5y avg.)
13%

Certificates



EBITDA Adjusted (DKKm)



EBITDA (adjusted) growth
11%

Proforma EBITDA (adjusted) growth
5%

Proforma EBITDA growth (5y avg.)
19%

Following management' assessment of the nature of the TPM revenue stream in connection with the IFRS conversion, it has been concluded that the gross profit from TPM services shall be presented net, whereas this have in previous years been presented gross.



Key events of the year



Q1

New managing Director in Ireland

In early 2023 Gillian Whelan was appointed as the new Managing Director of emagine Ireland. Having previously held leadership positions in the Irish business, she was appointed Managing Director due to her extensive knowledge of our client's challenges and needs, and her track record in delivering innovative and customised client solutions. Gillian's impressive track record sees her poised to steer emagine Ireland towards continued innovation and growth in the ever-evolving and fast-paced tech landscape.



Q2

A new era in Poland

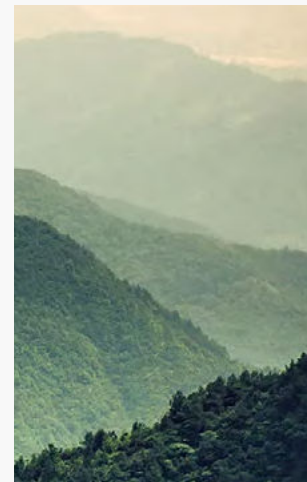
A new Managing Director of emagine Poland was appointed in June when Mikael Subotowicz took over the domestic operations. Mikael has substantial experience from management positions in several Eastern European companies, particularly Polish entities connected to Scandinavia, and an impressive track record of successfully developing those organizations.



Q1

New managing Director in UK

In early 2023 we welcomed Doug Collyer as the new Managing Director of emagine UK. Doug brings a wealth of sector and management experience to emagine, and his strong entrepreneurial mindset will be instrumental in growing the UK business further.



Q2

Welcoming Skillspark to the Group

As pioneers in flexible freelance-based IT services in the Nordics, Skillspark perfectly complements emagine's mission to challenge consultancy norms, enhancing our global presence, and expanding our offerings in bestshore and remote frameworks.



Key events of the year



Q2

Quality Sourcing joins the Group

With a focus on partnering with leading Swedish consultants, Quality Sourcing addresses changing client needs through a scalable approach. emagine's acquisition of Quality Sourcing provides an opportunity to fortify our position in the Swedish market and extend our client reach nationwide.



Q3

Launching bestshore practices

We believe the future is about sourcing skills from all over the world, and acquiring Skillspark fits perfectly into the company's vision of adopting a location-agnostic approach. Finding talent extends beyond physical spaces, which is why we implemented a bestshore division to further develop this competitive offering. Bestshore at emagine is helmed by Zoran Covic, whose strong commercial mindset and experience in the industry are sure to help emagine reach our strategic objectives.



Q3

Earning a silver medal in sustainability

We're delighted to announce that we've earned the EcoVadis Silver Medal, recognizing our dedication to sustainability. Ranking in the top 11% globally for social responsibility underscores our firm commitment to environmentally and socially responsible practices, with strengths in energy consumption policies and labor rights, particularly through employee engagement.



Q4

Generational change in France

In November we welcomed Xavier Ferrieux as the new Managing Director of emagine France. Xavier's deep understanding of our sector's nuances and challenges plays a pivotal role in furthering our strategic objectives and driving emagine's French division to greater success.



Financial highlights

In DKK million	2023	2022	2021	2020	2019
Income statement					
Organic	3,231.0	2,102.8	1,500.6	974.2	850.4
Acquisition	343.5	1,038.7	206.0	283.7	-
Revenue by growth, total	3,574.5	3,141.5	1,706.6	1,257.9	850.4
Denmark	1,227.6	992.7	833.2	736.0	608.4
Other markets	2,346.9	2,148.8	873.4	521.9	242.0
Revenue by market, total	3,574.5	3,141.5	1,706.6	1,257.9	850.4
Revenue	3,574.5	3,141.5	1,706.6	1,257.9	850.4
Gross profit	679.4	550.4	244.7	182.8	148.1
Adjusted EBITDA	320.6	288.2	160.7	119.6	81.2
Special items	-54.6	-14.6	-26.3	-20.3	-1.1
EBITA	286.2	259.7	119.2	84.1	67.0
Net financials	-63.7	-30.3	-3.5	-4.2	-3.7
Net profit	70.0	119.7	69.8	46.2	41.0
In DKK million	2023	2022	2021	2020	2019
Proforma income statement					
Revenue	3,603	3,454	2,655	2,271	1,904
Adjusted EBITDA	321	305	241	185	162
Revenue growth	4.2%	30.1%	16.9%	8.1%	10.4%
Adjusted EBITDA	8.9%	8.8%	9.1%	8.1%	7.7%

In DKK million	2023	2022	2021	2020	2019
Financial positions					
Investment in tangible assets	5.4	13.1	3.1	3.5	3.9
Total assets	2,308.6	2,320.3	1,392.5	601.8	321.3
Equity	540.4	449.1	203.4	178.5	102.6
Revenue by growth, total					
Cash flows from operating	119.4	77.3	158.3	164.8	66.7
Cash flow from investing	-42.9	-251.3	-437.3	-49.9	-10.0
Cash flows from financing	-99.9	130.5	370.8	4.6	-66.9
Net cash flows	-23.5	-43.6	91.7	119.5	-10.3
Employees					
Average number of full-time	603	453	199	150	141
Financial ratios					
Organic revenue growth	53.7%	40.1%	54.0%	14.6%	6.7%
Revenue growth	13.8%	84.1%	35.7%	47.9%	6.7%
Adjusted EBITDA margin	9.0%	9.2%	9.4%	9.5%	9.6%
EBITDA margin	7.4%	8.7%	7.9%	7.9%	9.4%
Adjusted EBITA margin	8.0%	8.3%	8.5%	8.3%	8.0%
EBITA margin	6.5%	7.8%	7.0%	6.7%	7.9%
Return on equity	14.1%	36.7%	38.9%	40.5%	58.8%
Solvency ratio	23.4%	19.4%	14.6%	29.7%	31.9%

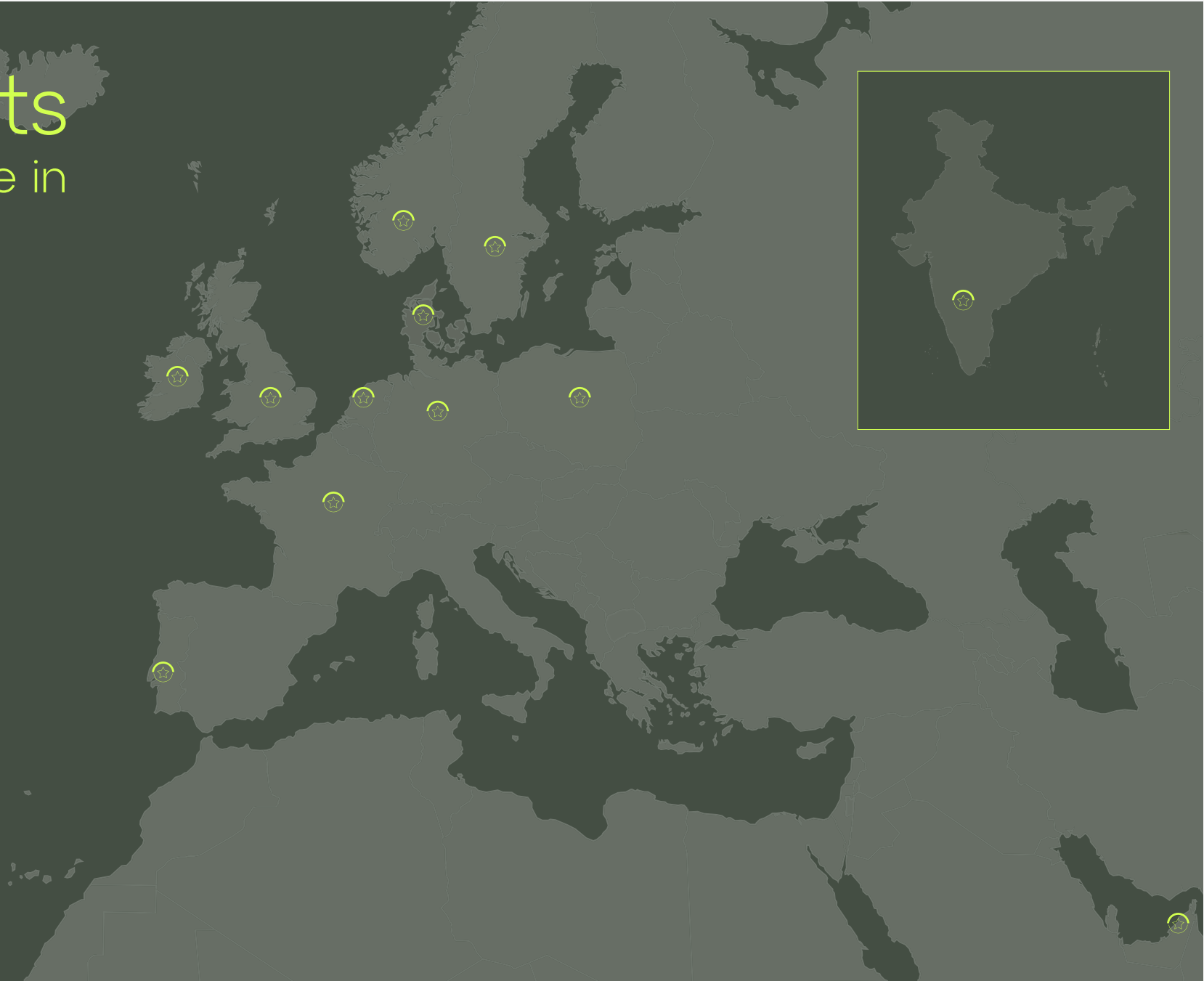
Financial ratios are calculated as presented in the accounting policies note 29 to the group financial statements.

The financial statement amounts for 2023 and 2022 have been prepared in accordance with IFRS. For previous years the Danish Financial Statement Act is applied.



Markets we operate in

- Denmark
- France
- Germany
- India
- Ireland
- The Netherlands
- Norway
- Poland
- Portugal
- Sweden
- UAE
- United Kingdom





Performance review

emagine Group generated record high revenue and adjusted EBITDA. We have made large investments in businesses through acquisitions, our operating systems and in our organization.

In 2023, emagine Group had yet another record-breaking year, marked by record-high revenue and adjusted EBITDA. Despite facing headwinds such as challenging global macroeconomic conditions and especially general lower demand in the Nordics, weaker Norwegian kroner (NOK) and Swedish kroner (SEK) impacted negatively reported figures in Danish kroner (DKK) with respectively 11.3% and 7.3% vs. 2022 the group demonstrated resilience and adaptability.

Performance

In 2023 emagine grew revenue by 13.8% to DKK 3,574 million (2022: DKK 3,141 million). The revenue growth was satisfactory, and within the ambitious target set for the year in 2022 of 10-20% revenue growth. The European market has been characterized by uncertainties, which

have impacted on the demand for new projects, especially in the finance sector. However, a general uplift in demand was observed in the last part of 2023, and 2024 therefore looks promising.

Our IT consultancy services comprise three segments: Consulting, Bestshore and Other. Within the Consulting segment, we offer IT consultants individually to clients for longer or shorter durations. Often, we provide more than one consultant for the client either on location or remote. Within the Bestshore segment, we support the operation of parts or entire IT specialist teams for clients either onshore, nearshore, or offshore. The demand in the Bestshore segment is typically not driven by a temporary need for specialized competences but a more permanent need for certain skills.



By Lars Bloch, CFO emagine



Revenue from the Consulting segment represented 79% (2022: 80%) of revenue in 2023, whereas Bestshore revenue accounted for 19% (2022: 17%).

Our gross profit margin increased from 17.5% in 2022 to 19.0% in 2023.

Sales and marketing expenses rose by 31% to DKK 217.4 million, aligning with Emagine's growth trajectory. Administrative costs saw a 51% increase to DKK 147.7 million, due to higher personnel costs, external expenses, and investments in operational systems and processes aimed at ensuring scalability. The group has focused on tight cost control across the group, which will continue in 2024.

Adjusted EBITDA, margin was 9.0% compared to 9.2% in 2022. EBITDA margin was 7.4% compared to 8.7% in 2022.

Amortizations amounted to DKK 51.3 million 2023, which is slightly higher compared to 2022. During the year, some self-developed platforms were completed and started to be amortized, and emagine recognized additional intangible assets from the acquisition of Skillspark and Quality Sourcing.

Special items totaled DKK 54.6 million (2022: DKK 14.6 million) relating to costs for acquisitions, integration and restructuring.

Net financials were negative DKK 63.6 million compared to negative DKK

30.3 million in 2022 and increased due to an increase in the global interest rate level when compared to last year.

Tax on profit was DKK 46.6 million, resulting in an effective tax rate of 40%, mainly influenced by non-deductible interests in Denmark. Consequently, net profit for the year stood at DKK 70.0 million (2022: DKK 119.7 million), a decrease of 41.6%, driven by the items mentioned above.

Management deems the period's results as satisfactory, reflecting our resilience and adaptability in a dynamic market environment.

Strategic acquisitions, initiatives, and investments

In 2023, emagine enhanced its market presence through the strategic acquisition of Skillspark, and in particular in Sweden, through the acquisition of Quality Sourcing. These acquisitions underscore our commitment to expanding into new businesses and markets, which will continue in 2024. Our approach of diversifying across multiple markets has consistently driven faster growth than our peers, optimizing resource allocation and reducing reliance on any single market, revenue stream or industry exposure.

emagine's dedication to sustained growth is further demonstrated by our substantial investments aimed at expanding and scaling the company. Key

initiatives have included fortifying our IT infrastructure, refining our organizational structure, and enhancing compliance and cyber-security measures. Additionally, we have invested in increasing brand recognition, strengthening employer branding, and intensifying our focus on Environmental, Social, and Governance (ESG) practices. These strategic efforts are pivotal in our ongoing journey towards greater market dominance and operational excellence.

The parent company emagine Consulting A/S and branch

In 2023, emagine Consulting A/S, our parent company including branch in Norway without activity, reported a revenue of DKK 1,043.6 million. This represents a notable increase of DKK 44.6 million or 4.4% from the previous year. The revenue growth occurred despite a challenging environment in the Danish market, where uncertainties led clients to approach new projects with caution.

The year also saw a change in sales and marketing costs and administrative costs, which totaled DKK 127.9 million, compared to DKK 145.7 million in 2022.

The profit before tax for 2023 was DKK 43.0 million, a change from DKK 25.2 million in the preceding year. Correspondingly, income tax for the year amounted to DKK 14.0 million, compared to DKK 12.9 million in 2022.

The net profit for the year stood at DKK

29.0 million, against DKK 12.3 million in 2022. Reflecting the company's strong financial position, equity rose to DKK 382.5 million as of 31 December 2023, up from DKK 353.4 million at the end of 2022.

Besides the foregoing, no other relevant matters regarding the parent company are unmentioned in the Management Review for the Company.

Financial performance against guidance for 2023

In the 2022 annual report, we projected a Group revenue growth of 10-20% for 2023. The actual growth achieved was 13.8% and thereby within our expectations. The adjusted EBITDA for 2023 stood at DKK 320.6 million, a change from DKK 288.2 million in 2022. The adjusted EBITDA margin was recorded at 9.0% for 2023, compared to 9.2% in the previous year.

The primary factors contributing to these results include heightened investment and research expenses incurred in the development of our operating systems. Also, the costs associated with implementing our new strategy and further investments in organizational growth impacted on our financial performance. These expenditures, though significant, are essential steps toward our long-term objectives and strengthening our market position even further.



Group outlook

Revenue growth
5-10%

Revenue in DKK
billion
3.8 - 4

Adjusted
EBITDA margin
9-10%

Outlook 2024

The emagine Group expects to continue the profitable growth in 2024.

In 2024, emagine Group is anticipated to achieve a profitable growth between 5-10%. This projection comes despite the current challenges of geopolitical instability and the fluctuations of the financial markets. We do foresee a steady demand driving growth in the IT consultancy services.

Our commitment to high-level investment remains steadfast. The focus will be on nurturing our employees and enhancing both our operational and digital frameworks. Additionally, we are actively exploring acquisition opportunities in the market. These investments are crucial to successfully implementing our long-term strategy aimed at sustainable and profitable growth, and integrating these with our existing operations will streamline efficiency.

We forecast the adjusted EBITDA margin to be between 9.0% and 10.0%, and EBITDA margin to be between 8.0% and 9.0%

Our business

Strategy, business model and achievements



Key trends that shape the industry landscape



Digitalization gives competitive advantages

In recent years, digitalization has become a key driver of competitiveness among industries. As technology continues to advance, businesses that embrace digital transformation acquire a significant advantage over their competitors. From streamlined operations to enhanced customer experience, digitalization continues to open new doors for innovation and efficiency. Companies that invest in cutting-edge technologies such as AI, data analytics, and automation position themselves as leaders in their respective fields.



The war for talent: Attracting and retaining the best

The competitive landscape extends beyond products and services, to the talent pool. The war for talent is an ongoing challenge for businesses, as they vie for the best and brightest minds in the industry. At the same time, sought-after specialists seek alternative and more flexible ways of working: The gig economy is reshaping traditional employment structures. Experts in their fields are opting for freelance, part-time, or project-based employment.



The gig economy: Flexibility becomes a differentiation factor for employees

Taking advantage of the gig economy enables businesses to address immediate skill gaps, while engaging external specialists provides an effective solution for demands and project-specific needs. This strategic shift not only broadens the talent pool, but also positions organizations as innovative and adaptive players in the competitive landscape. By incorporating external talent into talent acquisition strategies, businesses may navigate fluctuations in demand, drive innovation, and ensure long-term success.



Key trends that shape the industry landscape



Embracing distributed teams as a direct response to market demands

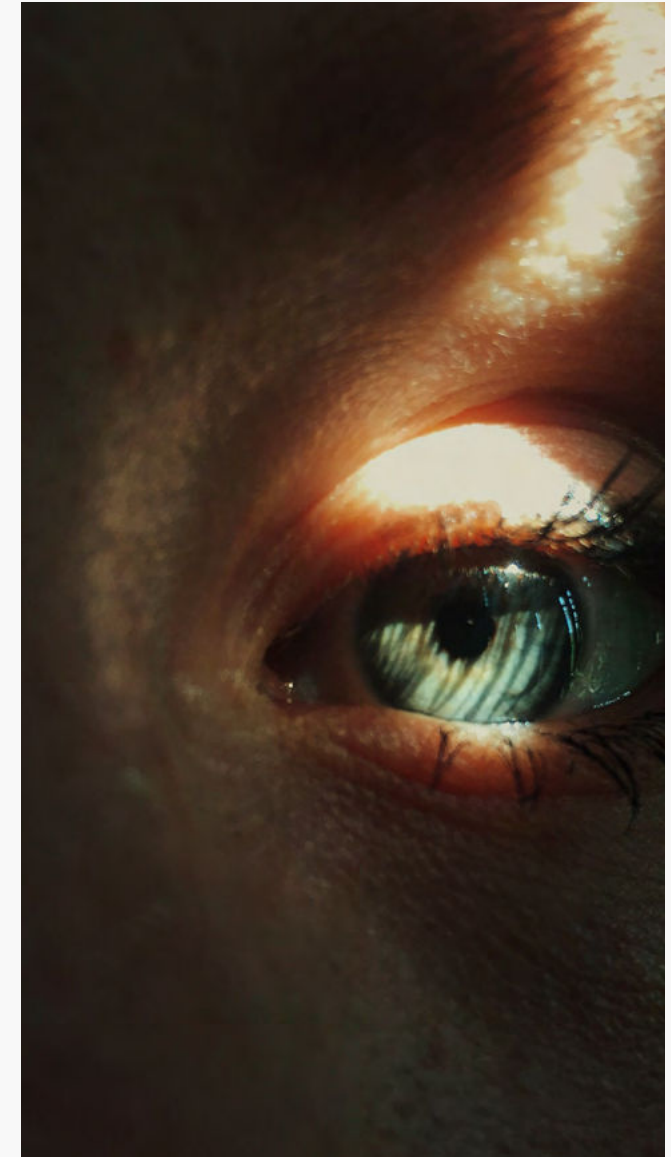
The concept of distributed teams is not new, but its significance has grown exponentially in the past few years. The global shift to remote work has been accelerated by technological advancements, changing work preferences, and the need for business continuity in unprecedented times.

Organizations that invest in robust remote work infrastructure and cultivate a remote-friendly culture are better positioned to attract top talent and adapt to evolving work dynamics, while benefiting from an expanded pool of talent and expertise.



Scalable IT is paramount: Building for the future

In an era when agility is key, scalable IT infrastructures are imperative for businesses that seek to thrive. Scalable IT solutions enable organizations to adapt to changing demands, whether it be rapid expansion, technological upgrades, or unforeseen challenges. Cloud computing, modular architectures, and flexible IT frameworks allow businesses to scale their operations seamlessly. A scalable IT infrastructure not only supports growth, but also enhances efficiency, resilience, and the ability to stay ahead of the competition.





The emagine business model

Offering high-end business and IT consulting services in six areas of expertise, with global reach and delivery

The emagine business model was established and crafted to provide scalable, flexible, and, most importantly, high-quality business and IT consulting services while maintaining the agility to navigate and respond to the swiftly evolving business and digital landscape.

In recent years, the foundational elements on which our company is built have proven to be the right ingredients for a resilient business model. Even in challenging times, the company has achieved substantial and profitable growth by remaining relevant, attractive, and creating value for our clients, partners, and stakeholders. By merging the knowledge and experience of our in-house consultants with the expertise of our extensive network of freelance experts, we ensure profound subject-matter expertise in business and IT, delivered at scale. Our commitment to timely, and precise delivery is supported by a fully compliant setup, driven by efficient administrative staff, and supported by our state-of-the-art IT systems and processes.

High-end business and IT consulting services

emagine stands as a high-end business and IT consultancy, propelled by our foundational elements, which drives progress, overcomes challenges, and delivers solid results through customized consultancy services. We operate as a comprehensive business and IT consultancy, which guides clients through a 360-degree service journey. We use a practice-led approach, and offer a range of services, including local staff and team augmentation, establishment of nearshore, offshore, and remote teams, vendor consolidation, managed services, and training and advisory services. Ultimately, our approach ensures tailored services and solutions that add value for clients, which enables them to stay

ahead of the competition, accelerate change and transformation, and achieve the scalability and flexibility required to navigate a dynamic world and digital landscape.

Our core belief is that our business model and service delivery methods represent the future. We reject the idea of pulling people off the bench and assigning them to tasks, or simply forwarding consultant CVs from point A to B. It's time to challenge the existing norms that surround the delivery of business and IT services.

We believe in delivering customized consulting services with carefully chosen expertise, to address each client's unique challenges. As the gig economy encourages the best minds and specialists to adopt an independent mindset, and the pace of change accelerates throughout the digital landscape, there is an increasing demand for consultancies that enable companies to tap into these trends while ensuring the expertise and value that consultants bring. This goes beyond merely bridging gaps between two parties: it involves taking ownership of delivery, value creation, and results.

We are rooted in a location-agnostic approach and a strong belief that skills are placeless, and are here to challenge how businesses leverage high-end expertise, by utilizing a winning combination of exceptional in-house experts and an extensive network of freelance experts, all supported by a robust backbone of people and systems.



Services



Advisory & Solutions

Taking the clients from strategic initiatives to tangible results. We specialize in advising, driving change, and creating value.



Consulting

Scale up with proven high-end business and IT consultants in a flexible setup.



