

The Association access2innovation

C.A. Olesens Gade 4, 3., 9000 Aalborg
CVR-nr. 37 19 88 03

Annual Report 2023

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Association

Association access2innovation
c/o GrowAAL
C.A. Olesens Gade 4, 3.
9000 Aalborg
Office: Aalborg
CVR-nr.: 37 19 88 03
Financial Year: 01.01 - 31.12

Management

Karin Elisabeth Lind

Board of Directors

Henrik Wollesen, formand
Lars Møller, næstformand
Lisbeth Stausholm Zacho
Ole Haubro
Peter Kjær Mackie Jensen

Auditor

Beierholm
Statsautoriseret Revisionspartnerselskab

Today, we have presented the annual report for the financial year 01.01.23 - 31.12.23 for the association access2innovation.

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

It is our opinion that the annual accounts give a true and fair view of the association's assets, liabilities and financial position as of 31.12.23 and the result of the association's activities for the financial year 01.01.23 - 31.12.23.

In our opinion, the management report contains a true and fair account of the matters covered by the report.

Aalborg, 11th April 2024

Management



Karin Elisabeth Lind

Responsible for translation from Danish to English on 24th July 2024

Board of Directors

Henrik Wollesen
Chairman

Lars Møller

Lisbeth Stausholm Zacho

Ole Haubro

Peter Kjær Mackie Jensen

To the Members of the Association access2innovation**Conclusion**

We have audited the annual accounts of the association access2innovation for the financial year 01.01.23 - 31.12.23, which include the income statement, balance sheet, equity statement and notes, including applied accounting policies. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the annual accounts give a true and fair view of the association's assets, liabilities and financial position as of 31.12.23 as well as of the results of the association's activities for the financial year 01.01.23 - 31.12.23 in accordance with the Danish Financial Statements Act.

Basis for Conclusion

We have conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under these standards and requirements are described in more detail in the section "Auditor's responsibility for the audit of the financial statements". We are independent of the association in accordance with the International Ethics Standards Board for Accountants' International Guidelines for Auditors' Ethical Conduct (IESBA Code) and the additional ethical requirements applicable in Denmark, as well as fulfilling our other ethical obligations under these requirements and the IESBA Code. It is our opinion that the audit evidence obtained is sufficient and suitable as a basis for our conclusion.

Management's Responsibility for the Annual Accounts

Management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for the internal control that the management deems necessary in order to prepare the annual accounts without material misstatement, regardless of whether this is due to fraud or error.

When preparing the annual accounts, the management is responsible for assessing the association's ability to continue operations, providing information on matters relating to going concern, where relevant, and preparing the annual accounts on the basis of the accounting principle for going concern, unless the management either intends to liquidate the association, cease operations or has no other realistic alternative than to do so.

The auditor's responsibility for the audit of the annual accounts

Our goal is to obtain a high degree of assurance that the financial statements as a whole are free of material misstatement, regardless of whether this is due to fraud or error, and to provide an auditor's report with a conclusion. A high degree of assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with international standards on auditing and the additional requirements applicable in Denmark will always uncover material misstatements when available. Misstatements may arise as a result of fraud or errors and may be considered material if they can reasonably be expected to influence, individually or collectively, the financial decisions made by the users of the accounts on the basis of the financial statements.

As part of an audit that is carried out in accordance with international standards on auditing and the additional requirements that apply in Denmark, we make professional assessments and maintain professional skepticism during the audit. In addition:

- We identify and assess the risk of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and suitable to form the basis for our conclusion. The risk of not detecting material misinformation caused by fraud is higher than in the case of material misinformation caused by errors, as fraud may include conspiracies, document forgery, deliberate omissions, misrepresentation or disregard for internal control.
- We gain an understanding of internal control relevant to the audit in order to be able to design audit procedures that are appropriate to the circumstances, but not to be able to express a conclusion about the effectiveness of the association's internal control.
- We take a position on whether the accounting policies used by management are appropriate and whether the accounting estimates and related information prepared by management are reasonable.
- We conclude whether the management's preparation of the annual accounts on the basis of the accounting principle of going concern is appropriate, and whether there is significant uncertainty associated with events or circumstances that may create significant doubt about the association's ability to continue operations, on the basis of the audit evidence obtained. If we conclude that there is a material uncertainty, we must draw attention to information to this effect in the annual accounts or, if such information is not sufficient, modify our conclusion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or circumstances may mean that the association can no longer continue operations.