Managed teams and services

Enhance your development, support, or operation with our Managed teams and services. We customize the service depending on your requirements.



Training

Bespoke training to enhance organizational and team performance, including courses and certifications.

Areas of expertise



Strategy, Change & Transformation



Development & Test Management



Project Delivery



Data & Analytics



Digital infrastructure & IT Operations



Risk management, Security & Compliance

Bestshore delivery



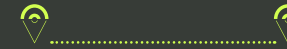
Onshore

On-premises delivery all over Europe



Nearshore

Development centres in Poland and Portugal



Offshore

Development centre in India



Remote

Utilizing a global workforce of IT experts



Delivery facilitators

The core of our ability to provide unparalleled solutions rests on a set of delivery facilitators that form the bedrock of our success.

A winning combination: The future is hybrid

To embrace the future of work, our organization thrives on a winning combination of global network expert freelancers and in-house professionals. This dynamic approach ensures that we tap into a diverse talent pool, foster creativity, and adapt swiftly to the market's ever-evolving demands.

A solid backbone

Dedicated employees

Our dedicated team forms the heartbeat of our operations. Committed and skilled individuals, each contributing their unique strengths, create a cohesive workforce that is the driving force behind our service excellence.

An industry-leading IT platform

Our commitment to staying ahead in the technological landscape is reflected

A winning combination



Inhouse experts



Freelance consultants

A solid backbone



Dedicated employees



Strong systems and processes



One company culture

A location-agnostic approach



Recognizing that skills are placeless, we adopt a location-agnostic approach.

Onsite, nearshore, offshore, remote



Constantly exploring new potential and venturing into new markets, we transcend geographical boundaries to harness talent wherever it may reside.

in our industry-leading IT platform. This robust infrastructure not only enhances efficiency, but also ensures seamless communication and integration across all facets of our service delivery.

One company culture

To unify our efforts and strengthen our service ethos, we foster a cohesive company culture. Our commitment to a unified service approach and cross-border collaboration ensures that every team member is aligned with our core values, which creates a harmonious work environment.

Location-agnostic approach

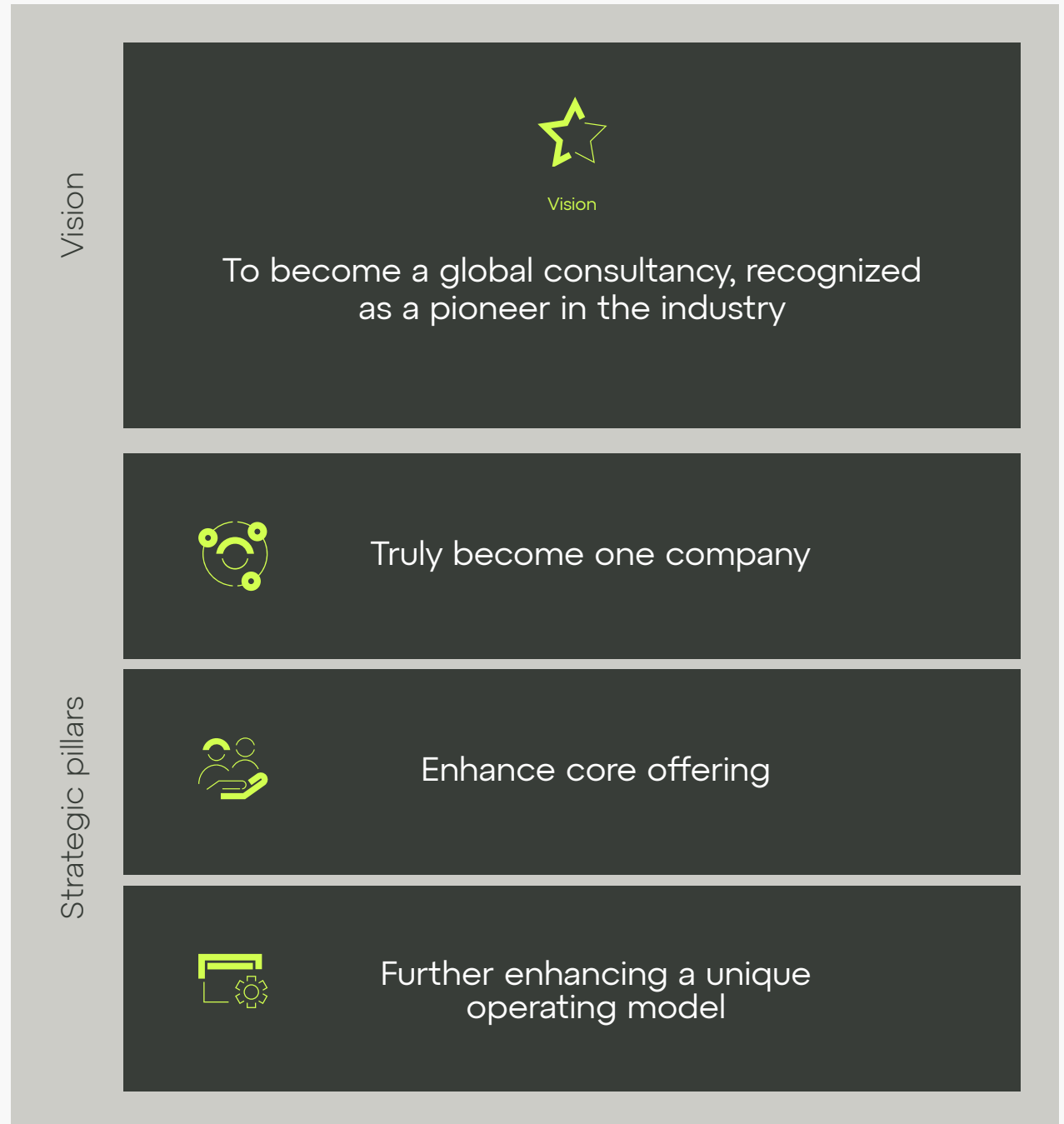
We recognize that skills are placeless, and adopt a location-agnostic approach. We constantly exploring new potential and venture into new markets, and transcend geographical boundaries to harness talent wherever it may reside. This forward-thinking strategy makes us agile and responsive to the global marketplace.

All in all, our delivery facilitators not only define our service, but also propel us towards new horizons. We are committed to hybrid work, a solid backbone of dedicated employees and cutting-edge technology, and a location-agnostic approach, and stand poised to continue delivering second-to-none service to meet the evolving needs of our clients and the dynamic business landscape.



2025 strategy: Paving the way for global recognition

emagine has outlined a robust business strategy with its ambitious vision of becoming a consultancy recognized as an industry pioneer. The company focuses on three key strategic pillars, and company aims to consolidate its operations, enhance its core offerings, and further develop its unique operating model throughout 2025. This strategic direction is not just a roadmap; it is a commitment to achieving excellence in service delivery, sustainability, and client satisfaction.





One company: Consolidation for unified delivery

emagine embraces the ‘One company’ philosophy, and is dedicated to consolidating its operations and aligning its resources for unified service delivery. This strategy includes enhancing existing market-leading platforms, organizing and developing scalable processes, and incorporating strong efforts in environmental, social, and governance (ESG) practices. By unifying its approach, emagine aims to streamline operations, thereby ensuring a seamless and consistent experience for clients globally.

Our core offering: Focus on excellence

emagine’s commitment to excellence is reflected in its decision to enhance its core offerings. The company will maintain a focus on its strengths, particularly in consulting services through its Bestshore services. This approach allows clients to scale with high-end expertise, and ensures that emagine continues to deliver second-to-none services in terms of speed, quantity, and quality. emagine also encourages clients to look beyond borders, and challenges them to explore new possibilities and markets. The company also plans to establish new talent hubs, to foster a new, supportive environment for a diverse pool of skilled professionals.

A unique operating model: Innovation and collaboration

At the heart of emagine’s strategy is the continuous enhancement of its unique operating model. emagine will continue to build on its successful combination of freelancers and in-house experts, to ensure a dynamic and adaptable workforce. The company aims to expand its portfolio by offering more advanced services, such as advisory and managed services. Establishing stronger bonds with clients and consultants is a key aspect of this strategy, which emphasizes trust and collaboration. By positioning itself as a trusted, full-service provider and partner in business and IT consulting services, emagine aims to consolidate its position in the industry.

An agenda for change

emagine’s strategic roadmap reflects its dedication to achieving global recognition as a pioneering force in the consultancy industry. By focusing on consolidation, excellence in core offerings, and innovation in its operating model, the company aims to have a lasting impact on its clients, the industry, and the world. As emagine continues to evolve and implement its strategy, it is poised to make significant strides towards becoming a global leader in consulting services.



The 2025 strategy reflects our dedication to achieving global recognition as a pioneering force in the consultancy industry



Continued growth and expansion through strategic acquisitions

Our ambition relies significantly on our ability to grow through strategically selected acquisitions. Never on the compromise of obtaining healthy organic growth, or more importantly, never on the compromise of being able to deliver high-quality services to our clients and consultants.

Delivering on our strategic objectives will enhance the our ability to sustain profitable organic growth. But it also paves the way for consistent acquisitive growth, enabling us

to make strategic acquisitions, and successfully integrate new companies and develop significant synergies that benefit clients, consultants, employees, and other stakeholders.

After eight acquisitions in the last four years, emagine acquired two Swedish consultancies in 2023: Skillspark and Quality Sourcing. This partnership has since unlocked new market avenues and advanced our services to unparalleled heights within the Group.

Our approach to acquisitions

Targets

Companies with strong commercial offerings, similarities and success, and with the potential to scale faster with the correct setup.



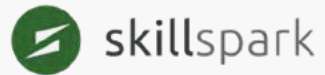
Synergies

Developing synergies through consolidation and best practices, systems, and ways of working. Providing the backbone to further scale commercial success.



Enhanced offering

Growing in existing markets and into new ones, providing clients, consultants, and employees with an enlarged array of services by adding new services and broader selection of offerings as part of the acquisition.



Market presence: **Sweden, Denmark, UK, Poland, UAE**

Core services: Consulting, nearshoring, offshoring, remote

Skillspark are pioneers in the development of flexible freelance-based IT consultancy services in the Nordics. With emagine's ambition to challenge the traditional dynamics of the consultancy market, developing flexible and scalable services lies at the core of our business. Skillspark thereby enhances emagine's international reach and fits perfectly as an addition to our service offering within nearshoring and remote consultancy services.

Established in

2021

Engages more than

100

experienced
technical consultants



Together, we have a vision of unlocking IT competencies across national borders and always providing the best specialists. For modern companies today, accessing the best specialists is paramount. Physical location is no longer a factor. And that is exactly why we have created and built our business based on nearshore and remote consultancy services. emagine has great ambitions in this area, and I see exciting prospects in our new collaboration.

Zoran Covic, Former CEO Skillspark



Quality Sourcing

Market presence: Sweden

Core services: Consulting

Established in
2018

Engages more than
50
experienced IT
and management
consultants

Established in 2018, Quality Sourcing carved out a robust niche in the Swedish market, boasting a commendable track record, particularly within the public sector. Specializing in collaborating with top-tier Swedish consultants, the company adeptly meets the evolving needs of its Swedish clientele through a scalable and adaptable framework. The acquisition of Quality Sourcing by emagine represents a significant opportunity to bolster its presence in the Swedish market, while also expanding its client base across the country.



Crafting a unique company culture for a unified and resilient future

In the dynamic landscape of a multinational company, navigating diverse cultures, people, and process dynamics is a complex task. Over the past years, emagine has acquired a substantial number of companies, which highlights the need for a unified identity and way of working.

One emagine: Unifying cultures, people, and processes

We understand that the strength of being a multinational company lies not only in its expansive reach, but also in its ability to function as a cohesive unit. The vision of being 'one emagine' is rooted in the belief that a shared identity and uniformity of processes across borders are essential to creating a robust and united organization.

The company's commitment to a common ground is not just a visionary statement; it is manifested in every aspect of its operations. From a shared vision that resonates throughout the organization, to a unified platform that facilitates seamless collaboration, emagine is in the process of crafting a culture that transcends geographical boundaries.

Enhanced client experience

By operating as one company, emagine can offer its clients a more streamlined and consistent experience. Regardless of the client's location or involvement with emagine, they can expect a standardized level of service. This consistency ensures that clients receive second-to-none delivery, which establishes positive and reliable associations with the emagine brand.





Empowering consultants

For consultants who work with emagine, a unified culture translates into a seamless and supportive environment. Consultants can rely on consistent processes, shared resources, and a cohesive community that extends beyond borders. This not only enhances their professional experience, but also enables them to deliver their best work, confident in the knowledge that they are part of a network that operates in their best interests.

Employee satisfaction

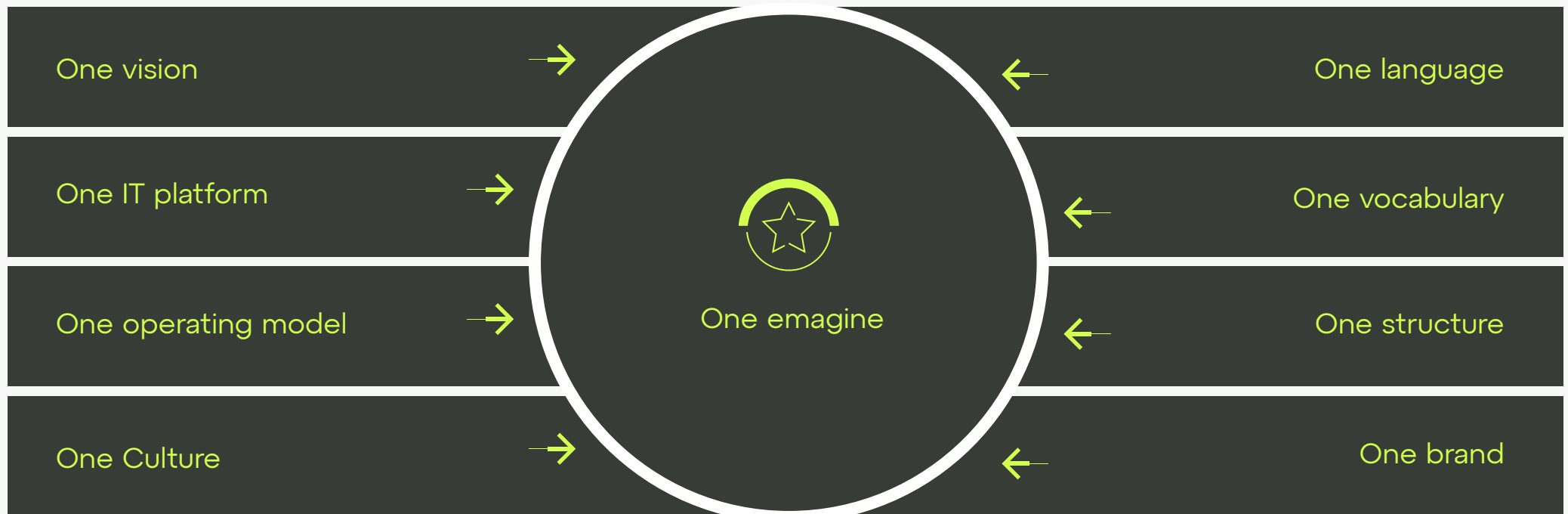
emagine understands the importance of a strong company culture when it comes to its employees, as it directly affects their satisfaction and involvement. A unified culture fosters a sense of belonging and purpose among the workforce, and transcends geographical distance. Employees can align themselves with a common vision, which creates a workplace environment that is conducive to collaboration, innovation, and personal growth.

emagine's journey towards unity

Our dedication to crafting a unique company culture involves a strategic commitment to building a company that operates as one unit, which delivers a consistent and exceptional experience to clients, consultants, and employees alike.

As emagine continues to grow and expand its global footprint, the emphasis on unity in cultures, people, and processes will remain a driving force. Thus, emagine is not just creating a

multinational company: it is shaping an organization that stands as one, united and resilient in the face of ever-changing market demands





Embracing change as an opportunity for growth and global excellence

As we bid farewell to a testing year, it's clear that the challenges of the market have only fuelled our determination to rise above them. In the face of adversity, we have not only thrived, but have emerged stronger, more resilient, and ready to embark on an extraordinary journey in 2024.

By Martin Hartley, CCO imagine



Continuous enhancements to internal structures and product offerings

One of the key pillars of our success has been our significant enhancements to the global internal structures and product offerings. We've invested time and resources to ensure that we are not just keeping up with the market trends, but staying ahead of the curve.

Our commitment to excellence has positioned us as a global, pioneering consultancy, dedicated to hiring and delivering with the top 10%. With our unique hybrid model, we have become the partner of choice for clients that seek unparalleled quality, rapidly and cost-effectively.

We understand the importance of providing services that align with our clients' complex, ever-evolving needs, and our hybrid approach allows us to deliver exactly what they need.

Think globally, act locally: Unifying offerings for cross-border excellence

To further consolidate our commitment to excellence, we have unified our offerings to provide unique cross-border services. By streamlining our Group service catalogue and delivery

processes, clients can always expect impeccable service – the 'emagine way'. This approach ensures that our clients receive consistent, high-quality solutions tailored to their individual needs.

Our mantra of 'think globally, act locally' epitomizes our approach to client service. Although we provide clients with the personalized attention they deserve at a local level, we leverage our global expertise to support enterprise clients across the globe. This strategy allows us to not only meet, but to exceed, our clients' expectations, and deliver solutions that resonate with their specific business landscapes.

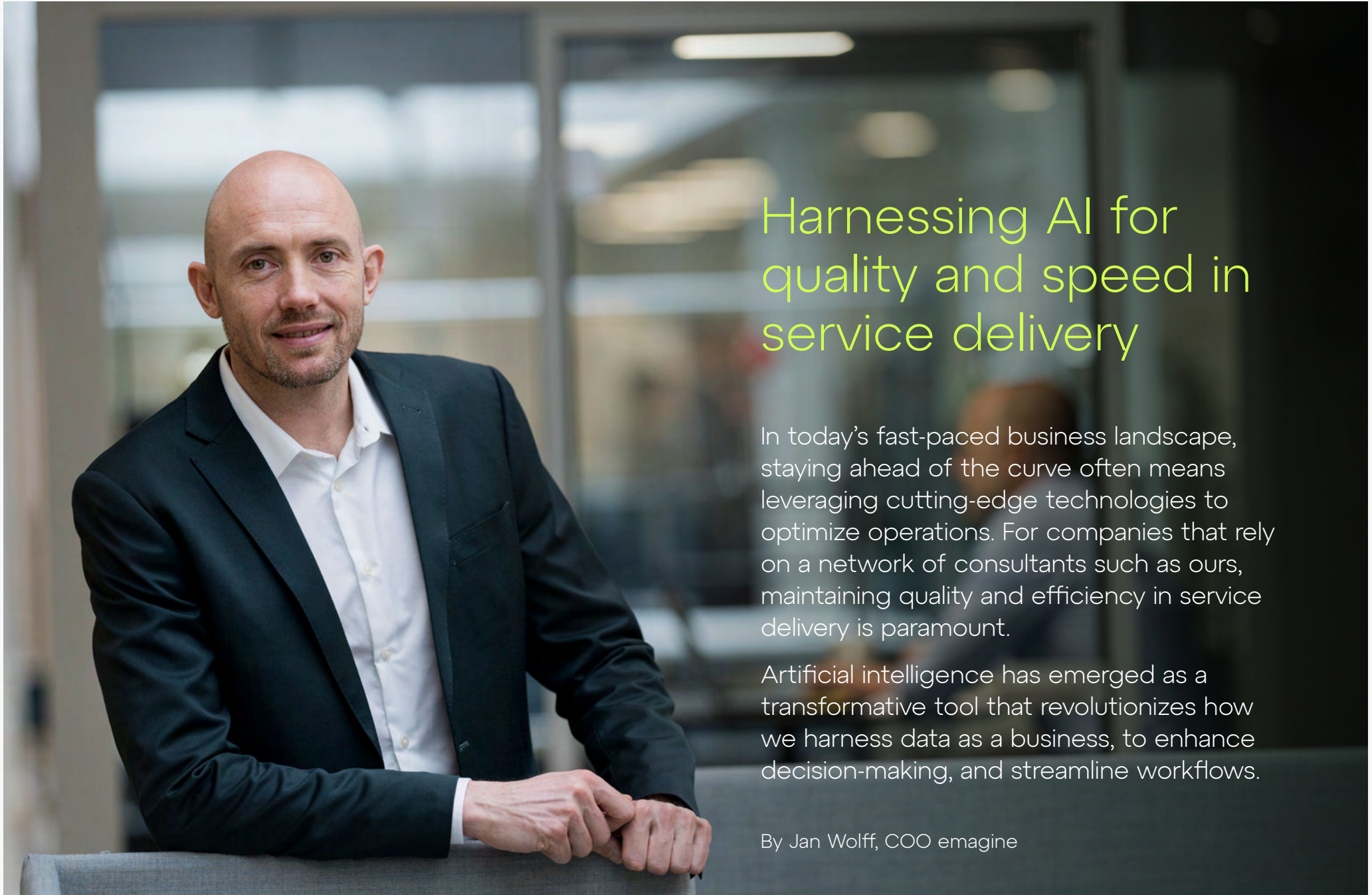
We recognize the increasing demand for a broader range of areas of experience and expertise, and have expanded our Advisory and Managed Services departments. This growth enables us to offer more complex solutions and services that align seamlessly with our clients' evolving needs. We understand that long-term partnerships built on trust are the foundation of success, and our ongoing expansion and reshaping of services reflect our commitment to fostering these relationships.

Ready to take on 2024

As we step into 2024, we stand at the forefront of innovation and excellence in the consultancy space. Our journey has been one of growth, adaptation, and commitment to delivering unparalleled services. By staying true to our values and embracing change, we are poised for a fantastic year ahead – a year that will undoubtedly see us continue to lead as global pioneers in the consultancy arena.



Our mantra
of "think global, act local"
epitomizes our approach
to client service.



Harnessing AI for quality and speed in service delivery

In today's fast-paced business landscape, staying ahead of the curve often means leveraging cutting-edge technologies to optimize operations. For companies that rely on a network of consultants such as ours, maintaining quality and efficiency in service delivery is paramount.

Artificial intelligence has emerged as a transformative tool that revolutionizes how we harness data as a business, to enhance decision-making, and streamline workflows.

By Jan Wolff, COO emagine



Structured data collection: The foundation of quality services

At the core of delivering exceptional services lies the ability to comprehensively understand your intricate network of consultants. For businesses, structured data collection serves as the bedrock on which quality and scalable services are built.

By diligently collecting and analysing data, we gain invaluable insights into our consultants' expertise, preferences, and performance metrics. This holistic understanding empowers us to tailor our services, to efficiently meet our clients' unique needs.

Spotting industry trends with precision

One of the most significant advantages of integrating AI into our operations is its capacity to identify and analyse industry trends accurately. AI enables us to sift through vast amounts of data to uncover emerging patterns and market dynamics. We believe this asset may be indispensable in anticipating industry shifts, and adapting strategies accordingly, to ensure sustained relevance and competitiveness.

Accelerating consultant matching processes

In the realm of consulting, time is often of the essence. The ability to swiftly

match the right consultant with the appropriate task may significantly impact project timelines and outcomes. Here, AI emerges as a game-changer, and offers the possibility of leveraging our historical data to seamlessly match consultants with client needs. By analysing past interactions, preferences, and performance metrics, our AI-powered systems can rapidly identify the most suitable consultant for any given task, expediting the matching process and enhancing overall efficiency.

Predicting competence levels with precision

The ability to predict consultant competence levels with a high degree of accuracy is immensely valuable to us, as we intend to optimize resource allocation and project planning.