The Independent Auditor's Statement

- We take a position on the overall presentation, structure and content of the financial statements, including the notes and whether the financial statements reflect the underlying transactions and events in such a way that they are given a true and fair view.
- We communicate with senior management about, among other things, the planned scope and timing of the audit as well as significant audit observations, including any significant deficiencies in internal control that we identify during the audit.

Statement on the Management Report

Management is responsible for the management report.

Our conclusion on the financial statements does not include the management report, and we do not express any kind of assurance about the management report.

In connection with our audit of the financial statements, it is our responsibility to read the management report and in this connection consider whether the management report is materially inconsistent with the financial statements or our knowledge obtained through the audit or otherwise or otherwise appears to contain material misstatements.

In addition, our responsibility is to consider whether the management's report contains required information in accordance with the Danish Financial Statements Act.

Based on the work performed, it is our opinion that the management's report is in accordance with the annual accounts and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We have not found any significant misstatements in the management report.

Aalborg, 11th April 2024

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR-nr. 32 89 54 68

Per Lindholt
State-authorized
public accountant

Main Activities

The association is a non-profit association that aims to strengthen knowledge about, and development of commercial sustainable solutions targeted at needs in developing countries. This is done by promoting members' participation in projects and partnerships between civil society organizations, knowledge institutions, business organizations, public institutions and the private business community for the development and implementation of solutions, particularly in the areas of renewable energy, food, water and sanitation.

Development in Activities and Financial Conditions

The income statement for the period 01.01.23 - 31.12.23 shows a result of DKK -1,560,129 compared to DKK 2,245,454 for the period 01.01.22 - 31.12.22. The balance sheet shows an equity of DKK 1,514,290.

The high negative result was partly expected and is due to the fact that the association's main PIVOE Program was completed at the end of 2022 and that new projects have not secured the association's income in a timely and sufficient manner in 2023. In addition, unforeseen postings on consultancy services from 2022, reduced activity levels on the DMDP Grain Hub project and additional expenses in connection with the move to a smaller office in Aalborg.

Management finds the year's result worrying and will launch various initiatives on both the expense and income side, to future-proof the association's finances.

Based on the strategy of the association Access2innovation 2019 – 2024, the focus in 2023 has been on fundraising for new projects with the participation of the members, and thus facilitating partnership-driven commercial, sustainable solutions and business models for growth markets, especially in East Africa.

When the PIVOE Program ended at the end of 2022, a number of members chose to resign as there was no longer direct access to funding in the association. However, renewed efforts to recruit members and restructure the membership fee, open an office in Copenhagen and consolidate the office in Kampala, Uganda, have secured a number of new members during the year. Thus, the total number of members increased significantly compared to 2022, from 32 members to 58 members at the end of 2023.

Based on the strategic priorities, Access2innovation has initiated and implemented the following activities in 2023:

1. Positioning and facilitating partnership-driven innovation

- Focused on targeted service of the members, facilitation of the members' participation in specific projects and profiling of the achieved results.
- Carried out a delegation trip to Kenya and Tanzania with the support of the Ministry of Foreign Affairs with the participation of five companies.
- Continued implementation of the Danida Market Development Partnership project *Integrated Grain Handling in Rural Communities in Uganda* in close collaboration with the partners BM Silo Aps., Engsko A/S., Gl. Buurholt Aps., AG-Ploutus Ltd., and the NGO Opportunity International.
- Started implementation of the Danida Green Business Partnerships project *Enhancing Irrigation to Improve Climate Adaptation and Smallholder Production Systems in Uganda* under the leadership of the Eastern Africa Grain Council, and in partnership with Grundfos Holding A/S and Akvo International.

- Started implementation of the Danida Green Business Partnerships project *Inclusive CO2 Sequestration in the Kenyan Nut Industry* in partnership with MASH Makes A/S, Grow Fairly Ltd., Farm Africa and LM Africa Services Ltd.
- Developed and approved two Danida Green Business Partnerships projects for start-up in 2024 in Uganda in partnership with Kjær Group A/S and Nexus Green Ltd.; and in Kenya in partnership with 4Life Solutions Aps. and Maendeleo Ya Wanawake, Africa's largest women's organization.
- Maintained focus on strategic positioning and building of the association's 'community' through monthly A2i Talks for members and other stakeholders with a focus on business development in East Africa, as well as through monthly newsletters and SoMe updates. It has, among other things. This has led to an increase in the number of followers on LinkedIn from 650 in 2022 to 1,200 at the end of 2023, and a corresponding increase in subscribers to Newsletter from 915 to 1,400.
- Held thematic events, such as the Partnership Day Danish Business Opportunities on the African Markets; as well as the course Cooperation between organizations and companies for CISU's members.
- Signed MoU with AfrikaConsultancy to strengthen members' access to markets in Southern Africa, as well as strengthen inclusion and women in business.