Through AI-driven competence prediction tools, we can forecast consultant proficiency levels with remarkable precision. These tools analyse historical data and performance metrics, and provide insights into consultants' capabilities, enabling us to confidently allocate tasks, based on skill sets.

With an accuracy rate of approximately 70% after 500 uses, our tool represents a significant advancement in consultant and talent management, and project optimization.

Enhancing data quality with AI

Although data abundance presents possibilities, it also presents challenges, particularly concerning data quality and standardization.

In the realm of consultancy, CV formats vary widely among individuals and markets, making data aggregation and analysis cumbersome. However, we have built a solution in the form of CV-recognition tools that transform unstructured CV data into a standardized format.

By leveraging AI, we can extract relevant information from diverse CV formats, and ensure consistency and accuracy in data analysis.

Maximizing AI's potential through comprehensive data

It is essential to recognize that the efficacy of AI solutions hinges on the quality and quantity of data available. Fortunately for us, we have an extensive consultant network that possesses a wealth of valuable data that we can tap into. By harnessing this rich pool of consultant data, we maximize the potential of AI-driven insights, and gain a competitive edge in service delivery and strategic decision-making.

In conclusion, integrating AI technologies into our consulting operations represents not only a current

advantage, but also an overarching strategy. By harnessing AI's capacity to enhance data quality, accelerate processes, and predict trends, we are not just adapting to the present, but positioning ourselves for future success.

We firmly believe that AI is not just a tool for today, but for the future of consulting, as it offers unprecedented opportunities for efficiency, agility, and innovation. Embracing an AI-driven approach is necessary for staying ahead of the curve, and delivering unparalleled value to our clients in tomorrow's dynamic business landscape.



Risk management

Risk management

emagine considers compliance, Cybersecurity and operational excellence as interacting domains and the risk management governance encompass management of individual risks in each domain as well as exposures introduced across the domains.

Operationally The Executive Management Team is charged with executing on observations from the risk management reporting and the overall responsibly rests with the Executive Board who approves presented status and actions throughout the year and discuss proposed mitigations in the Executive Board Risk & Audit Committee.

Risk identification

Risks are identified and monitored from numerous sources including monitoring of changes in the legislative paradigm,

findings in the internal and external audits, reported misconduct, financial exposures and many more.

In day to day operations risk identification is considered in the perspectives of Compliance, Market, Tech, Operations

Compliance

emagine investments in internal and external compliance constitutes a solid foundation for risk management and assists the continuous risk monitoring. Throughout 2023, compliance was a top priority for the emagine organization as an integrated element of the operational excellence framework.

Substantial efforts were committed to successfully re-confirming operational compliance with ISO27001, ISO14001 and ISO9001, while also documenting high operational standards through the ISAE3000 GDPR,

ISAE3402 Operations and TISAX external assurance reports.

Market

When monitoring overall market risks in 2023, several specific risk factors were tracked, to allow for early intervention and mitigation measures. General market risk resilience is built of the many initiatives in the Compliance, Tech, and Operations Excellence domains, including targeted M&A integration activities.

Tech

Cybersecurity risks remain a focus area for emagine, and in 2023 several substantial investments were made in organization and processes strengthening detection and prevention mechanisms, as well as affirming the capacity to recover from any direct attacks, operational disturbances, and/

or advanced types of phishing, malware or ransomware attacks. Throughout 2024, Cybersecurity will remain a priority in support of existing and future ambitious compliance targets, such as NIS2 and DORA.

Operations/Excellence

The ability to attract and retain competent employees was also a focused area of risk in 2023. In 2023, with dedicated support from Executive Management, several major initiatives that enhance emagine's operational excellence were completed in the domain of Employer Branding, including the roll-out of a the emagine Leadership Academy, new Pulse surveys, enhanced ESG reporting, and an upgraded Group onboarding process.



Finances

Although emagine has continuously exhibited a strong financial performance, several risk factors have been monitored by the Risk & Audit committee to ensure continued excellence. Investments have been made to further enhance and strengthen financial governance and controlling.

Currency risks

The Company is exposed to currency fluctuations, mainly from the GBP, PLN, SEK, and NOK.

The combined risk is currently at a level where hedging is not deemed financially viable.

Exchange rate fluctuations related to the translation of the result and intercompany balance of foreign subsidiaries at the balance sheet date

constitute a risk.

The Company does not hedge this type of risk.

Interest rate risks

The Company's senior debt (in emagine Holding) and credit lines are based on floating interest rates. To mitigate potential increases, the Company has entered into an agreement that caps the interest rate related to approximately 65% of the senior debt for the period up to December 2024.

Credit risks

The Company's credit risks related to trade receivables are included in the balance sheet.

ESG & Governance



Pioneering sustainability, social responsibility, and ethical governance for a brighter future

At emagine, we are committed to integrating environmental, social, and governance (ESG) principles into our business operations and corporate culture. Our ESG strategy serves as a guiding framework for sustainability initiatives, ensuring that we uphold the highest standards of responsibility and accountability in everything we do.

By Jesper Diget, CPO emagine



Environmental Initiatives:

We continue to prioritize environmental sustainability by implementing measures to reduce energy consumption and enhance waste management practices. Through sustainable procurement practices and policies, we seek to minimize our environmental footprint by sourcing materials and services from eco-friendly suppliers whenever feasible.

At emagine, we continue our journey to deliver on our commitment to greenhouse gas emission reductions in line with the Paris Agreement's 1.5°C goal and Science Based Target Initiative. In FY23, emagine reduced greenhouse gas emissions by 13,1% compared to FY22. These emission reductions are mainly attributable to the Green Company Car policy, reduced business travel, Greener Procurement, and reuse of IT equipment. We continuously work to provide the most accurate and transparent insight into our business and in the last two years, we have been able to include all relevant indirect emissions in our reporting (emissions from commuting, fuel and energy-related activity e.g.).

Our goal is to achieve the EcoVadis Gold rating by the end of 2024. To accomplish this, we have developed a targeted action plan to address areas identified for improvement by EcoVadis. We are allocating resources

and implementing initiatives aimed at engaging employees at all levels in the ESG improvement process, encouraging their active participation and feedback. We regularly assess and review our progress towards the Gold rating goal, adjusting our strategies and tactics as needed to stay on track.

We have set ambitious targets to further improve our environmental performance and regularly monitor our progress towards these goals.

Social Initiatives:

Our commitment to social responsibility is reflected in our efforts to strengthen policies and practices related to labour and human rights. We believe in fostering a culture of diversity, equity, and inclusion within our organization, where all employees have equal opportunities for growth and development. Through comprehensive training programs and regular feedback mechanisms, we strive to maintain high levels of employee engagement and prioritize their wellbeing by providing a secure, and healthy working environment.

Closest to our hearts is the wellbeing, development, and satisfaction of our more than 750 emagineers. Their enthusiasm and creativity are key to the success of emagine. Through an extensive onboarding program, we ensure



Please refer to page 15-18 for detailed description of the business model of emagine.



that all employees are aligned with our ESG principles and company values. We provide opportunities for professional development and career advancement, and we promote work-life balance initiatives, such as flexible work arrangements and wellness programs. Our employees are promised to receive an exceptional experience where they can grow both professionally and personally. We frequently ask how we are doing in our quarterly Pulse surveys, and this year 81% agree that their experience with emagine is exceptional. We are proud of this result, but we want to do even better. At the same time, we are working on creating an even more diverse and inclusive workforce, because we know the power of leveraging different perspectives, abilities, backgrounds, and knowledge when developing unique solutions. Having an inclusive and gender-balanced organization at all levels is a business imperative for emagine. In 2022 we started our work to improve the female manager representation from 25,0%, in 2023 we reached 31,2% and have set activities and targets to reach 32,2% in 2024.

In 2023, we did our first adjusted Gender Pay analysis on comparable groups (Sourcing, Finance and Consultants) showing only minor gender differences (around 1%).

We are steadily advancing toward our envisioned goals, continuously working to improve our DEI agenda, talent attraction, and retention. FY23 was also the first full year without restrictions

caused by the pandemic, and we continued offering a high degree of flexibility for our employees, which they value considerably – according to our research.

Governance Initiatives:

We uphold the highest standards of corporate governance, ensuring transparency, accountability, and ethical conduct in all our business practices. By renewing ISAE, ISO, and TISAX certificates, we demonstrate our commitment to operational safety and excellence. Our board actively oversees ESG initiatives, integrating ESG considerations into strategic decision-making processes. We have implemented rigorous risk management systems to identify and mitigate ESG-related risks effectively, and we actively engage with stakeholders to foster open communication and collaboration.

We communicate our ESG achievements and progress transparently to employees, fostering a sense of pride and ownership in our sustainability efforts.

To summarize, emagine’s ESG strategy highlights our commitment to social responsibility and sound corporate governance. We are dedicated to becoming a leader in sustainable business practices and an employer of choice, known for our unwavering commitment to ESG principles and employee wellbeing.

Our goal is to achieve the EcoVadis Gold rating by the end of 2024.



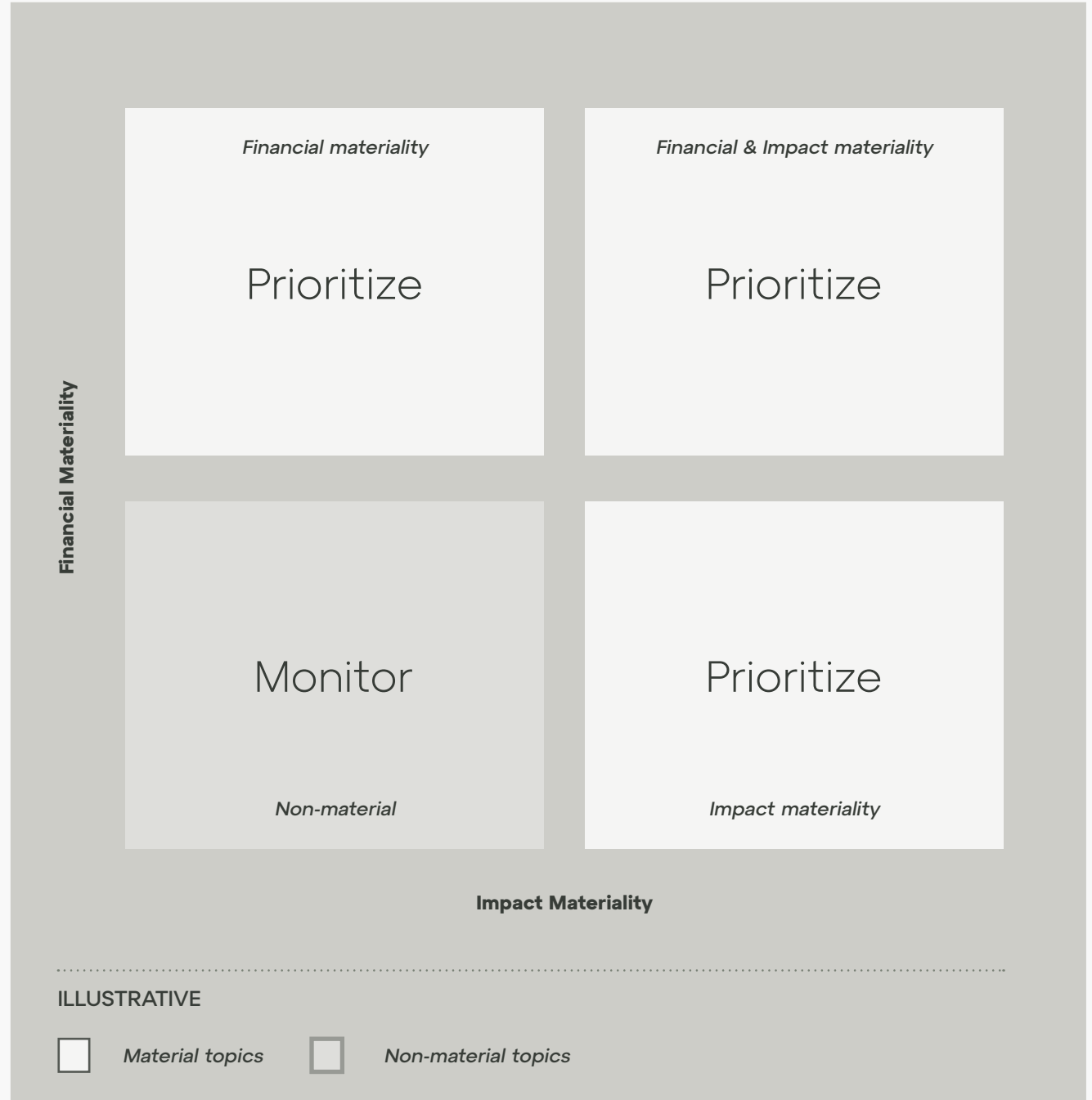
Material topics

In 2023, emagine performed our annual review of our sustainability agenda and relevant topics. We were inspired by the principles of double materiality to assess environmental, social and governance (ESG) topics, and matters in the WEF-IBC’s Measuring Stakeholder Capitalism framework. In addition, we looked to global megatrends coupled with areas of risks identified by emagine’s own Risk Management team.

The materiality of the topics was considered from both a financial perspective and an impact perspective, thereby addressing the risks from an outward and inward point of view. We assessed the topics based on the impact emagine has on the ESG topics in terms of the severity of impact, and the importance of the topics to emagine value creation based on likelihood. All topics were assessed concerning the direct and indirect impact we have as a company.

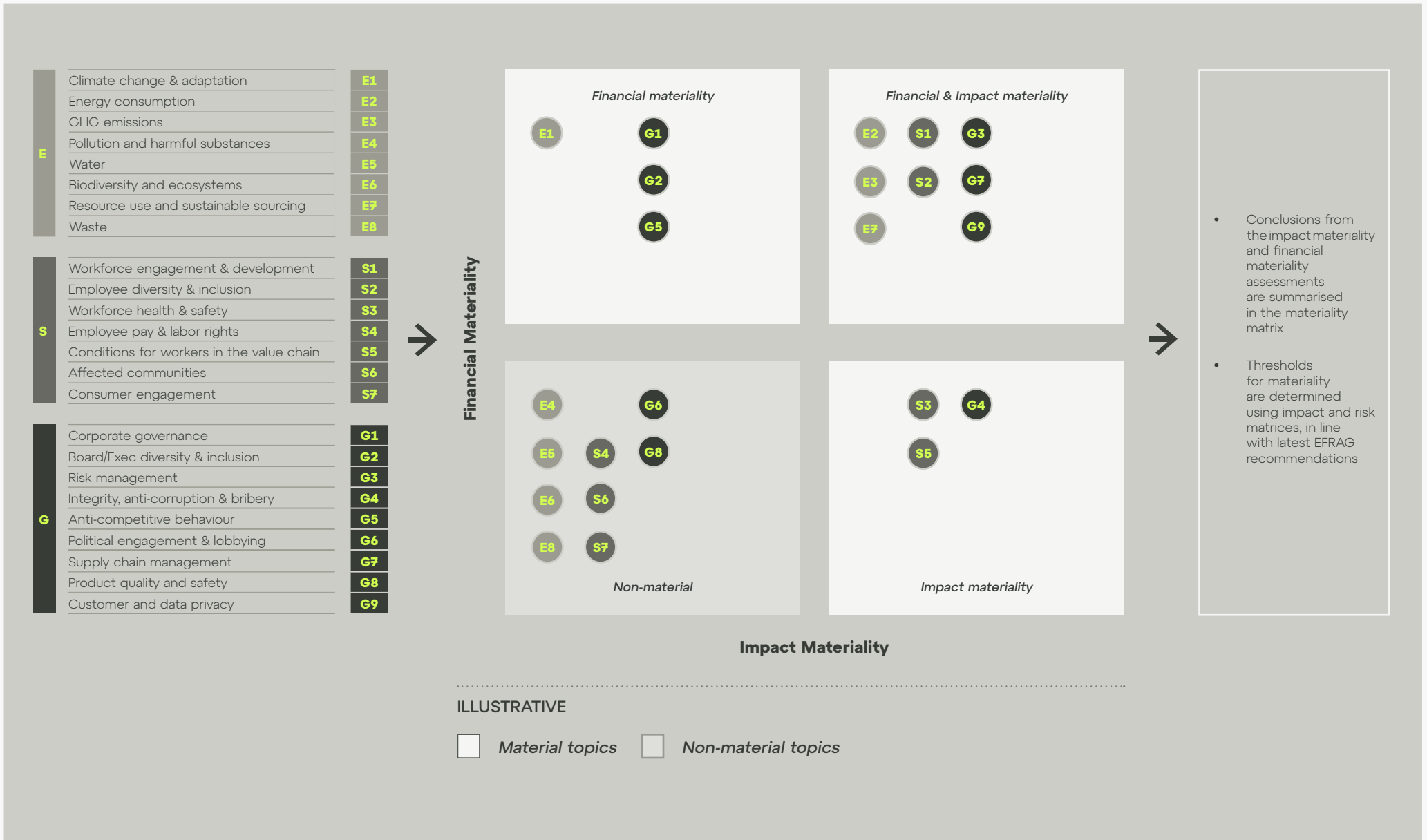
A part of this work is also to understand our stakeholders’ mindsets and needs. Therefore, we have considered what topics our stakeholders deem most significant, namely clients’ expectations of not only our skills and how we can support them, but also in relation to other stakeholders’ expectations. This includes the sustainability of our operations, our attractiveness as a modern employer, our procurement processes, and other feedback we might be receiving from the wider community.

Based on the assessment scores, the topics were categorised into two groups: topics to prioritise and topics to monitor, as illustrated in the materiality matrix.





Double Materiality Matrix 2024





The materiality topics for emagine to prioritize in 2024:

Environmental

- Climate change and adaptation
- Energy consumption
- GHG emissions
- Resource use and sustainable sourcing

Social

- Workforce engagement and development
- Employee diversity & inclusion
- Workforce health & Safety
- Conditions for workers in the value chain

Governance

- Corporate governance
- Board/Exec. Diversity & Inclusion
- Risk management
- Integrity, anti-corruption & bribery
- Anti-competitive behaviour
- Supply chain management
- Customer and data privacy

Sustainable Development Goals (SDGs) in focus:



Our selected impact descriptions to highlight our initiatives and actions

Environmental	Social			Governance	
Climate Change and adaptation, Energy consumption, GHG emissions	Employee diversity & inclusion	Workforce Health & Safety	Workforce engagement and development	Integrity, Anti-corruption, and bribery	Supply chain management
<p>Outward impact:</p> <p>The majority of the emissions that stem from our business operations are connected to the energy consumption in our buildings, travel activities, and the fuel utilized by our company vehicles. Recognizing the adverse impact of these emissions on our planet, we are committed to a sustained focus in 2024 to mitigate our carbon footprint. This involves actively limiting emissions and persisting in our endeavors to identify and implement sustainable solutions throughout our operations in the countries where we conduct business.</p>	<p>Outward impact:</p> <p>Failing to tackle the challenges and embrace the opportunities of DE&I can have wide-ranging implications on both societal and structural levels such as:</p> <ol style="list-style-type: none"> 1. Social inequality reinforcement 2. Exclusion and discrimination 3. Economic disparities 4. Limited role models 5. Stigmatization 6. Widening of gender gaps 7. Erosion of social progress 	<p>Outward impact:</p> <p>emagine profoundly influences the well-being of individuals within our internal operations, such as consultants and suppliers throughout our value chain. As we expand our business, we must uphold the principles of human rights in all facets of our activities, ensuring that no one is negatively affected, particularly in regions or industries where legislation and structural support may be less robust.</p>	<p>Outward impact:</p> <p>Investing in employee's career development and retention is not only beneficial for individual companies but is crucial for fostering a skilled, engaged workforce on a societal level. It contributes to the promotion of a broader societal advancement and contributes to innovation and country competitiveness. Failing to invest can hinder technological advancements and overall progress within industries, potentially impacting society's ability to address pressing challenges, innovation, and improve quality of life.</p>	<p>Outward impact:</p> <p>Ethical business practices are essential for effective corporate governance and accountability. By failing to implement robust ethical standards and compliance mechanisms, we risk facing misconduct, fraud, and abuse of power, thereby failing to safeguard the interests of our stakeholders and the communities in which we operate. Business ethics is important to society because it promotes integrity, fairness, sustainability, and accountability in business operations, leading to a more prosperous, equitable, and harmonious world for present and future generations.</p>	<p>Outward impact:</p> <p>The establishment of sustainable procurement processes is paramount to maintaining the integrity of our organization's values across the entire value chain. It ensures adherence to high standards of business ethics, sustainable practices, and respect for human rights. Without robust sustainable procurement procedures in place, there is a significant risk that our business partners may engage in unsustainable practices. Moreover, the absence of sustainable procurement processes jeopardizes our ability to manage our impact on environmental and social issues effectively, which affects the societies in which we operate.</p>

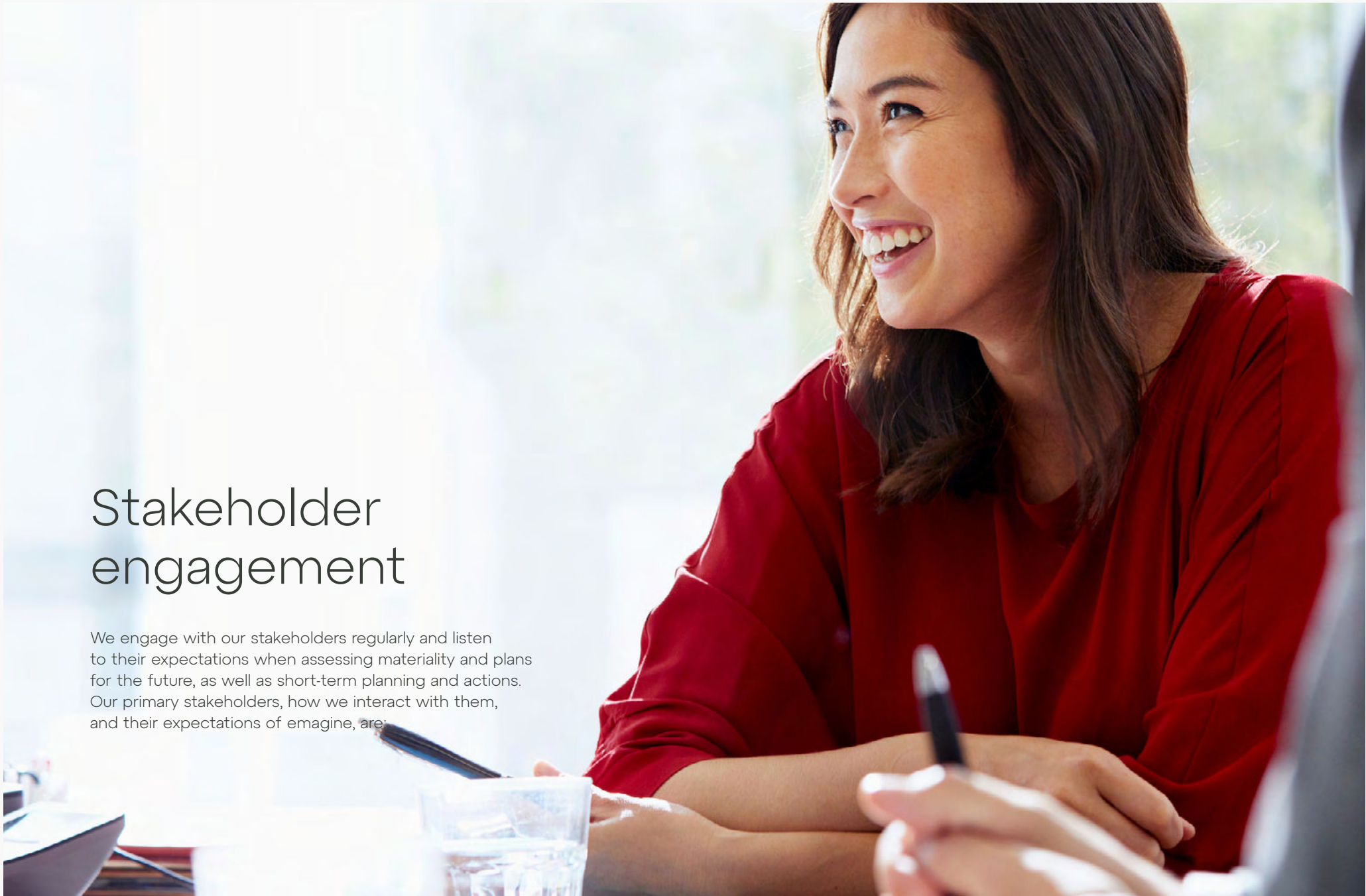


Environmental	Social			Governance	
Climate Change and adaptation, Energy consumption, GHG emissions	Employee diversity & inclusion	Workforce Health & Safety	Workforce engagement and development	Integrity, Anti-corruption, and bribery	Supply chain management
Inward impact:	Inward impact:	Inward impact:	Inward impact:	Inward impact:	Inward impact:
<p>By failing to address and manage our carbon footprint as sustainably as possible, we are at risk of not achieving our SBTi-approved target of reducing our CO2 emissions by 42% in 2030. This will have negative effects not only on our planet and people but also potentially on our reputation both inwardly and outwardly, as perceived by our employees, consultants, clients, and other important stakeholders.</p>	<p>We recognize the challenges we face in achieving optimal diversity within our management ranks. While our overall workforce demonstrates near gender parity, we observe a concerning 30/70 split at the management level and a more pronounced 15/85 division favouring men at the top management tier. To address this disparity, we are firmly dedicated to bolstering diversity across all management layers throughout our organization. This commitment will be evident in our prioritized actions starting in 2024 and beyond.</p>	<p>People are at the heart of our business, so failing to address and manage the impacts of health, safety, and well-being of our employees, consultants and other stakeholders throughout our value chain can have negative consequences on our ability to conduct business. The well-being of all people engaged in our business is vital, therefore we continue to focus on efforts that help ensure a healthy and safe workplace in 2024 and beyond.</p>	<p>Neglecting investment in career development can adversely impact our employee attrition rates, leading to the loss of valuable talent. This potential loss may manifest in decreased productivity and innovation, and a lack of effective problem-solving skills. We are committed to fostering career growth opportunities through a range of programs to launch in 2024.</p>	<p>Failing to maintain and prioritize good business ethics places a risk on our ability to adhere to our social responsibilities and long-term sustainability, as well as increases the risk of receiving bad publicity, reputation issues, and decreased brand loyalty. This affects business conduct, global competitiveness, and employee well-being and engagement. As we collaborate extensively with public entities, it's vital to ensure that none of our employees engage in activities that could be construed as bribery. Therefore, we prioritize mitigating this risk by thoroughly training our staff in our business ethics, anti-corruption, and gift policies.</p>	<p>Sustainable procurement plays a pivotal role in our businesses' pursuit of sustainability objectives. Establishing sustainable procurement processes not only allows us to diminish our environmental footprint and reach our environmental targets but also presents an opportunity to mitigate supply chain risks, bolster our reputation, streamline costs, and adhere to regulations. Neglecting sustainability in our supply chains jeopardizes our ability to meet sustainability targets and our accountability. We are, therefore, focused on building and implementing strong procurement policies during 2024 to eliminate these risks.</p>
	<p>Furthermore, we acknowledge that neglecting to address and navigate the challenges and opportunities of DE&I within our business poses significant risks, including:</p>		<p>Additionally, we are actively addressing our gender pay gap, highlighted by a recent internal analysis. Our findings reveal a skew in the unadjusted gender pay gap, attributed to a higher proportion of men in management positions. To rectify this disparity, our focus extends to empowering women in management and ensuring equitable treatment in terms of salaries, compensation, and promotions.</p>		
	<ol style="list-style-type: none"> Talent attraction and retention issues and decreased employee morale and engagement Reduced innovation and ineffective problem-solving Limited market appeal and missed business opportunities. Negative branding Cultural insensitivity 		<p>We are acutely aware that the absence of career development and advancement opportunities poses risks to employee engagement. Investing in our people is thus integral to our business success and essential for fostering an environment where our employees can thrive.</p>		



Stakeholder engagement

We engage with our stakeholders regularly and listen to their expectations when assessing materiality and plans for the future, as well as short-term planning and actions. Our primary stakeholders, how we interact with them, and their expectations of emagine, are:





Clients

Our clients rely on us for impactful, high-quality solutions provided by the best talents and the latest technologies to help them achieve sustainable growth and create long-term value. Customer centricity is a key strategic pillar, and we get insight through our close customer relationships, input from tender processes, and criteria and questionnaires to capture client satisfaction.

Employees

Our employees rely on emagine to ensure their well-being, satisfaction, and development at work through technology, teams, challenges, opportunities, culture, support, and relationships at emagine. We nurture a culture of openness and accessibility, and we measure our employees' experience through regular Pulse surveys.

Consultants

We rely on strong relationships with our consultants. This collaboration allows us to offer comprehensive and innovative solutions to our clients, helping them navigate the complex world of digital transformations.

Strong relationships enable us to utilize cutting-edge technologies and insights tailored to our clients' specific business challenges. This helps us deliver

value-added services which ultimately ensure that our clients can stay ahead of the competition.

Suppliers

Our suppliers require emagine to live up to our responsibilities and Code of Conduct, just as we require our suppliers' compliance with our Supplier Code of Conduct and the commitment to running a sustainable business. We collaborate closely with our biggest vendors to further improve our sustainability efforts. This includes sharing best practices, conducting regular audits, and developing joint initiatives to reduce environmental impact and improve social responsibility.

Regulators and authorities

We prioritize the implementation of robust quality controls, systems, and processes to ensure compliance with regulatory standards and enhance the transparency and reliability of our offerings. Our dedicated team works diligently to meet and exceed these demands by continuously improving our internal systems, conducting thorough risk assessments, and maintaining a strong focus on regulatory compliance.

Media

Media require openness and transparency from emagine

and need subject matter insights when covering issues concerning the public interest. We engage in regular dialogue with the media through opinion pieces and thought leadership to offer facts and perspectives on public matters.

NGOs

As independent organizations promoting public interests, NGOs look at emagine conduct and, at the same time, rely on us to support their operation and initiatives. Globally, emagine is a signatory of the UN Global Compact and Science Based Target Initiative.

Partners and alliances

Our partners and alliances rely on strong relationships with emagine as much as we rely on them.

We leverage the transformative potential of our alliance and ecosystem relationships to help companies rapidly and digitally transform with minimal risk. These relationships help provide technologies and insights to create new ways of generating value for our clients.



Sustainability Roadmap

An overview of our portfolio of Sustainability Programs and Actions in 2024

Environment

1. Car policy – continued effort
2. Focus on increasing the use of Renewable energies in our buildings
3. Recycling IT equipment and reducing e-waste – continued effort
4. Travel policy – continued effort
5. Sustainable procurement - focus on decreasing the production of marketing products

Social

6. Diversity, Equity & Inclusion campaign
7. Adjusted pay gap analysis
8. Mental Health campaign
9. Employee Satisfaction
10. Employee LinkedIn Learning
11. Leadership Program – continued effort
12. Mentor Program
13. Pioneer Program

Environment

14. Training of employees in Business Ethics, ESG and Sustainable Procurement
15. SA8000 Certification
16. ISO 45001 Certification
17. Supplier Code of Conduct
18. Supplier Questionnaire Assessment
19. Sustainable Procurement Policy



Environmental

Climate change remains the defining challenge of our era. Since the beginning of the industrial age, global greenhouse gas emissions have skyrocketed, and despite repeated and profound warnings from climate scientists, the global business community has not yet managed to break the trend of rising emissions.

In 2021, emagine had our “science-based” targets validated by the Science Based Targets Initiative (SBTi). We have set our greenhouse gas (GHG) emissions reduction targets (42.0% on Scope 1+2 before 2030) based on the latest scientific findings. Since 2021 we have reduced our GHG Scope 1+2 emissions by 40,9% while growing the revenue by more than 90%.

For 2024, we have set new ambitious targets to reduce our GHG even more. We plan to implement more “Green Electricity” and more “Green Procurement” and intensify our work on decarbonizing more of our supply chain.

SDG in focus:



Our response to our material environmental impact

Climate Change & Environmental Management

Scope 1:

Car Policy – Continued effort:

In 2024, we will introduce a broader implementation of our Group company car policy and a consolidation of car leasing companies mainly using Electric Vehicles (EV’s).

Scope 2:

Focus on increasing the use of Renewable energy in our buildings:

In 2024, we will increase the amount of smart energy solutions in our buildings. Implementing PPA solutions to increase the share of renewable energy.

Scope 3:

1. Recycling IT equipment and reducing e-waste – Continued effort:

In 2024, we will implement a group-wide IT Ledger and increase IT equipment reuse from 25% to 33% to reduce e-waste.

2. Travel Policy – Continued effort:

In 2024, we will implement a group-wide group travel policy to limit travelling and travel “greener” + work towards using a corporate travel management system.

3. Focus on decreasing the production of marketing products:

In 2024, we will implement a sustainable procurement policy, whereas procurement in marketing will be addressed by introducing processes for how to purchase sustainable products, as well as a general focus on limiting purchases of produced items. We will, moreover, decrease printer and paper use by implementing “planet-friendly” electronic solutions.



Case Story:

emagine reduces e-waste
and promotes a circular
economy through recycling



E-waste significantly contributes to environmental degradation. With the tendency of higher electric and electronic consumption, shorter product lifecycles, and limited repair options, the importance of managing defective electronic equipment sustainably is vital.

emagine is committed to minimizing our part of the e-waste loop, and one of the means toward achieving this target is to pursue the opportunity to recycle and refurbish our used and defective IT equipment.

emagine’s Chief Operations Officer, Jan Wolff , emphasizes the importance for companies to focus on their management of e-waste:

“The refurbishment and recycling of IT equipment are increasingly critical in today’s rapidly advancing technological landscape. As technological innovations accelerate, IT equipment becomes obsolete at a faster rate.”

Jan Wolff moreover stresses the need for emagine’s IT department to take part in the sustainable agenda:

“At emagine, we are committed to mitigating our

environmental footprint, and in IT that means that we acknowledge the necessity of having a sustainable approach to managing our outdated technology. Effective refurbishment and recycling not only enhance our data security and generate cost efficiencies but also underline our commitment to ESG and corporate social responsibility.”

In 2023, emagine established a partnership with a sustainable business partner TES. TES is an organization dedicated to securing sustainable technology lifecycles by retrieving electronic parts for secondary material use. The company ensures that emagine’s defective IT equipment is, firstly, cleaned for IT security reasons before mining the material parts that can either be reused directly or refurbished. This means that batteries are sorted, and iron, aluminum, plastic, copper, gold, silver, and palladium are separated before being sent to suppliers, who transform the resources into new materials and products for multiple uses.

During 2023, emagine forwarded all used and malfunctioning IT equipment to TES, which led to the following carbon savings:



Carbon savings from recycling: 621 kg CO2-equivalent



Carbon savings from refurbishing: 10.171 kg CO2-equivalent. Total carbon savings: 10.793 kg CO2-equivalent

This is equal to the carbon that 304 trees could sequester.



The refurbishment and recycling of these assets saved: 177 kgs of plastics and 215 kgs of metals.

At emagine, we are proud that we have been able to mitigate our environmental footprint and contribute to a more circular economy during 2023 due to our efforts on e-waste. emagine’s IT department will continue recycling and refurbishing in 2024.



Social

emagine recognizes the pivotal role our people play in shaping our identity and driving collective success. We offer opportunities for personal and professional growth, all while promoting a healthy work-life balance.

Diversity is a cornerstone of our workforce, fostering innovation and creativity in line with our commitment to inclusion. By attracting talent from diverse backgrounds, we improve decision-making, client relationships, and overall value.

We prioritize the health, safety, and well-being of our employees, investing in a supportive work environment to ensure exceptional client experiences. They are the heart of our organization, propelling our success in a dynamic working world.

As we aim to become the premier professional services firm, it's essential to attract talent from all walks of life. Building and retaining a diverse workforce not only aligns with our ethical values but also enhances our strategic advantage. Through prioritizing diversity and inclusion, drive innovation and growth in our organization, effectively establishing ourselves as the preferred choice in the market – as both, supplier and an employer.

Our response to our material impact on People

Social		
Diversity, Equity, and Inclusion (DE&I)	Health, Safety, and Well-being (Employee & Consultant)	Employee Development & Retention

Diversity, Equity, and Inclusion (DE&I) Campaign

In 2024, emagine will launch an internal campaign focusing on diversity, equity, and inclusion (DE&I) topics. This campaign aims to raise awareness and cultivate a positive working culture where every individual feels valued, respected, and included, while also working to prevent harassment and discrimination. The campaign will feature training sessions covering gender diversity, anti-discrimination, anti-harassment, cultural awareness, unconscious bias, and support for minorities.

Continued Employee Satisfaction Surveys

emagine will persist in our commitment to monitoring employees' well-being by maintaining quarterly Pulse surveys.

Introducing Adjusted Pay Gap Analysis

In 2024, emagine will continue to report on our adjusted pay gap within selected and comparable job areas. The report aims to provide a more comprehensive understanding of our position and development and to identify potential areas for improvement moving forward.

Introducing a Mental Health campaign

We acknowledge that the corporate world can sometimes be stressful, which is why we are committed to providing support and resources to ensure the well-being of our team members. We believe that by prioritizing their mental and physical health, we can create a positive and productive work environment.

Engaging our employees in Human Rights

In late 2023 we introduced our Responsible Employer and Human Rights Policy as well as a written procedure for how to handle potential complaints from employees and external stakeholders through normal manager channels. This will supplement our Whistleblower solution (anonymous by choice) both for internal and external stakeholders.

In 2024 we will implement our online Responsible Employer and Human Rights Policy training for all employees.

Employee LinkedIn Learning

In 2024, emagine will provide employees with access to the LinkedIn Learning platform. This initiative addresses the demand for employee development expressed in our Pulse Survey. It marks the first step in fulfilling our commitment to nurturing employee growth and development. The platform offers personalized learning experiences, and all employees are encouraged to dedicate time to learning and skill enhancement.

Leadership Programme

In 2024, emagine will extend our Leadership Programme to a new cohort of leaders. This program is designed to foster employee development and facilitate the sharing of knowledge and best practices across the organization. Additionally, it aims to enhance collaboration among team members across the group.

Mentoring Programme

During 2024, emagine will initiate a group-wide mentoring programme. The overall objective of the programme is to promote employees' development internally, as well as to increase knowledge sharing and drive performance, engagement, and collaboration across the group. The programme will moreover provide opportunities for employees and accelerate their professional development.

Pioneer Programme

During 2024, emagine will initiate a group-wide pioneer programme. The objective of the programme is to develop a united company culture across the emagine banner by engaging employees across the group in our strategy and values and to ensure involvement.

All the employee programmes above incorporate considerations of diversity during the selection phase.

SDG in focus:





Case story: Skills for the future

Leadership Programme

Empowering Leadership @emagine: Building a strong foundation

In 2023, emagine took a significant step forward with the introduction of the Leadership @emagine Programme, a cornerstone initiative designed to enhance leadership skills, foster a unified organizational culture, and reinforce our commitment to being a role model in the industry. This comprehensive programme aligns with our Nordic strength-based leadership style, emphasizing authenticity, openness, honesty, and a hands-on approach.

At the heart of our leadership philosophy is the belief in the potential of our employees. We actively support their growth and success, providing a nurturing environment where everyone can thrive. Our commitment to listening and challenging the status quo reflects our dedication to continuous improvement and innovation.

Key objectives and successes of the Programme

The Leadership @emagine Programme had two primary objectives: firstly, to elevate the overall leadership skills within the organization, and secondly, to establish a common language and culture across emagine. We are thrilled to report that the programme has surpassed expectations, with a notable impact on our leadership team and organizational dynamics.

In 2023, we successfully trained 69 emagine leaders through a six-month program, starting with our top executives. A diverse group of leaders that participated in the programme: from a total of 10 different countries, 40% of the participants were

female leaders. Diversity and building diverse teams are a cornerstone in emagine and an important part of our ESG efforts. This strategic approach reflects our commitment to demonstrating role-model behaviour from the highest levels of our organization. Each leader received personalized attention from a dedicated business coach throughout the programme, fostering individual growth and development.

Positive feedback and measurable impact

The feedback from our leaders has been overwhelmingly positive, reflecting the success of the programme in shaping effective, engaging, and empathetic leadership. Notably, we observed a significant increase in our leadership scores in our quarterly pulse survey, affirming the positive impact of the programme on our organizational culture.

Continuing the momentum in 2024

As we look ahead to 2024, we are firm in our commitment to leadership development. Building on the success of the Leadership @emagine Programme, we are expanding our initiatives to include a Group-wide mentoring programme and an ambassador programme. These additions further support our strategic initiative of ONE emagine, reinforcing unity, collaboration, and a shared commitment to excellence.

A Holistic Approach to Leadership

At emagine, leadership is not just about achieving individual goals; it's about fostering strong

engagement, continuous improvement, and a deep commitment to our team and clients. The Leadership @emagine Programme embodies our belief in creating a safe, inclusive, and fun work environment that empowers our employees and ensures their growth potential is fully realized.

In conclusion, we are proud of the big steps we've made in leadership development, and we remain dedicated to the principles that make emagine a great place to work. Through our ongoing initiatives, we are confident in our ability to create lasting positive change, not only within our organization but also within the industry at large.





Case story: Diversity, Equity & Inclusion

People-centric leadership: Finding strengths in diversity

From entry-level employee to Group Director

Linda Kops joined emagine in 2012 as a receptionist in the Copenhagen headquarters. Having recognized her keen interest in administrative procedures, as well as relevant competences, the management offered her a different position after only 5 months. Linda then advanced into the operational role of becoming responsible for contracts in Denmark. Entrusted with this pivotal position, Linda took charge of structuring, developing, and implementing new streamlined processes for emagine's contractual engagements from scratch – her work has played a crucial role in shaping and optimizing how emagine conducts its contractual affairs to this day.

Another big change took place in Linda's career in January 2021, when she took on her first managerial role within the contract department. As a manager, she had the responsibility of overseeing a small team of two contract specialists. Together with the company's rapid growth and expansion over the next three years, Linda's team also expanded into a fully established department encompassing 10 separate teams. Today, a total of 40 professionals work under her wing, including seven mid-level managers. Linda has since assumed the position of Contract Director for the entire emagine Group's contract department.

"The biggest challenge I encountered when I first became a leader of a large team was adapting my perspective to the new duties in my role. It was

all happening very fast, and I had to stop in my tracks and reflect before making any decisions. Having been used to being the expert and hands-on with all tasks, I realized I had to learn how to delegate work and let my team be the experts."

Increasing productivity despite logistical challenges

In her current capacity, Linda's primary responsibility revolves around ensuring efficient operations of the contract department's daily activities which span across emagine's presence in 8 countries. Her leadership is characterized by a commitment to compliance with local legislation while unwaveringly upholding emagine's core values.

Women in leadership

Female leaders are, in general, under-represented in male-dominated branches such as the one emagine operates in. emagine has a strong focus on ensuring that we foster a culture and working environment in which women are not only encouraged, but also provided with the opportunities to become leaders and role models in this field.



This transformation from manager to director was not without its challenges. Given the rapid expansion of emagine’s business in recent years, Linda had to swiftly adapt to her new role and modify her working methods to effectively support her department across the group most optimally and efficiently.

“It’s my responsibility to facilitate my teams in their work. I need to make sure that they have the support and the capabilities to solve their tasks, and that they are satisfied and comfortable with their work.”

Through the establishment of Subject Matter Expert (SME) roles in her team, Linda successfully facilitated the delegation of responsibilities and a shared reference point for her team. This led to a considerable increase in productivity and efficiency.

“SMEs give my teams a common point to turn to for sparring and support. They contribute to process optimization, employee training, system development, and project management. Not only do they allow my teams to rely on each other’s skills and competencies, but they foster a work environment of responsibility and a one-team spirit. This contributes to their belief in their own competences and opportunities.”

The contract department has a diverse structure, encompassing both men and women from different generations, with eight different nationalities spread across six countries. Building a successful team with cohesive teamwork and efficiency in a dispersed setting can place significant demands on the manager, a challenge Linda has successfully navigated.

Leading a department empowered by diversity

Aligned with the company strategy to unify under the “one emagine” banner, Linda has been instrumental

in uniting diverse teams with varying working cultures and practices. By leading a multicultural and cross-border team within the contract department, she has played a pivotal role in fostering a shared team spirit and unity.

Linda’s strategy to advance this objective within her team involves establishing a forum built on trust, fun, and engagement. She has successfully fostered collaboration and a sense of belonging among her employees. A big emphasis is put on mutual respect for their cultural differences and learning from one another.

“We find the time to share experiences across all countries in the departments daily, and we managed

to create a strong team spirit in a very short time. We hold scheduled 10-minute coffee meetings where it’s not allowed to discuss work, and we arrange Christmas and Easter lunches where we all cook in our homes, and then eat ‘together.’”

In Linda’s point of view, managing teams remotely requires trust and creativity. Her leadership is characterized by a people first, colleagues second philosophy.

“The most important thing is to create a safe environment for my employees. I’m very open in my conversations with my team members, and it inspires confidence in the department and our relationship. We need to be able to trust each other.”





emagine's Leadership Programme 2023

In 2023, emagine launched its first 6-month Leadership Program, with Linda being part of its first cohort of leaders. The coaching sessions prompted a lot of self-reflection in Linda, as well as other leaders in the company, and she has found that participating in the program helped broaden her perspective.

"I learned a lot from networking with other leaders at emagine, whom I don't normally have much contact with. I was thrilled to be able to share experiences and advice, and I found the insights from my colleagues incredibly valuable."

Linda Kops not only serves as a female manager in a predominantly male-dominated business sector but also stands as a role model for aspiring female leaders within the industry and in emagine.

"Becoming a female leader in a male-dominated field gave me a golden opportunity to contribute to positive changes and pioneer future generations."

"I have a clear vision to create and maintain a highly efficient and valuable department, leading people who enjoy their work and get along well with their colleagues. Efficiency and employee well-being are not mutually exclusive concepts. My intention was to create an environment in which my team would prosper and develop in their careers. And I think I did."





Case story:

Gender Pay gap analysis

At emagine, we do Adjusted Gender Pay Gap analyses. We want to ensure that men and women in similar positions receive comparable pay. Our company compensates our employees fairly and equitably based on performance, with equal pay for equal work. We maintain robust policies and practices reinforcing this commitment, including analyses from outside experts, with overviews from our board and senior leaders.

The results of our 2023 of equal pay for equal work (adjusted) showed that compensation received in the compared groups was within a 4.0% gap, but with female compensation being slightly higher looking on all categories (less than 1.0%).

Gender pay gap points

- Gender pay gap reporting does not address the differences in the number of female leaders (31.2%). Specific plans are in place to address this.
- Gender pay gap reporting is only calculating fixed salaries, not overtime pay, bonuses e.g.

- We have an unadjusted gender pay gap of 38.6%. The underlying reason for our unadjusted gender pay gap is that there are more men than women in senior roles and in some functions that can carry a higher level of compensation, making the 'average' pay for men higher than the 'average' pay for women.
- Gender pay gap reporting is disclosing the mean (average) and median pay gap between women and men across an entire organization. The report does not focus on the level of compensation that women and men receive for performing the same or comparable roles.
- We continue working hard to keep our gender diversity in balance through our attraction, development, and engagement programmes which focus on bringing female talent to our company, advancing women at all levels, and supporting the economic empowerment of women around the group.



Governance

2023 was characterized by rapid growth. emagine Group acquired Skillspark and Quality Sourcing, adding more companies and countries to the group. To keep up with our overall strategy, growth, and an increasingly international company, we increased our focus on ESG and defined a group-unified approach to the way we work with each of the three ESG pillars and areas of focus.

emagine operates with an Environmental Management System (EMS) according to the ISO 14001 standard which covers all countries, helping us structure our work within the environmental domain.

In 2023 we revisited our impact assessment for all countries to ensure that our ESG impact, risks, and opportunities (IRO + materiality) were determined, described, and prioritized. In addition, we ensured that a double materiality assessment was performed.

We have created a governance structure where ESG strategy and plans are presented (and revisited) by the Group CPO to the board twice a year, where they are determined and prioritized. An ESG Work Group has been selected, which comprises an ESG Group Responsible, Group ESG specialists, and country HR

managers to ensure that strategy and plans are operational and ready to be implemented in all countries.

The ESG Work Group is responsible for:

- CSRD requirements being fully implemented in 2025
- Developing ESG targets and action plans
- Securing local ownership in all our markets, ensuring the implementation of local initiatives.
- A consistent approach to implementing ESG practices, ensuring that we operate as one company and, unless otherwise specified, all activities and initiatives described in this report refer to the entire Group mentioned as 'The Company'.
- Performance measurement of ESG targets and action plans; running monthly, quarterly, and annual reporting cycles.





Our response to our material impact on Governance

Governance

Business Integrity, Ethics, and Independence

Sustainable Procurement

Training of employees:

In 2024, we will conduct mandatory employee training in our ESG, Business ethics and anti-corruption policies, and Information Security.

SA8000 Certification:

In 2024, we will strive to attain an SA8000 Certification to ensure and demonstrate our commitment to ethically and socially responsible practices, particularly regarding employee rights, working conditions, and employee OH&S.

ISO 45001 Certification:

In 2024, we will strive to attain an ISO 45001 Certification to ensure and demonstrate our commitment to ethically and socially responsible practices, particularly regarding employee rights, working conditions and employee OH&S.

Supplier Code of Conduct:

A new Supplier Code of Conduct was introduced in 2023 – and will be rolled out to Tier 1 suppliers.

Supplier Questionnaire Assessment:

We will improve our Supplier Assessments from desk research to Supplier Questionnaire assessments on our Tier 1 suppliers.

Sustainable Procurement Policy:

A Sustainable Procurement Policy will be introduced in 2024 - this will be rolled out in all countries to focus on “Greener” products and related “Greener Suppliers”.

Training of employees:

We will increase our mandatory employee training to include Sustainable Procurement and H&S.

SDG in focus:



Applied ESG Governance

emagine has established an ethical framework for our behaviour; all outlined in our internal Employee Handbook (and our Code of Conduct). These are both embedded in our culture, training programs, and internal communications.

The Employee Handbook provides a clear set of standards for how we shall behave and conduct our business — the Handbook is complied with by everybody at emagine. We neither can, nor will, tolerate behaviour violating professional standards or which is inconsistent with the Employee Handbook. And in 2023 zero violation (discrimination, unethical practices, financial misconduct, e.g.) of the CoC was conducted.

All new emagine employees are required to complete CoC training and in 2024 mandatory training for all employees will be implemented.

emagine has established an Ethics Board Structure with board and management representation. This ensures that ethics and compliance matters related to all stakeholders are managed in an objective and structured manner.

Whistleblower Process

emagine has a group-wide Whistleblower Process. Both internal and external stakeholders can report incidents on an anonymous and external Whistleblower solution. The process in case of incidents:

- A reported incident on emagine whistleblower hotline
- An investigation and review are performed by the Ethics Board
- Based on the investigation, the incident is concluded as substantiated, partly substantiated, or not substantiated
- Before concluding, the person or group accused of potential misbehaviour will always be interviewed and asked to present his/her/their view to ensure the necessary contradiction is in place.
- Should a case be concluded as either substantiated or partly substantiated, consequences will be based on an evaluation of the gravity of the conduct.
- The Ethics Board (including the Department and/or Country Manager) will suggest a consequence and conclude.

During FY23, zero cases were reported to the emagine whistleblower.

Anti-Bribery and Corruption

emagine is committed to the fight against corruption in all forms. To affirm this, emagine established an Anti-Bribery and Corruption policy (including a Gift Policy), including measures,



in 2023. In 2024, we will launch an Anti-Bribery and Corruption Training for all employees. During FY23, zero cases were reported to the emagine whistleblower or internally.

Data Ethics

Data protection and ethical data processing are fundamental, and we value and respect all types of data, and recognize the importance of confidentiality in safeguarding sensitive information. We implement robust measures to protect the confidentiality of data entrusted to us, employing encryption, access controls, and other advanced technologies. This commitment underscores our dedication to not only meeting legal requirements but also going above and beyond to uphold the highest standards of confidentiality and security for the benefit of our users and stakeholders. During FY23, zero violations of Data Ethics Protection were reported.

Business Ethics and Integrity

The emagine Employee Handbook (and specifically Code of Conduct (CoC)) outlines our approach to business ethics and integrity. Much like in terms of ESG

governance, have embedded business ethics & integrity standards in our culture, training programs, and internal communications. emagine’s Employee Handbook (and CoC) provides a clear set of standards for how we shall behave and conduct our business. We neither can, nor will, tolerate behaviour violating professional standards or which is inconsistent with the Employee Handbook (and CoC). Examples of such behaviour include discrimination, unethical practices, financial misconduct, deliberately jeopardizing the quality of work or failing to comply with company policies. In 2023, zero violation of the CoC was registered in emagine. From 2024, all emagine employees are required to complete Employee Handbook (and CoC) training.

Statutory gender reporting

under Danish law

emagine Consulting A/S	Target for underrepresented gender	Share of the underrepresented gender	
		2023	2022
Board of directors	Not required	50% (2/4)	40% (2/5)
Upper Management	Min. 40% by 2025	18% (3/17)	25% (3/12)

The board of directors is regarded as having equal gender representation and is therefore not legally required to set a gender target. Since diversity remains important for the Board it has maintained a voluntary 2025 target to have at least 40% representation of both genders.

As of 31 December 2023 the share of underrepresented gender in upper management at emagine Consulting A/S is 18%. Accordingly we have not yet achieved equal gender representation as defined under Danish Companies act, and therefore pushing even harder on our Equity, Diversity and Inclusion policy to keep making progress. Its most significant activities include bias training, creating an inclusive workplace, adjusted gender pay gap analysis, promoting female managers as role models.

Further reporting on diversity and inclusion can be found in our Group ESG figures.



ESG figures

	Units	2024 (targets)	2023	2022		Units	2024 (targets)	2023	2022
Group Environment					Group Customers				
Co2e, scope 1	Tons	167.27	185.85	194.58	Number of customers	Number	-	496.00	489.00
Co2e, scope 2	Tons	599.27	630.81	823.81	Customer satisfaction	%	-	81.80	81.80
Co2e, scope 3	Tons	2,628.79	2,684.28	2,950.42	Group managers				
Co2e, scope 1+2 (location based)	Tons	766.54	816.66	1,018.81	Members	Number	-	61.00	45.00
Co2e, scope 1+2+3 (location based)	Tons	3,395.33	3,500.94	3,968.81	Female	Number	-	19.00	14.00
Co2e, scope 1+2 renewable	%	40.00	37.00	25.00	Male	Number	-	42.00	31.00
tCO2e/mil. revenue	Tons	0.80	0.98	1.26	Gender split (female)	%	32.20	31.20	31.10
tCO2e/FTE	Tons	5.39	5.85	8.84	emagine Consulting A/S				
Group Governance, Risk and Compliance					Employees	Number	-	74.29	68.83
# Issues (service affected - still running)	Number	0.00	0.00	2.00	Female employees	Number	-	31.64	31.63
# Disruptions (service down)	Number	0.00	0.00	0.00	Male employees	Number	-	42.65	37.20
# Downtime in days	Days	0.00	0.00	0.00	Employee gender split (female)	%	-	42.59	45.95
Professional integrity incidents	Number	0.00	0.00	0.00	Managers	Number	-	17.00	12.00
Group Human capital, health and well-being					Female managers	Number	-	3.00	3.00
Number of employees 31.12	FTE	-	598.20	443.00	Male managers	Number	-	14.00	10.00
Attrition rate - annually	%	18.20	19.09	17.20	Managers gender split (female)	%	28.00	17.65	25.00
Employees who have left the group	FTE	-	138.69	90.00	Board of directors				
Voluntary resignation	FTE	-	59.66	63.00	Members	Number	-	4.00	5.00
Redundancy	FTE	-	79.00	27.00	Female	Number	-	2.00	2.00
Retirement	FTE	-	0.00	0.00	Male	Number	-	2.00	3.00
Recruited employees (incl. M&A)	Number	-	224.00	190.00	Gender split (female)	%	40.00	50.00	40.00
Work related accidents	Number	0.00	0.00	0.00	Nationality - Danish	Number	-	2.00	3.00
Sickness ratio	%/FTE	3.00	3.00	3.10	Nationality - non-Danish	Number	-	2.00	2.00
Employee satisfaction	%	80.00	80.00	81.00					
Gender split employees (female)	%	-	52.40	59.70					
Nationality - Danish	FTE	-	122.45	62.00					
Nationality - non-Danish	FTE	-	460.15	380.00					
Nationality - non-Danish	%	-	79.00	85.78					



ESG Accounting Policies

Identification of our ESG reporting content

emagine adheres to widely accepted standards in developing our Annual ESG Reporting. These standards outline a systematic approach for determining the scope of our reporting and measuring and documenting our performance across the ESG spectrum.

The report has been carefully prepared following the GRI Standards, with specific references to the relevant GRI Standards and their versions provided within the GRI Index.

In anticipation of the forthcoming regulations of the Corporate Sustainability Reporting Directive (CSRD), we have included a comprehensive risk analysis in this report based on the principles of Double Materiality. This assessment enables us to identify and prioritize the most significant impacts, both from an inward and outward perspective. These impacts, referred to as material topics, are aligned with the principles of the GRI standards and serve as the focal points for our report's outlook for 2024.

For further insights into the materiality assessment, please consult the Double Materiality Assessment section within this report.

Environmental emissions reporting

Our environmental performance data is gathered directly from stakeholders throughout the emagine group. We rely on various sources for this data, including financial reporting systems, time-tracking systems, accounts payable records, and other internal sources.

Additionally, we obtain information from external sources such as travel agencies, car lease companies, utilities, and property managers. In cases where emissions data is unavailable, we utilize extrapolations to fill known reporting gaps.

emagine aggregates activity data for emission sources across all relevant scopes and categories. These activities are then converted to metric tonnes of carbon dioxide equivalent (CO2e) for comprehensive reporting and analysis. Our emissions reporting is ultimately audited by an external partner.

Emission factors

The emissions reported for Scope 1, 2, and 3 are based on standard emission factors sourced from the following references:

- The Department for Environment, Food and Rural Affairs (DEFRA) (Scope 1)
- The International Energy Agency (IEA) (Scope 2, Location-based)
- Association of Issuing Bodies (AIB) European Residual Mixes (Scope 2, Market-based)
- The US Environmental Protection Agency (US EPA) (Scope 3)

Base Year

emagine has designated 2021 as the baseline year for tracking progress toward our GHG emission reduction goals. This decision was made because 2021 was deemed to be highly representative of our business operations, with reporting practices that had evolved sufficiently. Furthermore, emagine's goals have been validated by the Science Based Targets initiative (SBTi)

as 1.5°C-aligned, science-based targets, also utilizing a 2021 base year.

Social Reporting

All our social data, as presented in the ESG Figures section, are retrieved from the following sources: HR system, Talent Manager, employee time-management system TimeGuru, our Employee Pulse survey and from request hub system, ProManagement.

Our number of FTEs, employees, attrition, manager and board compositions are retrieved from our HR system.

Sickness ratio and work-related incidents are retrieved from our employee time-management systems across the group.

Employee Satisfaction is retrieved from quarterly pulse surveys in Actimo.

Customer satisfaction is retrieved from our request hub system, ProManagement.

Governance Reporting

Our reporting on governance and risk and compliance incidents is extracted from our IT Management system, Information Security Management System (ISMS). This system encompasses all IT policies, procedures, governance frameworks, and operational logging, ensuring thorough coverage and accurate reporting of important incidents.



Corporate governance

emagine strives for good corporate governance to ensure accountability and transparency with respect to our employees, customers, shareholders, and other stakeholders.

Corporate governance structure

“emagine’s management is structured in accordance with the Danish Companies Act by having an established Board of Directors and Executive Management (consisting of the CEO, CFO, CPO, COO and CCO). emagine’s corporate governance structure comprises the General Meeting, the Board of Directors, the Risk & Audit Committee, the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Executive Management Team, and the Senior Management Team.

The emagine Group governance responsibilities are consolidated with the CPO who is responsible for HR, Legal, Compliance and Risk Management

The Board of Directors

The Board of Directors is responsible for overall and strategic management and the proper organization of emagine’s business and operations. In this regard, the Board of Directors supervises emagine activities, ensures that emagine is properly operated, and observes the Articles of Association, general policies, guidelines,

and other applicable rules and regulations. The Board of Directors is comprised of 5 members.”

Risk & Audit Committee

The Risk & Audit Committee is a supervisory body established by the Board of Directors to provide insight into and expertise on matters related to financial reporting and internal controls. The committee monitors emagine’s financial reporting process and internal controls.

Data Ethics

emagine’s Data Ethics Policy is approved by the Board of Directors and continuously updated in the following areas:

Purpose and usage: Human interests prevail over commercial interests. The data that we are legally required to store are held for the benefit of the individual.

Individual data control: Individuals should have primary control over the usage of their own data.

Transparency: We strive to be transparent when we communicate purposes and interests of data usage to individuals via privacy notices and policies.

- Accountability and governance: Efforts are made to reduce the risks to individuals and to mitigate

undesirable social and ethical implications.

emagine holds several externally audited security and compliance certifications in support of these efforts, including ISO27001, ISO3402 Operations and ISAE3000 GDPR.

Our risk management approach

As a European company, we are exposed to a variety of risks that are inherent to our business. Managing these risks is an integral part of our management activities.

emagine’s risk management structure is rooted in processes for early risk identification, followed by risk analysis, risk classification, and risk mitigation planning. This structure provides a detailed and bi-annually- updated overview of the key short- and long- term risks. Bi-annually the Chief Executive Management Team presents the updated key risks to the Board of Directors, and recommends the necessary risk-mitigating activities and action plans for approval. The Risk & Audit Committee ensures that the Chief Executive Management Team has established a risk management process that can address all relevant risks.

Our risk management structure

The Board of Directors approves

the overall risk framework. The Board of Directors also monitors the development of the total strategic risk exposure and the individual risk factors, and verifies compliance with the overarching risk policy.

The Executive Management Team determines risk management policies and strategies for the individual risks, and implements risk-mitigation. The Executive Management Team also ensures consistency between the risk management framework and the business objectives, monitors the development of key risks, and makes risk management resources available, for efficient risk management.

Local risk owners identify, assess, quantify, and record risks, which are reported regularly to the Executive Management Team. The local risk owners make suggestions about how to address risks and monitor launched risk management activities.

Our Risk Assessment in 2023

In 2023, the identified risks and mitigation plans were reviewed and assessed by the Executive Management Team. The key risks were presented in the Board of Directors and the Risk & Audit Committee. The Executive Management Team investigated how to best implement the necessary risk mitigating measures with a focus on ensuring



the optimum realization of emagine's strategic objectives.

Compliance

In 2023, compliance was also a top priority for the emagine organization, as an integrated element of the operational excellence framework.

Substantial efforts were committed to successfully re-confirming operational compliance with ISO27001, ISO14001, ISO9001, ISO50001 and TISAX, while also documenting that operational standards are high, through ISAE3000 GDPR and ISAE3402 Operations assurance

reports.

Market

When monitoring overall market risks in 2023, several specific risk factors were tracked to allow for early intervention and mitigation measures. General market risk resilience is comprised of the many initiatives in the Compliance, Tech, and Operations Excellence domains, including targeted M&A activities.

Tech

Cybersecurity risks are prioritized as a focus area for emagine, and in 2023

several substantial investments were made to strengthen detection and prevention mechanisms, while simultaneously monitoring and developing the capacity to recover from any direct attacks, operational disturbances, and advanced types of phishing, malware and ransomware attacks. Throughout 2024, Cybersecurity will remain a priority to support existing and future ambitious compliance targets, such as NIS2.

Operations/Excellence

The ability to attract and retain competent employees was also a focused area of risk in 2022. In 2022, with dedicated support

from Executive Management, several major initiatives that enhance emagine's operational excellence were completed in the domain of Employer Branding, including the roll-out of a Learning Management platform, enhanced ESG reporting, and a standardized Group onboarding process

Ownership and capital structure

emagine Consulting A/S (the Company) is majority-owned by emagine Holding ApS. Axcel, a Nordic private equity firm, is the ultimate majority shareholder, with approx. 79% ownership. The remaining shares are directly or indirectly owned by Management, employees, and Board members. No other ultimate shareholders own over 5% of the share capital.

The Company's equity consists of one class of share, and the loan capital consists of bank debt provided by Danske Bank, Nykredit, etc. Management finds the current capital structure to be appropriate, and to provide the necessary financial flexibility to the Group to support its strategy.

Axcel is a member of the Danish Venture and Private Equity Association (Active owners Denmark) and is in compliance with its guidelines (please see www.aktiveejere.dk/).

As a private equity-owned company, the Company's practices and policies are in accordance with its recommendations.





Internal Control Measures

The Board of Directors is responsible for the existence of adequate internal control measures. In emagine, the internal and external control measures consist of the following layers

	Measure	Responsible
External Control	External Financial Audits External Compliance Audits	General Assembly appoints Financial Auditors CGO appoints Compliance Auditors
Internal & External Control	Whistleblower paradigm	Ethics Committee & Board Of Directors
Internal Control	ESG/CSRD Reporting Financial Controlling Compliance domains <ul style="list-style-type: none"> • Legal (legislation, Sanctions etc.) • Finance • Security • Data Processing Internal Audits Employee Satisfaction surveys	Chief Financial Officer - CFO Chief People Office - CPO Chief Governance Officer – CGO Chief Operations Officer - COO
Internal Support, Rules & guidelines	Code Of Conduct Policies & Procedures ISMS Governance GDPR Governance Financial Budgeting	Country Managers and Extended Management Team



Board of directors

NOT UPDATED



Marika Fredriksson

Chair

Nationality: Swedish
Board function: Non-executive, independent director

Non-executive functions:
Board member:
A.P. Møller Mærsk A/S
Aktiebolaget Industrivärden
Ecolean AB
KONE corporation
Sandvik AB

Advisory board member:
Axcel Management A/S



Christian Bamberger Bro

Vice Chair

Nationality: Danish
Board function:
Non-executive, non-independent director

Profession: Partner, Axcel Management A/S

Chairman:
BullWall Group ApS*
emagine Holding III ApS*
AX VI Addpro Group AB
Loopia Holding III AB*

AX V Phase One Holding III ApS*
SuperOffice Holding III AS*

Vice chairman:
AX VI itm8 Holding ApS
SuperOffice Group AS
emagine Holding ApS*

Board:
Axcel Management Holding ApS
AX VI itm8 Holding III ApS*
Loopia Aktiebolag

AX VI INV8 Holding III A/S*
Phase One Group ApS*

Executive officer:
emagine Holding II ApS*
ITM8 TopCo ApS
FOCKS HOLDING ApS

*and group related companies



Board of directors

NOT UPDATED



Petra Jenner

Board member

Nationality: German

Board function: Non-executive, non-independent director

Profession: General Manager & SVP, Europe, Middle East & Africa, Splunk

Board:
Monday.com (since 1 April 2024)



Søren Nordal Rode

Board member

Nationality: Danish

Board function: Non-executive, non-independent director

Profession: Partner Bjerregaard Rode & Co
Investeringsfond

Board:
Agency Group ApS



Financial statements

Consolidated financial statements

Parent Company financial statement

Management statement

Independent auditor's report



Consolidated financial statements



Income statement

DKK'000	Notes	2023	2022
Revenue	4	3,574,502	3,141,489
Cost of sales	5	-2,895,110	-2,591,080
Gross profit		679,392	550,409
Sales and marketing costs	5	-217,403	-165,792
Administrative costs	5	-147,737	-97,388
Other operating income / loss	7	6,365	1,013
Operating profit before amortisation and depreciation (EBITDA) before special items		320,617	288,242
Depreciation and impairment of property, plant and equipment and right-of-use assets	13, 14	-34,454	-28,562
Operating profit before amortisation (EBITA) before special items		286,163	259,680
Amortisation	11	-51,314	-50,743
Operating profit (EBIT) before special items		234,849	208,937
Special items	8	-54,616	-14,625
Financial income	9	15,734	61
Financial expenses	9	-79,406	-30,324
Profit before tax		116,561	164,049
Tax on profit for the year	10	-46,608	-44,343
Profit for the year		69,953	119,706

DKK'000	Notes	2023	2022
Statement of other comprehensive income			
Profit for the year		69,953	119,706
Other Comprehensive Income			
Items that may be reclassified to the statement of profit and loss:			
Exchange differences on translation of foreign operations		17,650	-6,043
Other Comprehensive Income for the Year		17,650	-6,043
Total Comprehensive Income for the Year		87,603	113,663



Balance sheet

DKK'000	Note	2023	2022	As at 1 January 2022	DKK'000	Note	2023	2022	As at 1 January 2022
ASSETS					EQUITY AND LIABILITIES				
Non-current assets					Equity				
Goodwill	11,12	764,000	730,386	254,261	Share capital		540	540	540
Other intangible assets	11	400,486	420,769	270,599	Currency translation reserve		9,579	-8,071	-2,028
Tangible assets	13	20,380	14,468	6,484	Retained earnings		530,288	456,630	204,840
Right-of-use assets	14	70,316	69,948	53,328	Total equity	16	540,407	449,099	203,352
Other receivables		3,820	3,668	2,952	Non-current liabilities				
Deferred tax assets	10	5,577	5,010	2,598	Interest-bearing loans and borrowings	17, 20, 21	257,144	228,445	-
Total non-current assets		1,264,579	1,244,249	590,222	Lease liabilities	14, 17, 20, 21	47,143	49,770	37,260
Current assets					Other payables		2,507	6,022	2,943
Trade receivables	15	862,662	756,571	533,858	Deferred tax liabilities	10	86,436	91,267	55,199
Prepayments		6,246	4,206	449	Payables to group entities	17, 20, 21	472,291	567,371	402,826
Other receivables		11,609	125,411	31,974	Total non-current liabilities		865,521	942,875	498,228
Cash		163,488	189,848	235,993	Current liabilities				
Total current assets		1,044,005	1,076,036	802,274	Interest-bearing loans and borrowings	17, 20, 21	3,600	3,600	-
Total assets		2,308,584	2,320,285	1,392,496	Lease liabilities	14, 17, 20, 21	29,183	22,227	17,319
					Deferred income		5,591	4,629	15,059
					Trade payables	21	711,371	711,581	559,607
					Other payables	21	115,623	155,760	90,689
					Income taxes payable	10	37,288	30,514	8,242
					Total current liabilities		902,656	928,311	690,916
					Total liabilities		1,768,177	1,871,186	1,189,144
					TOTAL EQUITY AND LIABILITIES		2,308,584	2,320,285	1,392,496



Cash flow statement

DKK'000	Note	2023	2022
Operating profit (EBIT) before special items		234,849	208,937
Non-cash items			
Depreciation and amortisation	18	85,769	79,305
Adjustments of non-cash items, etc.	18	-10,422	-2,753
Change in working capital			
Change in receivables	19	-11,646	-228,849
Change in trade payables	19	-19,309	96,964
Change in other payables	19	144	-4,010
Special items	8	-54,616	-14,625
Interests received		15,734	61
Interests paid		-76,964	-30,157
Income taxes paid		-44,182	-27,556
Cash flows from operating activities		119,357	77,317
Purchase of intangible assets		-17,968	-22,954
Purchase of property, plant and equipment		-5,399	-13,113
Proceeds from disposal of property, plant and equipment		475	951
Acquisition of businesses	22	-19,911	-217,073
Purchase of financial assets		-85	-88
Proceeds from disposal of financial assets		-	941
Cash flows from investing activities		-42,888	-251,336

DKK'000	Note	2023	2022
Proceeds from loans and borrowings		28,969	232,137
Repayment of loans and borrowings		-6,943	-
Repayment of lease liabilities		-26,601	-23,206
Repayment of intercompany loans		-95,374	-78,477
Cash flows from financing activities		-99,949	130,454
Net cash flows		-23,480	-43,565
Cash and cash equivalents, beginning of year		189,848	235,993
Exchange gains/(losses) on cash		-2,880	-2,580
Cash and cash equivalents, year-end		163,488	189,848

The above cannot be derived directly from the income statement and the balance sheet.



Equity statement

DKK'000	Share capital	Currency translation reserve	Retained earnings	Total
Equity at 1 January 2023	540	-8,071	456,630	449,099
Profit for the year	-	-	69,953	69,953
Foreign currency translation adjustment	-	17,650	-	17,650
Total comprehensive income for the year	-	17,650	69,953	87,603
Share-based payments	-	-	3,705	3,705
Total equity at 31 December 2023	540	9,579	530,288	540,407

DKK'000	Share capital	Currency translation reserve	Retained earnings	Total
Equity at 1 January 2022	540	-2,028	204,840	203,352
Profit for the year	-	-	119,706	119,706
Foreign currency translation adjustment	-	-6,043	-	-6,043
Total comprehensive income for the year	-	-6,043	119,706	113,663
Share-based payments	-	-	709	709
Impact from mergers	-	-	131,375	131,375
Total equity at 31 December 2022	540	-8,071	456,630	449,099



Notes overview

Note 1: Accounting policies	73	Note 13: Property, plant and equipment	87	Note 25: Group companies	98
Note 2: Significant accounting estimates and management judgements	75	Note 14: Leases	88	Note 26: Collateral provided and contingent liabilities	99
Note 3: Income statement by function	76	Note 15: Trade receivables	90	Note 27: Events after the balance sheet date	99
Note 4: Revenue	76	Note 16: Equity	90	Note 28: First-time adoption of IFRS	99
Note 5: Staff costs and remuneration	78	Note 17: Loans	91	Note 29: Definition of terms	100
Note 6: Sharebased payments	79	Note 18: Non cash items for the cash-flow	92		
Note 7: Other operating income/loss	80	Note 19: Change in net working capital	92		
Note 8: Special items	80	Note 20: Financial risks and financial instruments	92		
Note 9: Financial income and expenses	80	Note 21: Financial liabilities - maturity analysis	94		
Note 10: Income taxes	81	Note 22: Acquisitions of entities	96		
Note 11: Intangible assets	82	Note 23: Fees to the Group auditor	97		
Note 12: Impairment tests	85	Note 24: Related parties	98		



Note 1

Accounting policies

emagine Consulting A/S is a limited liability company registered in Denmark. The financial statements for the period January 1 - December 31, 2023, presented in the Annual Report 2022 comprise both consolidated financial statements of emagine Consulting A/S and its subsidiaries (emagine) and separate Parent Company Financial Statements. Reference is made to page 106 for Parent's specific accounting policies.

The financial statements of emagine for 2023 have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional Danish disclosure requirements for the annual reports of large reporting class C entities.

The Board of Directors and the Executive Management considered and adopted the Annual Report of emagine Consulting A/S for 2023 on April 8, 2024. The Annual Report will be submitted for adoption by the shareholders of emagine Consulting A/S at the Annual General Meeting.

The annual report is presented in Danish Kroner (DKK), which is also the functional currency of the parent company.

The amounts have been rounded to the nearest thousands, except otherwise stated. Due to rounding, numbers presented throughout this report may not add up precisely to the totals, and percentages may not precisely reflect the absolute figures.

Significant accounting policies

This section describes the general accounting policies applied by emagine. A detailed description of the accounting policies applied and critical estimates made with respect to specific reported amounts is presented in the relevant notes. The purpose of this is to create full transparency of the disclosed amounts by providing a total description of the relevant accounting policy, the critical estimates and the numerical information for each note.

The description of accounting policies in the notes constitutes part of the overall description of emagine's accounting policies.

First-time adoption of IFRS

This annual report is the first annual report that is presented in accordance with IFRS. The date of transition is 1 January 2022, accordingly

the comparative figures in the consolidated statement of profit and loss for 1 January to 31 December 2022 and the balance sheet items as at 1 January 2022, 31 December 2022 were restated in accordance with IFRS.

The accounting policies applied are based on the standards and interpretations effective for 2023. No standards or interpretations which are not yet effective have been adopted.

The disclosures required by IFRS 1 First-time Adoption of IFRS Accounting Standards, concerning the transition from the Danish Financial Statements Act to IFRS, are provided in note 28.

Implementation of new or amended standards and interpretations

emagine has adopted all new or amended standards (IFRS) and interpretations (IFRIC) as adopted by the EU and which are effective for the financial year 1 January to 31 December 2023. The implementation of these new or amended standards and interpretations had no material impact on the financial statements for the year. The new standards that are not yet effective are not expected to have any material impact on emagine.

Change in accounting policy

In its historic accounts, emagine has determined that it acts as a principal in the Third-Party Management (TPM) services and has recognized revenue from these services on a gross basis (with gross invoiced sales reported as revenue, and costs of the consultant reported as cost of sales). Following an assessment by the management, emagine has determined that it acts as an agent in the TPM services under the principal/agent criteria in IFRS 15 "Revenue from Contracts with Customers". For this reason, emagine has implemented a change to its accounting policy and recognized revenue from these products and services on a net basis (with gross invoiced sales, less costs of consultants reported as revenue).

The changes have been applied retrospectively. The impact on emagine's financial statements for financial year 2022 is:

- Revenue is reduced by DKK 1,008 million
- Cost of sales is reduced by DKK 1,008 million
- Gross profit, operating profit, net profit after tax, balance



sheet and cash flow statement are unchanged.

Consolidated financial statements

The consolidated financial statements comprise emagine Consulting A/S (Parent) and the entities (subsidiaries) that are controlled by the Parent. Control is achieved when the Parent is exposed, or has rights, to variable returns from its involvement with an entity and has the ability to use its power over the entity to affect those returns.

Consolidation principles

The consolidated financial statements are prepared by adding together financial statement items of a uniform nature. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends as well as profits and losses on transactions between the consolidated entities are eliminated. Unrealised losses are eliminated in the same way as unrealized gains.

Equity investments in subsidiaries are eliminated by the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policy.

Applying materiality

The Annual Report is based on the concept of materiality, to ensure that the content is material and relevant to the readers. The consolidated financial statements consist of many transactions. These transactions are aggregated into classes according to their nature or function and presented in classes of similar items in the financial statements and in the notes as required by IFRS. If items are individually immaterial, they are aggregated with other items of a similar nature in the statements or in the notes.

The disclosure requirements throughout IFRS are substantial and provides the specific disclosures required by IFRS unless the information is considered immaterial to the economic decision making of the readers of these financial statements.

Alternative Performance measures

We present financial measures which are not defined according to IFRS. We use these alternative performance measures (APM) as we believe that these financial measures provide valuable information to our stakeholders and management. The financial measures should not be considered as a replacement for performance measures as defined under IFRS, but rather as supplementary information.

The alternative performance measures may not be comparable to similarly titled measures presented by other companies, as the definitions and calculations may be different. Our definitions of the financial measures are included in note 29 Definition of terms.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the individual subsidiary operates ('the functional currency').

Transactions denominated in other currencies than the functional currency are foreign currency transactions.

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the statement of profit and loss as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. The difference between the exchange rates at the end

of the reporting period and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised in profit and loss as financial income or financial expenses.

When subsidiaries, which prepare their financial statements in a functional currency different from DKK are consolidated into the consolidated financial statements, the items of the statement of profit and loss are translated at the average exchange rates. Exchange differences arising out of the translation of foreign subsidiaries' balance sheet items at the beginning of the year using the balance sheet date exchange rates as well as out of the translation of statement of profit and loss from average rates to the exchange rates at the balance sheet date are recognised in other comprehensive income.

Cash flow

Cash flows from operating activities are presented using the indirect method.

Cash flows in currencies other than the functional currency are translated at the average exchange rates for the month in question, unless these differ significantly from the rates at the transaction dates.



Note 2

Significant accounting estimates and management judgements

In preparing emagine' consolidated financial statements, Management makes a number of accounting estimates and judgements on complex areas of accounting. The assessments are based on assumptions concerning future developments and may have a significant effect on recognised assets and liabilities, as well as income and expenses. As a consequence of their complex nature and their effect on the consolidated financial statements, these assessments receive close attention from Management throughout the year. Thus, all estimates and judgement assumptions are regularly reassessed as more detailed information based on historical data, experience, the financial situation, market situation and other external factors become available.

The level of impact on emagine from this combination of estimates, judgements and assumptions is described in the following table.

Accounting principles		Estimate/judgement
Revenue recognition - agent/ principal	As the emagine's service offerings often involve freelance or other third-party consultants the Group determines whether it acts as a principal or as an agent in the provision of services to its customers. emagine therefore determines whether the nature of its promise is a performance obligation to provide the specified services itself or to arrange for those services to be provided by the freelance or third-party consultant. For this purpose, the Group assess whether it controls the specified IT Consultancy services before it is transferred to the customer. The assessment and conclusion depends on the individual arrangements with the customers and the consultant.	Judgement
Impairment tests	Estimates are applied in the assessment of future revenues, gross profits, operating margins, discount rates and growth expectations in the terminal period in the impairment testing (value-in-use calculation). These are based on an assessment of current and future developments in the cash-generating units and on historical data and assumptions of expected future developments.	Estimate
Special items	Key assumptions involve judgement from Management in identifying and separating special items or expense items from other items in the income statement. These items are carefully considered in order to ensure correct presentation.	Judgement
Business Combination	<p>In applying the acquisition method of accounting, estimates are an integral part of assessing fair values of several identifiable assets acquired and liabilities assumed, as observable market prices are typically not available. Valuation techniques where estimates are applied typically relate to determining the present value of future uncertain cash flows or assessing other events in which the outcome is uncertain at the date of acquisition.</p> <p>More significant estimates are typically applied in accounting for customer relationships, trade receivables, deferred tax, debt and contingent liabilities. As a result of the uncertainties inherent in fair value estimation, measurement period adjustments may be applied.</p>	Estimate



Note 3

Income statement by function

It is our policy to prepare the income statement based on an adjusted classification of the cost by function in order to show the earnings before depreciation and amortisation. Depreciation and amortisation are therefore separated from the individual functions and presented in separate lines.

The income statement prepared on the basis of cost by function is shown below:

DKK'000	2023	2022
Revenue	3,574,502	3,141,489
Cost of sales, including depreciation and amortisation	-2,946,424	-2,641,823
Gross profit	628,078	499,666
Sales and marketing costs, including depreciation and amortisation	-217,403	-165,792
Administrative costs, including special non-recurring items, depreciation and amortisation	-236,808	-140,575
Other operating income / loss	6,365	1,013
Operating profit (EBIT) before special items	180,232	194,312

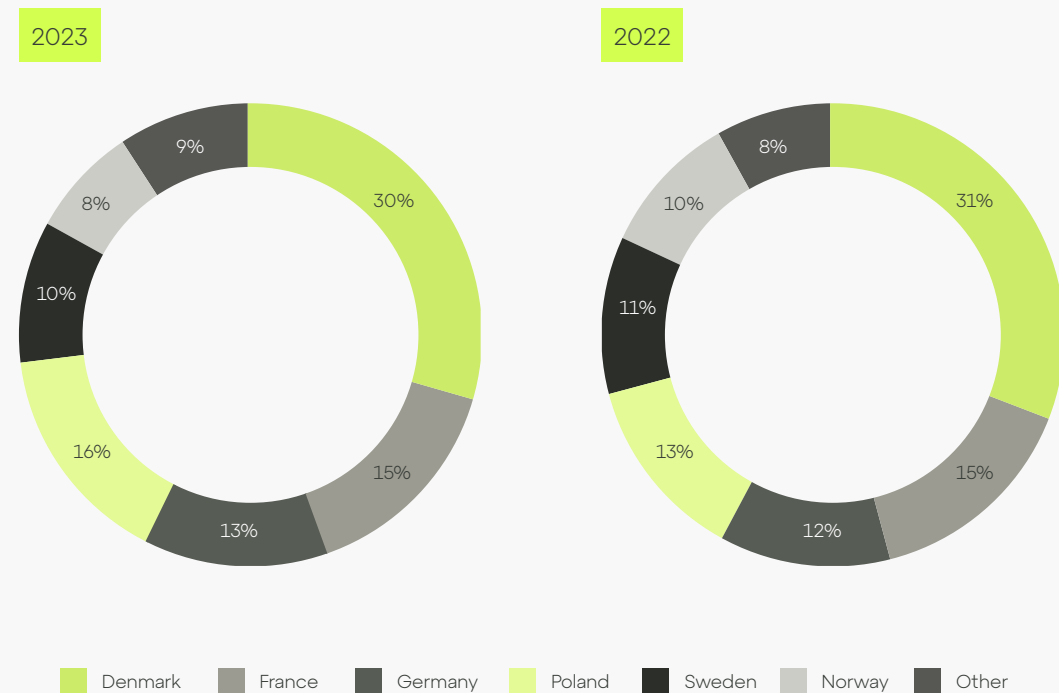
Note 4

Revenue

Revenue is distributed as follows:

DKK'000	2023	2022
Services segmentation		
Consulting	2,810,299	2,515,021
Bestshore	664,290	546,027
Other	99,913	80,441
Total	3,574,502	3,141,489

Revenue per geography





Accounting Policy

Revenue is measured based on the consideration to which emagine expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

emagine's primary service offerings include IT Consultancy services, bestshore services and other. All revenue streams are generally provided on a time & material contract basis. However, some contracts may be on a fixed price contract basis.

emagine' recognition of revenue can be over time or at a point in time. In general, revenue from contracts with customers is recognised when control is transferred to the customer at an amount that reflects the consideration to which emagine expects to be entitled in exchange for those services. Revenue is recognised over time when emagine has an enforceable right to payment for performance completed year to date, or the customer obtains control of a service and thus has the ability to direct the use and obtain the benefit from the service.

In recognising revenue, emagine applies the five-step-model in IFRS 15. emagine's primary service offerings include IT consultants and bestshore.

Consulting services are generally provided on either a time-and-material basis or on a fixed price contract basis. Revenue from time-and-material contracts recognised as hours are delivered and direct expenses are incurred.

For sales arrangements where emagine acts as a principal in the transaction and has the principal risk and rewards of ownership, including amongst others, the obligation to deliver the services, revenue

is reported gross by emagine. Under arrangements where emagine acts as an agent, revenue is reported on a net basis.

emagine does usually not enter into sales agreements with a credit period of more than 12 months. Accordingly, emagine does not adjust the agreed contract price with a finance charge.

Time & material contracts

Revenue from time & material contracts is recognized over time in the accounting period in which the services are rendered. The time & material contracts include hourly fees and thus the Group applies the practical expedient under IFRS 15 that allows emagine to recognize revenue as invoiced. This is because the amount invoiced corresponds directly with the value transferred to the client. Clients are generally invoiced on a monthly basis and consideration is payable when invoiced. Minor form of variable consideration, such as volume discounts or rebates, if any, are considered non-substantive. Fixed price contracts Revenue from fixed price contracts is recognized over time under the percentage of completion method whereby revenue is recognized based on hours incurred to date as a percentage of the total estimated costs of hours to fulfill the contract.

Revenue from other services

In addition, emagine generates revenue from other services, which primarily includes revenue from hiring out complete workspace stations, course and training programs. Revenue from such service arrangements is recognised over time as the services are rendered.

Other revenue includes revenue from TPM services of DKK 48.7 million (2022: DKK 38.3 million).





Note 5

Staff costs and remuneration

DKK'000	2023	2022
Wages and salaries	479,470	363,827
Pensions	32,472	26,371
Other social security costs	39,537	33,722
Other staff costs	14,825	9,028
Sharebased payments	3,705	709
Total	570,009	433,657
Average number of employees	603	453

Remuneration to Key Management

Key management consists of Board of Directors and employed members of the Executive management and key employees, including CFO, CGO, COO, CCO, CPO and Head of Bestshore. The remuneration paid or payable to key management for employee services is as follows:

DKK'000	2023	2022
Remuneration to the Executive Board and Board of Directors		
Wages and salaries	5,187	5,036
Other social security costs	82	65
Other staff costs	182	182
Sharebased payments	1,317	300
Total	6,768	5,583
Remuneration to other Key Management		
Wages and salaries	12,049	11,973
Pensions	869	303
Other social security costs	251	19
Other staff costs	590	511
Sharebased payments	1,034	192
Total	14,793	12,998

In accordance with the Danish Financial Statement Act § 98b, subsection 3, the exception is applied to exclude the disclosure of remuneration for a member of the executive management team.

Research and development costs

Employee related development cost capitalized amounts to DKK 13,684 thousand (2022: DKK 11,871 thousand)

This mainly relates to emagine's internal operating systems.

Accounting policies

Staff costs include wages and salaries, including share-based payments, holiday pay and pensions, as well as other expenses for social security etc., relating to emagine's employees.

Staff costs are recognised in the financial year in which the employee renders the related service. Costs related to long-term employee benefits, e.g. share-based payments, are recognised in the periods in which they are earned. Please refer to note 6, for further details on the share-based payments.



Note 6

Sharebased payments

Decisions to grant share-based incentive programmes are made by the Board of Directors in accordance with the articles of association on incentive pay for emagine. The warrants relate to shares in the Parent company emagine Holding II ApS.

The total cost related to share-based payments was DKK 3.7 million (2022: DKK 0.8 million). The cost of share-based payments is included in staff costs. In the remaining vesting periods, an amount of DKK 11.3 million (2022: DKK 15.0 million) is expected to be recognised in respect of the current programmes. The weighted average remaining contractual life of the shares at the end of the period was 2.9 years (2022: 3.9 years).

Assumptions on fair value of shares

Estimating fair value for Warrant programs transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the share price of emagine at the grant date, the expected life of the warrant, volatility and dividend yield and making assumptions about them.

emagine has given warrants 2022 and 2023, and they are all still open. Warrants have been granted to members of Key Management Personnel and other employees in the company. For the 2022 and 2023 program, the employees only receive equity instruments.

Accounting policies

Certain employees of emagine receive remuneration in the form of share-based payments, whereby program participants render services as consideration for equity instruments ("equity-settled transactions"). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made, using an appropriate valuation model.

That cost is recognised in staff costs, together with a corresponding increase in equity (other capital reserves) for equity-settled programs, over the period in which the service and, where applicable,

the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and emagine's best estimate of the number of equity instruments that will ultimately vest. The expense or income in the income statement for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Specification of outstanding share options

	Key personnel & employees	Avg. exercise price (per warrant)
Outstanding at 31 December 2021	-	-
Granted	980,017	55.03
Forfeited	-	-
Exercised	-	-
Transfer between categories	-	-
Outstanding at 31 December 2022	980,017	
Granted	230,484	59.84
Forfeited	-18,433	
Exercised	-24,167	
Outstanding at 31 December 2023	1,167,901	
Exercisable 31 December 2023 & 2022	0	



Note 7

Other operating income/loss

Accounting principles

Other operating income comprises of income from activities which are not directly linked to emagine's business.

Gains and losses on disposal of intangible assets and property, plant and equipment are determined as the sales price less selling costs and the carrying amount at the disposal date.

DKK'000	2023	2022
Gain from sale of assets	493	4
Other operating income	7,065	6,148
Loss from sale of assets	-115	-5,139
Other operating expenses	-1,078	-
Total	6,365	1,013

Note 8

Special items

Accounting policies

Special items are defined as non-recurring income and expenses that the group does not consider to be part of its ordinary operations including restructuring projects. The use of special items entails management judgement in the separation from the ordinary operations of emagine. When using special items, it is essential that these constitute items that cannot be attributed directly to emagine's ordinary operating activities.

DKK'000	2023	2022
Costs related to acquisitions	30,523	32,404
Adjustment of earn-out	-	-27,304
Redundancy and restructuring costs, etc.	21,495	7,403
Write-down of debtors due to bankruptcy	2,056	2,122
Other special items	542	-
Total	54,616	14,625

Comments

In 2023, special items mainly related to M&A and integration activities. In 2022, special items mainly related to cost for acquisitions and integration offset by a positive impact from adjustment of earn-out.

Note 9

Financial income and expenses

DKK'000	2023	2022
Financial Income		
Other interest income	15,734	61
Total	15,734	61

DKK'000	2023	2022
Financial expenses		
Interest expenses from group entities	9,911	6,408
Interest expenses regarding leasing	2,854	2,073
Other interest expenses	45,775	13,282
Foreign exchange losses	14,967	5,752
Other financial expenses	5,899	2,810
Total	79,406	30,325

Finance expenses related to financial liabilities recognised at amortised cost (the credit facility and lease liabilities) amount to DKK 1,399 thousand (2022: DKK 166 thousand).

Accounting policies

Financial income and expenses comprise interest income and expenses, currency gains and losses, amortisation of loan costs, etc.



Note 10

Income taxes

DKK'000	2023	2022
Current income tax:		
Current income tax charge	-54,327	-48,382
Deferred tax:		
Relating to origination and reversal of temporary differences	7,719	4,039
Total tax for the year	-46,608	-44,343
Profit before tax	116,561	164,049
Tax rate of 22%	-25,643	-36,091
Tax at a rate of 22%		
Tax-based value of non-deductible interests	-7,213	-5,063
Other adjustments	-13,752	-3,189
Total tax for the year	-46,608	-44,343
Effective tax rate	40.0%	27.0%

Tax payable and tax receivable

DKK'000	2023	2022
Tax payable at 1 January, net	-30,514	-8,242
Current tax for the year	-46,608	-44,343
Tax payments for the year	44,182	27,566
Other movements	-4,348	-5,495
Total tax payable and tax receivable	-37,288	-30,514

Deferred tax has been presented as follows in the statement of financial position

DKK'000	2023	2022
Deferred tax asset	5,577	5,010
Deferred tax liability	-86,436	-91,267
Total deferred tax	-80,859	-86,257

Deferred tax has been presented as follows in the statement of financial position:

DKK'000	2023	2022
Non-current assets	-86,436	-91,267
Current liabilities	5,577	5,010
Total deferred tax	-80,859	-86,257

Accounting principles

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in profit for the year by the portion attributable to the profit for the year and recognised directly in other comprehensive income and equity by the portion attributable to entries recognised directly in other comprehensive income and equity.

Current tax payable and current tax receivable are recognised in the statement of financial position, calculated as tax on taxable income for the year, adjusted for prepaid tax.

On calculation of current tax, the tax rates and rules applicable at the balance sheet date are used.

Deferred tax is recognised on all temporary differences between the carrying amounts and tax-based values of assets and liabilities using the balance sheet liability method. Deferred tax is calculated on the basis of the planned use of each asset and the settlement of each liability, respectively. Deferred tax is measured using the tax rates and tax rules which – based on acts in force or acts actually in force at the balance sheet date – are expected to apply when the deferred tax is expected to crystallise as current tax. Changes in deferred tax resulting from changed tax rates or tax rules are recognised in profit/loss unless the deferred tax is attributable to transactions previously recognised directly in equity or other comprehensive income. In the latter case, such changes are also recognised directly in equity or other comprehensive income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the statement of the financial position at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets to be set off against future positive taxable income. At each balance sheet date, it is considered whether sufficient taxable income is likely to arise in the future for the deferred tax asset to be used.



Note 11

Intangible assets

DKK'000	Goodwill	Customer relationships	Brands	Acquired rights	Software	Total intangible assets
Cost at 1 January 2023	730,386	378,285	71,255	20,664	55,058	1,255,648
Foreign currency translation adjustment	-	254	-	-	-	254
Additions	-	-	-	35	17,933	17,968
Additions from acquisitions	33,614	12,014	-	-	-	45,829
Disposals and reclassifications	-	4,137	-	-4,137	-	-
Cost at 31 December 2023	764,000	394,690	71,255	16,562	72,991	1,319,499
Impairment and amortisation at 1 January 2023	-	-78,017	-7,722	-6,009	-12,746	-104,494
Foreign currency translation adjustment	-	385	-	-	-	385
Disposals and reclassifications	-	-	-	-1,359	-	-1,359
Amortisation	-	-38,370	-7,127	-374	-3,673	-49,544
Impairment and amortisation at 31 December 2023	-	-116,003	-14,849	-7,742	-16,419	-155,013
Carrying amount at 31 December 2023	764,000	278,688	56,406	8,820	56,572	1,164,486



DKK'000	Goodwill	Customer relationships	Brands	Acquired rights	Software	Total intangible assets
Cost at 1 January 2022	254,261	171,875	71,255	28,848	26,022	552,261
Foreign currency translation adjustment	-1,176	-443	-	-967	-	-2,586
Additions	-	5,000	-	9,366	13,588	27,954
Additions from merge with holding company	300,219	116,703	-	-	15,448	432,370
Additions from acquisitions	177,082	85,150	-	-	-	262,232
Disposals during the year	-	-	-	-16,583	-	-16,583
Cost at 31 December 2022	730,386	378,285	71,255	20,664	55,058	1,255,648
Impairment and amortisation at 1 January 2022	-	-8,285	-594	-15,374	-3,148	-27,401
Foreign currency translation adjustment	-	17	-	747	-	764
Disposals during the year	-	-	-	11,673	-	11,673
Amortisation from merge with holding company	-	-38,933	-	-	-5,154	-44,087
Amortisation	-	-30,816	-7,128	-3,055	-4,444	-45,443
Impairment and amortisation at 31 December 2022	-	-78,017	-7,722	-6,009	-12,746	-104,494
Carrying amount at 31 December 2022	730,386	300,268	63,533	14,655	42,312	1,151,154

Comments

In 2023, the group acquired Skillspark and Quality Sourcing, and in 2022, the group acquired Aspira and Peak, which explains the additions to the intangible assets. Please refer to note 22 for further guidance on this. The acquisitions of goodwill and customer relationships have primarily been made to achieve synergies with existing business units, to further develop existing markets and to establish a presence on new markets.

Except for goodwill, all intangible assets are deemed to have a definite life.

Software are mainly related to emagine's internally developed operational systems.



Accounting policies

Goodwill is recognised in the statement of financial position at cost on initial recognition. Goodwill is subsequently measured at cost less accumulated impairment losses. Goodwill is not amortised. Goodwill are tested for impairment annually or whenever there is an indication of impairment, while the other intangible assets with definite lives are tested when there is an indication of impairment. Please refer to note 12 for further details on this.

Customer relationships are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line based on their estimated useful lives, estimated to be 10 years. Acquired rights and brands are measured upon acquisition at cost, and are amortised over the expected economic life, estimated to be 3 to 10 years.

Software is amortised on a straight-line basis over the expected economic life, estimated to be 3 to 5 years.

Costs include the purchase price and costs directly or indirectly attributable to bringing the asset to its intended use.

If a write-down is required, the carrying amount is written down to the higher of the net selling price and the value-in-use. The value-in-use is calculated based on the estimated future cash flows, discounted by using a pre-tax discount rate.

Development costs on individual project are recognised as intangible assets when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.





Note 12

Impairment tests

Outcome of the impairment tests

The impairment tests in 2022 and 2023 did not result in any impairment losses.

emagine's cash-generating units (CGUs)

Impairment tests are carried out per country which is the lowest level of cash-generating units (CGUs) to which the carrying amount of goodwill, can be allocated and monitored with any reasonable certainty.

Key assumptions in the impairment test

Goodwill is tested for impairment at least once a year, and more frequently if there are indications of impairment. The recoverable amounts for the CGUs are determined based on the value-in-use.

In the impairment tests, the discounted values of the future net cash flows of each of the CGUs value-in-use are compared with their carrying amounts. The value-in-use is calculated using certain key assumptions for the expected future cash flows and applied discount factor.

The cash flow projections are based on financial budgets and business plans approved by Management. In nature, these projections are subject to judgement and estimates that are uncertain, though based on experience. The discount rates applied reflect the time value of money as well as the specific risks related to the underlying cash flows, i.e. project and/ or country-specific risk premium. Further, any uncertainties

reflecting past performance and possible variations in the amount or timing of the projected cash flows are generally reflected in the discount rates. The value-in-use calculation comprises of the following key assumptions:

- Revenue growth in the forecast period
- EBIT margin before special items
- Development in net working capital
- Discount rates
- Growth rate in terminal period

Revenue growth

Revenue growth projections in the financial forecast for 2024-2026 are estimated based on current operations and the expected market development for the individual CGUs.

It is expected that the revenue growth will continue for emagine across all markets.

EBIT margin

When estimating the CGUs EBIT margin before special items in the financial forecast for 2024-2026, past experiences are taken into consideration.

The current level of earnings is expected to be maintained throughout the forecast period at a level of 3-7% across all markets.

Discount rates and terminal growth

The discount rates for 2022 and 2023 impairment testing purposes are based on calculation of weighted average cost of capital (WACC) applicable for emagine, considering both debt and equity.



Carrying amounts and key assumptions

The carrying amount of goodwill and the key assumptions used in the impairment testing at 31 December is presented below for each CGU:

2023	Carrying amount	Forecasting period	Terminal period	Applied discount rate	
DKK	Goodwill	Total growth (avg.)	Growth	After tax	Pre-tax
Denmark	219	8.8%	2.0%	8.7%	11.2%
Sweden	75	8.8%	2.0%	8.7%	11.0%
Norway	44	10.4%	2.0%	9.7%	12.4%
Poland	76	13.5%	2.0%	12.0%	14.8%
France	74	11.5%	2.0%	9.0%	12.1%
Germany	76	11.4%	2.0%	9.0%	10.7%
UK	85	18.5%	2.0%	9.9%	13.2%
Ireland	97	12.2%	2.0%	9.9%	11.3%
India	18	28.8%	2.0%	9.7%	13.0%
Total	764				
2022	Carrying amount	Forecasting period	Terminal period	Applied discount rate	
DKK	Goodwill	Total growth (avg.)	Growth	After tax	Pre-tax
Denmark	211	9.8%	1.5%	6.5%	8.4%
Sweden	50	9.1%	1.5%	6.6%	8.3%
Norway	44	16.8%	1.5%	7.4%	9.5%
Poland	76	13.8%	1.5%	9.4%	11.6%
France	74	9.7%	1.5%	6.6%	8.9%
Germany	76	9.3%	1.5%	6.6%	7.8%
UK	85	14.0%	1.5%	8.0%	10.6%
Ireland	97	-	-	-	-
India	18	18.2%	1.5%	7.5%	10.1%
Total	730				



1/1 2022	Carrying amount	Forecasting period	Terminal period	Applied discount rate	
DKK	Goodwill	Total growth (avg.)	Growth	After tax	Pre-tax
Denmark	60	12.3%	1.5%	4.2%	5.4%
Sweden	23	9.5%	1.5%	4.5%	5.7%
Norway	20	27.7%	1.5%	5.7%	7.3%
Poland	35	24.7%	1.5%	8.0%	9.8%
France	34	11.6%	1.5%	4.3%	5.8%
Germany	35	12.2%	1.5%	4.3%	5.1%
UK	39	29.4%	1.5%	5.2%	7.0%
India	8	64.3%	1.5%	5.4%	7.3%
Total	254				

Note 13

Property, plant and equipment

Accounting policies

Leasehold improvements and other tangible assets are measured at cost less accumulated depreciation and impairment losses.

The cost comprises the acquisition price and other expenses directly attributable to preparing the asset for its intended use. The present value of estimated expenses for dismantling and disposing of the asset as well as restoration expenses are added to the cost if such expenses are recognised as a provision.

If the individual components of an asset have different useful lives, each component will be depreciated separately.

Subsequent costs, such as partial replacement of property, plant and equipment, are included in the carrying amount of the asset in question when it is probable that such costs will result in future economic benefits.

Depreciation is carried out on a straight-line basis over the expected useful lives of the assets. The expected useful lives of the overall asset categories are as follows:

- Leasehold improvements 2-4 years
- Other tangible assets: 5 years

The basis of depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.



DKK'000	2023			2022		
	Leasehold improvements	Other tangibles	Total	Leasehold improvements	Other tangibles	Total
Cost at 1 January	6,221	25,840	32,061	1,364	25,552	26,916
Previous period adjustments	-	2,477	2,477	-2,122	-1,306	-3,427
Additions from business combinations	-	-	-	2,424	2,241	4,665
Additions	751	4,648	5,399	5,042	8,071	13,113
Disposals	-	-1,271	-1,271	-462	-7,745	-8,207
Reclassification	-74	-	-74	-	-	-
Currency translation	-	8,419	8,419	-25	-973	-998
Total cost at 31 December	6,898	40,113	47,011	6,221	25,840	32,061
Total depreciation and impairment at 1 January	-418	-17,175	-17,593	-185	-20,247	-20,432
Depreciation for the year	-1,273	-2,696	-3,968	-513	-4,606	-5,119
Disposals	-	1,164	1,164	277	6,756	7,033
Reclassification	-138	-	-138	-	-	-
Currency translation	-	-6,095	-6,095	3	922	925
Total depreciation and impairment at 31 December	-1,829	-24,802	-26,631	-418	-17,175	-17,593
Carrying amount at 31 December	5,069	15,311	20,380	5,803	8,665	14,468

Note 14

Leases

emagine leases various offices and cars.
Amounts recognised in the balance sheet:

Additions of right-of-use assets were DKK 14,880 thousand in 2023
(2022: DKK 35,297 thousand).

Right-of-use assets	2023	2022	1/1 2022
DKK million			
Properties	65,577	65,142	49,647
Cars	4,738	4,806	3,681
Total right-of-use assets	70,315	69,948	53,328

Lease liabilities	2023	2022	1/1 2022
DKK million			
Non-current	47,143	49,770	37,260
Current	29,183	22,227	17,319
Total lease liabilities	76,326	71,997	54,579

Lease liabilities are recognised in loans and borrowings.



Depreciations are specified as follows:

DKK million	2023	2022
Properties	25,362	21,691
Cars	2,818	1,901
Total depreciation on right-of-use assets for the period	28,180	23,592

The vast majority of depreciation relates to leased offices and is recognised in the Administrative costs line.

Costs recognised in the period for short-term and low-value leases were below DKK 1 million (2022: below DKK 1 million). Expenses are recognised on a straight-line basis.

Financial expenses relating to lease contracts were DKK 2.9 million (2022: DKK 2.1 million)

Total cash outflows for the year relating to leases was DKK 29.3 million (2022: DKK 25.3 million), comprising lease payments in scope of IFRS 16 of DKK 26.4 million (2022: DKK 23.2 million) and interest paid of DKK 2.9 million (2022: DKK 2.1 million). For details of the maturity of the lease liabilities, please refer to note 21.

Accounting policies

emagine applies a single recognition and measurement approach to all leases, except for short-term leases and low-value leases.

emagine recognises right-of-use assets at the commencement date of the lease when the asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date, key money, less any lease incentives received. Key money is measured at cost and amortised over the term of the contract. Right-of-use assets are depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. At each reporting date, emagine assesses whether there is any indication that a right-of-use asset may be impaired. If any such indication exists, emagine carries out impairment testing for the relevant CGU.

emagine recognises lease liabilities at the commencement date of the lease, measured at the present value of lease payments to be made over the lease term. Lease payments include fixed payments less any lease incentives receivable. Some leases are exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. Payments relating to services are not included in lease liabilities. Some property leases contain variable payment terms that are linked to sales generated from

a store. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs and are not included in the lease liability. In calculating the present value of lease payments, emagine uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, for example a change in the lease term or a change in the lease payments. Lease payments are classified in financial activities in the statement of cash flows.

emagine applies the short-term lease recognition exemption to its short-term leases. Payments related to short-term leases and leases of low-value assets continue to be recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise some IT equipment and other office equipment.



Note 15

Trade receivables

DKK'000	2023	2022	1/1 2022
Gross trade receivables	748,768	663,863	503,262
Provisions for bad debt	-4,854	-2,255	-1,670
Total trade receivables, net	743,914	661,608	501,592
Contract assets	118,748	94,963	32,266

Comments

Contract assets relate to emagine's right to considerations for completed services which have not been invoiced at the reporting date. Contract assets are transferred to trade receivables when the rights become unconditional.

emagine's customers are generally large international industrial companies with adequate resources and capital available for acquiring it-consulting services as provided by emagine. The customers do therefore normally have a high credit quality. To assess the credit risk of a customer, prior to entering into a new sales agreement, it is emagine's policy to evaluate the customer's ability to pay, mainly based on experience and the financial performance of the customers.

Payments are generally due for settlement within 30-60 days after invoice date and are therefore all classified as current. emagine has historically not incurred any significant losses from trade receivables. Impairment losses on trade receivables for 2023 amounted to DKK 2.7 million, corresponding to 0.08% of consolidated revenue (DKK 0.8 million, or 0.02%).

Accounting policies

Trade receivables are recognised at amortised cost.

Impairments for lifetime expected credit losses (ECL) are recognised in the income statement upon initial recognition of the receivables. The expected credit losses are calculated according to the portfolio of receivables and are grouped by shared credit risk characteristics. A provision matrix is established based on the historical credit losses and adjusted for forward-looking factors specific to the debtors and the economic environment.

The impairments on trade receivables are recognised in administrative costs and special items.

Note 16

Equity

Share capital

The share capital is divided into 53,993,197 shares (53,993,197 shares) with a nominal value of DKK 0.01 each.

No shares are subject to special rights or restrictions on voting rights. The shares are fully paid up and are not divided into classes.

	2023	2022	2021
Issued shares			
1 January	53,993,197	53,993,197	53,993,197
31 December – fully paid	53,993,197	53,993,197	53,993,197

Other equity reserves

Exchange differences arising on translation of the parent company and of foreign controlled entities into the presentation currency, DKK, are recognized in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit and loss when the net investment is disposed of.

Capital management

As at 31 December 2023, emagine was mainly funded by equity totaling DKK 637.3 million (2022: DKK 545.8 million), bank loan of DKK 260.7 million (2022: DKK 232.0 million) and loan from group parent entities DKK 472.2 million (2022: 567.4 million). emagine is generally not subject to any special capital requirements other than the usual statutory requirements and agreed bank covenants.

emagine monitors and manages its capital structure with a view to ensure that it can meet its financing obligations. No changes have been made to emagine's management of capital compared to 2022.

emagine is focused on reducing the working capital to a minimum and to a large extent match the terms on account receivables and account payables.



Note 17

Loans

DKK'000	2023	2022	1/1 2022
Non-current liabilities			
Bank Loans	257,144	228,445	-
Lease liabilities	47,143	49,770	37,260
Other non-current loans	472,291	567,371	402,826
Total	776,578	845,586	440,086
Current liabilities			
Bank loans	3,600	3,600	-
Lease liabilities	29,183	22,227	17,319
Total	32,783	25,827	17,319

Interest rates

The average interest rates on loans was 7.2% (2022: 4.5%).

Accounting policies**Loans**

Debt to credit institutions, etc., is recognised at the time of obtaining the loan at fair value less transaction costs. In subsequent periods, financial liabilities are measured at amortised cost.

Lease liabilities

emagine recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The following is included in the lease payments:

- Fixed payments
- Variable payments that depend on index or a rate
- The exercise price of purchase options reasonably certain to be exercised
- Payments related to periods covered by an extension option reasonably certain to be exercised
- Penalty payments in connection with termination options reasonably certain to be exercised

emagine has chosen to include any service component from lease payments. emagine determines the lease term based on

the non-cancellable lease period identified in the contract together with any periods covered by an extension option reasonably certain to be exercised or any periods covered by a termination option reasonably certain not to be exercised. After the commencement date, emagine reassesses the lease term if there is a significant event or change in circumstances that is within emagine's control and affects its ability to exercise (or not to exercise) the options.

When discounting the lease payments to present value, emagine uses the incremental borrowing rate. emagine estimates the incremental borrowing rate by using a market interest rate that reflects the currency and average term of the leases plus a credit margin.



Note 18

Non cash items for the cash-flow

Figures in DKK	2023	2022
Depreciation and amortisation	85,769	79,305
Other non-cash adjustments	-10,422	-2,753
Total adjustments	75,347	77,317

Note 19

Change in net working capital

Figures in DKK	2023	2022
Change in receivables	-11,646	-228,849
Change in trade payables	-19,309	96,964
Change in other payables	144	-4,010
Change in net working capital	-30,811	-135,895

Note 20

Financial risks and financial instruments

Categories of financial instruments:

DKK'000	2023	2022	1/1 2022
Financial Assets			
Trade receivables	862,662	756,571	533,858
Other receivables	11,609	125,411	31,974
Cash	163,488	189,848	235,993
Financial Assets measured at amortized cost	1,037,759	1,071,830	801,825
Financial Liabilities			
Interest-bearing debt, current and non-current	260,744	232,045	-
Lease liabilities, current and non-current	76,325	71,997	54,579
Trade payables	711,371	711,581	559,607
Other payables	115,623	155,760	90,689
Income tax payable	37,288	30,514	8,242
Financial Liabilities measured at amortized cost	1,201,351	1,201,897	713,117



For financial assets and liabilities of short-term nature, such as trade receivables and trade payables, the carrying amount approximates their fair value. For interest-bearing debt, the fair values are not materially different from their carrying amounts, since the interest payable on those payables are close to current market rates.

Policy for management of financial risks

There is no change in emagine's financial risk assessment compared to last year. The Group's objective at all times is to limit the Group's financial risks.

The Group manages the financial risks and coordinates cash management and management of interest rate and currency risks based on financial risk policies agreed with the Board of Directors.

Liquidity risks

emagine attempts to maximise the flexibility and minimise risks. emagine has a loan agreement at Danske Bank consisting of five individual loans with expiry dates in 2027 and 2028. emagine has a factoring agreement with Danske Bank with a limit of DKK 130 million (2022: DKK 130 million). For all invoices that are sold through the factoring agreement, emagine has derecognised the balances as all risks relating to the receivables have been transferred.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. emagine's exposure to the risk of changes in market interest rates relates primarily to emagine's bank loan with Danske Bank.

The Group has hedged the interest rate risks. A change in the interest rate would thereby not have a significant impact on the statement of profit or loss.

Credit risks

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. emagine is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Due to the composition of the customer base and the past history with no significant credit losses the credit risk is assessed to be insignificant. Consequently, emagine's allowance for expected credit losses from its trade receivables is insignificant.

emagine has no major exposure relating to one single customer or business partner. There are no significant credit risk concentrations.

Currency risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. emagine is exposed to foreign exchange rate risk on balance sheet items in terms of translation of financial assets and liabilities denominated in a currency other than the functional currency for the individual subsidiary holding the financial instrument.

emagine is not severely exposed to foreign currency fluctuations as both sales and purchases are generally settled in the functional (local) currency of the individual subsidiary. However, emagine has some exposure related to sales and purchases denominated in foreign currencies, which primarily relates to EUR, PLN, SEK, NOK and GBP. Management considers the impact from this immaterial at group level.





Note 21

Financial liabilities - maturity analysis

Maturity analysis on financial liabilities.

DKK'000	Contractual cash flows	< 1 year	1-5 years	> 5 years
2023				
Financial Liabilities				
Interest-bearing debt, current and non-current	287,470	3,600	283,870	-
Payables to group entities	531,263	-	-	531,263
Lease liabilities, current and non-current	81,456	31,686	46,648	3,122
Trade payables	711,371	711,371	-	-
Other payables	115,623	115,623	-	-
Income taxes payable	37,288	37,288	-	-
31 December 2023	1,764,471	899,568	330,518	534,385
2022				
Financial Liabilities				
Interest-bearing debt, current and non-current	250,980	3,600	247,380	-
Payables to group entities	619,982	-	-	619,982
Lease liabilities, current and non-current	85,430	27,604	54,130	3,696
Trade payables	711,581	711,581	-	-
Other payables	155,760	155,760	-	-
Income taxes payable	30,514	30,514	-	-
31 December 2022	1,854,247	929,059	301,510	623,678
1/1 2022				
Financial Liabilities				
Payables to group entities	453,124	-	-	453,124
Lease liabilities, current and non-current	60,839	21,017	39,822	-
Trade payables	559,607	559,667	-	-
Other payables	90,689	90,689	-	-
Income taxes payable	8,242	8,242	-	-
1 January 2022	1,172,501	679,555	39,822	453,124

The contractual payments are based on the agreed terms.



Breakdown of liabilities from financing activities

DKK'000	2022	Cash flows	Non-cash changes		2023
			New leases and re-measurement	Other transactions	
Financial Liabilities					
Interest-bearing debt, current and non-current	232,045	28,969	-	-270	260,744
Payables to group entities	567,371	-95,374	-	294	472,291
Lease liabilities, current and non-current	71,997	-26,601	29,361	1,568	76,325
Total liabilities from financing activities	871,413	-93,006	29,361	1,592	809,360

DKK'000	2021	Cash flows	Non-cash changes		2022
			New leases and re-measurement	Other transactions	
Financial Liabilities					
Interest-bearing debt, current and non-current	-	232,137	-	-92	232,045
Payables to group entities	402,826	-78,477	-	243,022	567,371
Lease liabilities, current and non-current	54,579	23,206	40,624	-	71,997
Total liabilities from financing activities	457,405	130,454	40,624	242,930	871,413

Other non-cash transactions related to payables to group entities in 2022 of DKK 243 million relates to payables to group entities recognised as part of the merger between emagine Consulting A/S and ProData BidCo A/S.



Note 22

Acquisitions of entities

Net assets and goodwill recognised following the acquisitions:

Fair value at date of acquisition	2023		Total
	Skillspark	Quality Sourcing	
DKK'000			
Assets			
Intangible assets	-	12,014	12,014
Property, plant and equipment	2,477	-	2,477
Trade receivables	8,442	7,337	15,778
Other current assets	1,498	-	1,498
Cash	3,854	2,319	6,173
Liabilities			
Bank loans	-4,303	-	-4,303
Deferred tax liabilities	-	-2,475	-2,475
Other payables	-10,908	-875	-11,784
Trade payables	-4,828	-7,557	-12,385
Acquired net assets	-3,768	10,761	-6,993
Goodwill	25,552	8,062	33,614
Purchase price	21,784	18,823	40,607
Hereof cash in acquired entities	-3,854	-2,319	-6,173
Re-invested in the group	-7,921	-6,601	-14,522
Cash consideration for acquisitions	10,008	9,904	19,911
Revenue of acquired companies after the date of acquisition			65,598
Profit of acquired enterprises after date of acquisition			-7,362
Full-year revenue including acquisitions			3,598,478
Full-year profit including acquisitions			67,279

In May 2023, emagine acquired all shares in Skillspark Group and Quality Sourcing AB. The acquisition was completed by payment of the full consideration in cash and through the previous owners investing in the emagine group, through acquisitions of shares in emagine Holding II ApS in May 2023 from which point control was gained.

The total considerations amounted to DKK 40.6 million. Adjusted for cash of DKK 6.2 million and reinvestment in the group of DKK 14.5 million, the total net consideration amounted to DKK 19.9 million. There are no contingent or deferred consideration arrangements and indemnifications.

Goodwill of DKK 33.6 million has been calculated. The recognised goodwill is not tax deductible. Goodwill represents the strategic strengthening and consolidation of the market presence in Europe, as well as operational synergies from the integration and the experienced and knowledgeable of the workforce in the companies.

Transaction costs for emagine related to the acquisition were DKK 3.9 million related to external consultants and lawyers. The amount was included in special items.

Besides customer relations amounting to DKK 12.2 million, no assets or liabilities have been identified which were not recognised in the companies acquired on the date of acquisitions.



Valuation of intangible assets

An assessment was made of the value of the customer agreements, framework agreements and customer portfolios taken over. The valuation thereof was based on the "Multi Period Excess Earnings Method (MEEMmethod)" in which the value was calculated on the basis of expected future cash flow. The principle assumptions were expected lives of the existing agreements and portfolios, earnings and contribution for using associated assets and employees.

Acquired assets included receivables from sales at fair value of DKK 15.8 million. The contractual gross receivables were all deemed to be recoverable as of the date of takeover.

Acquisitions in 2022

In 2022 emagine acquired Peak Consulting Group (December) and Aspira (August). The acquisition was completed by payment of consideration in cash and with and earn-out for the previous owners of Aspira.

Besides Customer relations amounting to DKK 85.1 million, no assets or liabilities have been identified which were not recognized in the companies acquired on the date of acquisitions. Goodwill of DKK 177.1 million was calculated. The recognised goodwill is not tax deductible. Goodwill represents the strategic strengthening and consolidation of the market presence in Europe, as well as operational synergies from the integration and the experienced and knowledgeable of the workforce in the companies. The total revenue included the the group numbers in 2022 was from Aspira DKK 62.4 million and net profit DKK 0.1 million. The Peak acquisition was completed on 30 December 2022, so no revenue or result was included in the 2022 group numbers.

Note 23

Fees to the Group auditor

DKK'000	2023	2022
Statutory audit	1,331	1,113
Other assurance engagements	10	81
Tax advisory service	1,400	335
Other services	9,188	3,988
Total fees to Deloitte	11,969	5,517

Comments

Deloitte is emagine's auditor as appointed at the Annual General Meeting. Deloitte audits the consolidated financial statements of emagine group and some of the subsidiaries' financial statements. In addition, Deloitte provides consultancy services and performs other audit-related tasks.



Note 24

Related parties

Transactions with shareholders were as follows.

DKK'000	2023	2022
Transactions		
Management fee emagine Holding ApS	6,913	13,792
Interests on loan from group parent companies	10,755	6,349

Comments

emagine Holding ApS, Sydhavnsgade 16, DK-2450 Copenhagen S, Denmark, has the controlling interest (100%) in the Parent Company.

emagine Group is 78.9% owned by emagine Holding III ApS, which is the ultimate parent company of emagine.

Besides transactions related to the joint taxation with emagine Holding III ApS, no material transactions other than the one stated above were completed with the related party during the year.

Other Related Parties and Management

Other related parties comprise emagine's Executive Committee and Executive Management, the Board of Directors, companies in which the principal shareholder exercises control, and such companies' subsidiaries.

Transactions with key management personnel consisted of remuneration; please see note 5.

Apart from the remuneration paid to the key management personnel and dividend paid to shareholders, emagine had no transactions with the Executive Committee and Executive Management, Board of Directors, major shareholders or other related parties.

Note 25

Group companies

Name and registered office	Location	Currency	Ownership per 31 December	
			2023	2022
emagine GmbH	Germany	EUR	100%	100%
emagine SP. Z.o.o	Poland	PLN	100%	100%
emagine Consulting AB	Sweden	SEK	100%	100%
emagine AS	Norway	NOK	100%	100%
emagine Group SAS	France	EUR	100%	100%
emagine Consulting Limited	UK	GBP	100%	100%
emagine Flexwork GmbH	Germany	EUR	100%	100%
emagine Consulting SARL	France	EUR	100%	100%
otherwise Portage SARL Portage SARL	France	EUR	100%	100%
emagine Infotech Software Pvt Ltd.	India	INR	100%	100%
emagine Expertise Ltd.	Ireland	EUR	100%	100%
emagine Consulting B.V.	The Netherlands	EUR	100%	100%
ProData Consulting B.V.	The Netherlands	EUR	100%	100%
emagine Expertise A/S	Denmark	DKK	100%	100%
Peak Consulting Group AS	Norway	NOK	100%	100%
Skillspark AB	Sweden	SEK	100%	-
Skillspark Sweden AB	Sweden	SEK	100%	-
Skillspark ApS	Denmark	DKK	100%	-
Skillspark Z.o.o	Poland	PLN	100%	-
Skillspark Ltd.	UK	GBP	100%	-
Skillspark AS	Norway	NOK	100%	-
Skillsense AB	Sweden	SEK	100%	-
Skillspark IT Consultancy	United Arab Emirates	AED	100%	-
ProData Consult International AB	Sweden	SEK	-	100%



Note 26

Collateral provided and contingent liabilities

Pledges and guarantee commitments

The shares in emagine Consulting A/S as well as certain subsidiaries in Poland, Sweden, Norway and emagine Group have been pledged as security for the senior facility agreement entered into by the parent company emagine Holding ApS. Further, a floating charge of DKK 25 million in the assets of emagine Consulting A/S, and EUR 20 thousand in the assets of the subsidiary in the Netherlands has been provided. The Polish subsidiary has provided payment guarantees for a total of PLN 0.25 million and EUR 0.5 million. The emagine companies in Denmark, Norway, Sweden and Poland are part of a cash pool agreement with a credit limit of DKK 125 million. The emagine companies in Denmark, Sweden, Poland and emagine Group have made a guarantee on a jointly basis towards the credit institution. emagine Holding ApS and emagine Consulting A/S and its subsidiaries jointly guarantee as obligor for any amounts due under the senior facility agreement, which per 31 December 2023 was DKK 1,289 million.

Contingent liabilities

The parent company is taxed jointly with the other Danish companies in the group. The parent company is under an unlimited and joint liability regime for all Danish tax payments and withholding taxes on dividends, interest and royalties from the jointly taxed entities. The liability also includes any subsequent corrections to the calculated tax liabilities as a consequence of changes made to the jointly taxable income etc.

The group from time to time is party to legal proceedings and inquiries from authorities when investigating various issues. The outcome of such is not expected to have significant effect on profit for the year and the assessment of the Group's financial position.

Note 27

Events after the balance sheet date

No events have occurred after the reporting date affecting emagine's financial position at 31 december 2023.

Note 28

First-time adoption of IFRS

These consolidated financial statements, for the year ended 31 December 2023, are the first emagine has prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2022, emagine prepared its consolidated financial statements in accordance with The Danish Financial Statements Act ('Danish GAAP'). emagine has prepared consolidated financial statements that comply with IFRS applicable as at 31 December 2023, together with the comparative period data for the year ended 31 December 2022.

In preparing the consolidated financial statements, emagine's opening consolidated balance sheet was prepared as at 1 January 2022.

The disclosures required by IFRS 1 First-time Adoption of IFRS explaining the principal adjustments made by the Group in restating the financial statements as of 1 January 2022.



Danish GAAP financial statements are provided below:

Figures in DKK '000	As at 1 January 2022 (date of transition to IFRS)			For 2022	As at 31 December 2022		
	Assets	Liabilities	Equity	Profit for the year	Assets	Liabilities	Equity
Reconciliation							
According to the Danish Financial Statement Act	1,392,496	1,189,144	203,352	82,999	2,282,869	1,871,186	411,683
IFRS Adjustments							
Goodwill amortization	-	-	-	37,416	37,416	-	37,416
Share-based payments	-	-	-	-709	-	-	-
Total IFRS adjustments	-	-	-	36,707	37,416	-	37,416
Total According to IFRS	1,392,496	1,189,144	203,352	119,706	2,320,285	1,871,186	449,099
Total Comprehensive Income	-	-	-	119,706	-	-	-

Comments:

The impact from the adoption of IFRS, has been limited to reversal of amortisations on goodwill and expenses from the share based payments (not impacting the balance sheet). There was no material impact of the cash flow statement in the adoption of IFRS.

Note 29

Definition of terms

The financial ratios stated under "Financial highlights" have been calculated as follows:

Organic revenue	=	Revenue not classified as nonorganic revenue
Non-organic revenue	=	Revenue from acquired businesses the first 12 months after acquisition
Organic growth	=	$\frac{\text{Organic revenue current year} \times 100}{\text{Revenue last year}}$
EBITDA margin	=	$\frac{\text{Operating profit (EBITDA)}}{\text{Revenue}}$
Adjusted EBITDA margin	=	$\frac{\text{Operating profit (EBITDA)} + \text{special items}}{\text{Revenue}}$
EBITA margin	=	$\frac{\text{Operating profit (EBITDA)} + \text{depreciation}}{\text{Revenue}}$
Adjusted EBITA	=	$\frac{\text{Operating profit (EBITDA)} + \text{special items} + \text{depreciation}}{\text{Revenue}}$
Solvency ratio	=	$\frac{\text{Equity}}{\text{Total assets}}$
Return on equity	=	$\frac{\text{Profit for the year}}{\text{Average equity}}$



Parent Company financial statement



Income statement

DKK'000	Notes	2023	2022
Revenue	2	1,043,583	999,022
Cost of sales	3	-898,026	-847,429
Gross profit		145,557	151,593
Sales and marketing costs	3	-35,354	-56,455
Administrative costs	3	-92,643	-89,285
Other operating income / loss		4,170	27,304
Profit before net financials		21,730	33,157
Dividend from subsidiaries		64,147	14,878
Financial income	4	16,098	3,307
Financial expenses	4	-58,986	-26,150
Profit before tax		42,989	25,192
Tax on profit for the year	5	-13,957	-12,855
Profit for the year		29,032	12,337



Balance sheet

DKK'000	Note	2023	2022
ASSETS			
Non-current assets			
Goodwill	6	234,464	255,593
Other intangible assets	6	135,785	111,467
Tangible assets	7	5,434	4,524
Right-of-use assets	7	9,997	13,573
Investments in subsidiaries	8	909,217	888,209
Other receivables		240	218
Deferred tax assets	11	1,572	1,572
Total non-current assets		1,296,709	1,275,156
Current assets			
Trade receivables		160,683	176,549
Receivables from group entities		36,917	71,805
Prepayments		1,422	1,431
Other receivables		233	2,083
Cash		54,447	20,789
Total current assets		253,702	272,657
Total assets		1,550,411	1,547,813

DKK'000	Note	2023	2022
EQUITY AND LIABILITIES			
Equity			
Share capital		540	540
Reserve for capitalized development costs		44,125	26,180
Retained earnings		337,787	326,700
Total equity	9	382,452	353,420
Non-current liabilities			
Interest-bearing loans and borrowings	10	256,275	228,445
Lease liabilities	10	7,109	10,379
Deferred tax liabilities	11	25,490	25,490
Payables to group entities		375,030	575,186
Total non-current liabilities		663,904	839,500
Current liabilities			
Interest-bearing loans and borrowings	10	3,600	3,600
Lease liabilities	10	4,134	3,309
Deferred income		4,715	8,831
Trade payables		170,503	192,597
Payables to group entities		271,680	95,622
Other payables		34,277	41,075
Income taxes payable		15,146	9,859
Total current liabilities		504,055	354,893
Total liabilities		1,167,959	1,194,393
TOTAL EQUITY AND LIABILITIES		1,550,411	1,547,813



Equity statement

DKK'000	Share capital	Reserve for capitalised development costs	Retained earnings	Total
Equity at 1 January 2023	540	26,180	326,700	353,420
Appropriation of profit/loss	-	17,945	11,087	29,032
Total equity at 31 December 2023	540	44,125	337,787	382,452

DKK'000	Share capital	Reserve for capitalised development costs	Retained earnings	Total
Equity at 1 January 2022	540	17,843	242,085	260,468
Appropriation of profit/loss	-	8,337	4,000	12,337
Foreign currency translation adjustment	-	-	-6,043	-6,043
Merge with holding companies	-	-	86,659	86,659
Total equity at 31 December 2022	540	26,180	326,700	353,420

The share capital comprises 53,993,197 shares of DKK 0.01 each.



Notes overview

Note 1: Accounting policies	106	Note 8: Equity investments in subsidiaries	109
Note 2: Revenue	107	Note 9: Distribution of net profit	110
Note 3: Staff costs	107	Note 10: Interest-bearing loans and borrowings	110
Note 4: Financial income and expenses	107	Note 11: Deferred tax	110
Note 5: Tax for the year	107	Note 12: Related parties	110
Note 6: Intangible assets	108	Note 13: Contingent liabilities	111
Note 7: Tangible assets	109		





Note 1

Accounting policies

The financial statements for the Parent Company are presented in accordance with the Danish Financial Statement Act of large, reporting class C companies.

No separate statement of cash flows has been prepared for the parent company; please refer to the statement of cash flows for the Group.

Change in accounting policies

Following the adoption of IFRS as the accounting framework for the emagine group, management has decided to change the accounting policy relating to the recognition and measurement of investments in subsidiaries from equity method to cost method. This is due to the GAAP differences between IFRS and Danish Financial Statement Act, and thereby differences in the equity in the group and the parent, and also to better reflect the income from subsidiaries through paid dividends (realization) than the local results of the subsidiaries (unrealized earnings for the Parent). This is considered to give a more appropriate presentation of the investments.

The impact on emagine's financial statements for financial year 2022 is:

- Income from investments is decreased by DKK 70.7 million
- Result for the year is decreased by DKK 70.7 million
- Investments in subsidiaries, total assets and equity is decreased by 58.3m.

In its historic accounts, emagine has determined that it acts as a principal in the Third-Party Management

(TPM) services and has recognized revenue from these services on a gross basis (with gross invoiced sales reported as revenue, and costs of the consultant reported as cost of sales). Following an assessment by the management, emagine has determined that it acts as an agent in the TPM services under the principal/agent criteria in IFRS 15 "Revenue from Contracts with Customers". For this reason, emagine has implemented a change to its accounting policy and recognized revenue from these products and services on a net basis (with gross invoiced sales, less costs of consultants reported as revenue).

The changes have been applied retrospectively. The impact on emagine's financial statements for financial year 2022 is:

- Revenue is reduced by DKK 270 million
- Cost of sales is reduced by DKK 270 million
- Gross profit, operating profit, net profit after tax and balance sheet are unchanged.

The Parent Company applies the same accounting policies for recognition and measurement as the Group, except from the following:

Supplementary accounting policies for the parent company

Investments in subsidiaries

Investments in subsidiaries are measured at cost in the Parent Company's financial statements. Cost includes the consideration at fair value plus direct acquisition costs.

If there is an indication of impairment need, an impairment test is performed as described in the accounting policies applying to the consolidated financial statements.

Where the carrying amount exceeds the recoverable amount, the investments are written down to this lower value.

Statement of cash flows

A separate statement of cash flows for the Parent Company has not been prepared. Reference is made to the consolidated statement of cash flows.



Note 2

Revenue

Revenue is distributed as follows:

DKK'000	2023	2022
Services segmentation		
Consulting	614,955	640,653
Bestshore	415,148	348,326
Other	13,480	10,043
Total	1,043,583	999,022

All revenue in 2023 and 2022 is in Denmark.

Note 3

Staff costs

DKK'000	2023	2022
Wages and salaries	59,750	36,999
Pensions	5,682	5,856
Other social security costs	674	3,451
Total	66,106	46,306
Average number of employees during the year	78	61

For information regarding remuneration to the Board of Directors and Executive Management, refer to note 5 to the consolidated financial statements.

Development cost capitalized amounts to DKK 13,684 thousand (2022: DKK 11,871 thousand)

Note 4

Financial income and expenses

DKK'000	2023	2022
Financial Income		
Interest income from group entities	5,378	3,307
Other interest income	10,720	-
Total	16,098	3,307
Financial expenses		
Interest expenses from group entities	10,780	6,627
Interest expenses regarding leasing	439	218
Other interest expenses	36,016	12,073
Foreign exchange losses	6,344	5,140
Other financial expenses	5,407	2,092
Total	58,986	26,150

Note 5

Deferred income tax assets/(liabilities)

DKK'000	2023	2022
Current tax for the year	10,780	11,628
Deferred tax adjustment for the year	-	3,099
Adjustments to tax in prior years	3,177	-1,873
Tax for the year	13,957	12,855

The Danish corporate tax rate was 22% in 2023 (22% in 2022).



Note 6

Intangible assets

DKK'000	Parent				Total
	Acquired rights	Development projects	Goodwill	Customer Relationship	
Cost at 1 January	7,746	55,059	357,766	116,703	537,274
Additions on inter-group transaction	20,870	-	-	1,492	22,362
Additions during year	-	17,932	-	-	17,932
Disposals during year/Reclass	-417	-	-	-	-417
Cost at 31 December 2023	28,199	72,991	357,766	118,195	577,151
Amortisations at 1 January	-4,691	-12,746	-102,173	-50,604	-170,213
Amortisations during year	-582	-3,674	-21,128	-11,720	-37,105
Disposals during year/Reclass	417	-	-	-	417
Amortisations at 31 december	-4,856	-16,420	-123,302	-62,324	-206,902
Carrying amount at 31 December	23,342	56,571	234,464	55,871	370,249

Goodwill is amortised over 10 years. The amortisation period for goodwill is fixed on the basis of the expected repayment horizon.



Note 7

Property, plant and equipment

DKK'000	Leasehold improvements	Other Tangible assets	Right-of-use (lease)	Total
Costs at 1 January 2023	3,308	5,049	23,216	31,574
Additions during the year	620	2,175	801	3,596
Remeasurement during the year	-	-	227	227
Total cost at 31 December	3,928	7,224	24,244	35,397
Depreciations at 1 January 2023	-227	-3,607	-9,643	-13,477
Depreciations during the year	-946	-938	-4,604	-6,488
Depreciations at 31 December 2023	-1,173	-4,545	-14,247	-19,966
Carrying amount at 31 December 2023	2,755	2,679	9,997	15,431

Note 8

Investments in subsidiaries

DKK'000	Voting rights and ownership		Name and registered office
	2023	2022	
Costs at 1 January	888,209	605,517	ProData Consult International AB, Sweden (liquidated in 2023)
Additions	21,668	286,175	emagine Sp. Z o.o. , Poland
Liquidation	-510	-	ProData Consult B.V. , The Netherlands
Other movements	-150	-3,483	emagine Consulting AB, Sweden
Carrying amount at 31 December	909,217	888,209	emagine AS, Norway
			emagine Group SAS, France
			emagine Expertise Ltd, Ireland
			emagine Expertise A/S, Denmark
			Skillspark AB, Sweden

emagine has performed impairment of investments in group enterprises which is related to great uncertainty of the future. The impairment did not result in write down of the carrying amount at year end.



Note 9

Distribution of net profit

DKK'000	2023	2022
Capitalized development costs	17,945	8,337
Retained earnings	11,087	4,000
Total	29,032	12,337

Note 11

Deferred tax

DKK'000	2023	2022
Deferred tax at 1 January	-23,918	-3,560
Merge with Holding company	-	-17,259
Deferred tax recognised in the income statement	-	-3,099
Total	-23,918	-23,918
Deferred tax asset	1,572	1,572
Deferred tax liability	-25,490	-25,490
Total (net)	-23,918	-23,918

Note 10

Loans

DKK'000	2023	2022
Witin 1 year	7,734	6,909
1-5 years	23,909	10,379
More than 5 years	239,475	228,445
Total borrowing	271,118	245,733

Note 12

Related parties

emagine Holding ApS, Copenhagen holds 100% of the share capital in the entity.

Related party transactions include:

Remuneration for Management is specified in note 5 "Staff costs" in the Group accounts. Payables to parent companies and payables to owners of capital are disclosed in the balance sheet, interest income and expenses are disclosed in note 4. The parent company applies an exemption provision in section 98c (1) of the Danish Financial Statements Act. 3, concerning transactions with related parties, that have been made with wholly owned subsidiaries.

The company is included in the group report for the group parent company emagine Holding III ApS, Denmark.



Note 13

Contingent liabilities

Pledges and guarantee commitments

The shares in emagine Consulting A/S as well as certain subsidiaries in Poland, Sweden and emagine Group have been pledged as security for the senior facility agreement entered into by the parent company emagine Holding ApS. Further, a floating charge of DKK 25 million in the assets of emagine Consulting A/S, and EUR 20 thousand in the assets of the subsidiary in the Netherlands has been provided. The Polish subsidiary has provided payment guarantees for a total of PLN 0.25 million and EUR 0.5 million. The emagine companies in Denmark, Norway, Sweden and Poland are part of a cash pool agreement with a credit limit of DKK 75 million. The emagine companies in Denmark, Sweden, Poland and emagine Group have made a guarantee on a jointly basis towards the credit institution. emagine Holding ApS and emagine Consulting A/S and its subsidiaries jointly guarantee as obligor for any amounts due under the senior facility agreement, which per 31 December 2023 was DKK 1,289 million.

Other contingent liabilities

The Company is taxed jointly with the other Danish companies in the Group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income.



Management statement



The Board of Directors and the Executive Committee have today considered and approved the annual report of emagine Consulting A/S for 2023.

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards which have been adopted by the EU and additional requirements under the Danish Financial Statements Act.

The Parent Company's financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the Parent Company's financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2023, and of the results of the Group's and the Parent Company's operations, and the Group's cash flows for the financial period 1 January - 31 December 2023.

Furthermore, in our opinion, the Management's review includes a fair review of developments in the operations and financial position of the Group and the Parent Company, the financial results for the year and the Group's and the Parent Company's financial position, as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

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

Copenhagen, 8 April 2024



Executive Committee



Anders Gratte
CEO

Board of Directors



Marika Fredriksson
Chair



Christian Bamberger Bro
Vice Chair



Petra Jenner



Søren Nordal Rode



Independent auditor's report



To the shareholders of emagine Consulting A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of emagine Consulting A/S for the financial year 1 January to 31 December 2023, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information, for the Group as well as the Parent. The consolidated financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and the parent financial statements are prepared in accordance with the Danish Financial Statements Act. In our opinion, the consolidated financial statements give a true and fair view of the Group's financial position at 31 December 2023, and of the results of its operations and cash flows for the financial year 1 January to 31 December 2023 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act. Furthermore, in our opinion, the parent financial statements give a true and fair view of the Parent's financial position at 31 December 2023, and of the results of its operations for the financial year 1 January to 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Statement on the management commentary

Management is responsible for the management commentary. Our opinion on the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our

responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act as well as the preparation of parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Parent'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 consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and these parent 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 consolidated financial statements and the parent 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 Group's and the Parent'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 consolidated financial statements and the parent 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 Group's and the Parent'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope

and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 8 April 2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bill Haudal Pedersen

State Authorised Public Accountant
Identification No (MNE) mne30131

Brian Schmit Jensen

State Authorised Public Accountant
Identification No (MNE) mne40050