2. *Building and securing access to risk-averse, public and private capital*

In addition to securing the above-mentioned project funding, the Secretariat has successfully supported members' applications for the Danida Innovation & Business Explorer programme, which finances market and business research in developing countries.

The secretariat participated in a large event held by Keystones – Denmark's largest network of startup investors – and in this context, helped several company members prepare pitch material.

The company Access2Venture, which was founded by access2innovation in 2021 with the overall purpose of demonstrating the profitability and sustainability of products in Africa based on the UN's Sustainable Development Goals, held an extraordinary general meeting in October. Here, a new board was elected, and new articles of association were adopted. At the same time, the company changed its name to Access2Business and will henceforth be involved in consulting as well as commercial project and business development.

3. *Provide Research-Based Knowledge*

- Since the end of the PIVOE program at the end of 2022, there have not been many new research-based initiatives. However, the following projects have been implemented in 2023:
- Participation in the Danida-funded project *Building Stronger Universities III* in Ghana and Tanzania with a focus on innovation and entrepreneurship in Ghana and building a Ph.D. program in agri-business in Tanzania. Both projects were completed by the end of 2023.
- Participation in the new project *Circular Economy in Bangladesh's Garment Industry (CREATE)* funded by the Ministry of Foreign Affairs under the Danida Fellowship Center.

Final Remarks

2024 is expected to be a financially challenging year, which requires Access2innovation to retain and attract new members, as well as enter new partnerships and obtain project funding. At the same time, it will be an exciting year with a focus on the implementation of the association's new Strategy 2024-2026, where we also look forward to contributing to the government's upcoming Africa Plan and exploring the new opportunities it brings.

Subsequent Events

After the end of the financial year, no significant events have occurred.

Income Statement

Note		2023 DKK	2022 DKK
1	Income	4.064.727	6.520.319
2	Project costs	-2.709.632	-2.222.302
3	Personnel costs	-1.616.416	-896.622
4	Office costs	-308.417	-246.330
5	Administration and running costs	-925.854	-837.667
	Losses on debtors	7.500	-25.000
	Operating Profit	-1.488.092	2.292.398
	Income from shareholdings in associated enterprises	-73.221	-11.038
6	Financial income	3.315	0
7	Financial costs	-2.131	-35.906
	Total financial items	-72.037	-46.944
	The Year's result	-1.560.129	2.245.454
Proposal for allocation of profit			
	Profit carried forward	-1.560.129	2.245.454
	Total	-1.560.129	2.245.454

ASSETS		31.12.23	31.12.22
Note		DKK	DKK
8	Shareholdings in affiliated companies	202.903	276.124
	Total financial fixed assets	202.903	276.124
	Total fixed assets	202.903	276.124
9	Receivables from sales and services	23.250	604.421
	Receivables from affiliated companies	11.250	3.750
	Receivables for projects	561.007	2.808.000
	Other receivables	11.950	0
	Accruals	445.875	67.636
	Total receivables	1.053.332	3.483.807
	Cash and cash equivalents	2.427.890	1.550.813
	Total current assets	3.481.222	5.034.620
	Total assets	3.684.125	5.310.744

LIABILITIES		31.12.23	31.12.22
		DKK	DKK
Note	Profit carried forward	1.514.290	3.074.419
Total equity		1.514.290	3.074.419
	The Holiday Fund	55.868	50.325
Total long-term liabilities		55.868	50.325
	Mastercard	250	89.737
10	Other debts	193.331	167.704
11	Prepayment for projects	1.920.386	1.777.587
	Accruals	0	150.972
Total short-term liabilities		2.113.967	2.186.000
Total liabilities		2.169.835	2.236.325
Total liabilities		3.684.125	5.310.744

Amount in DKK	Transferred Result
Statement of equity for 01.01.22 - 31.12.22	
Balance as of 01.01.22	828.965
Proposal for allocation of profit	2.245.454
Balance as at 31.12.22	3.074.419
Statement of equity for 01.01.23 - 31.12.23	
Balance as of 01.01.23	3.074.419
Proposal for allocation of profit	-1.560.129
Balance as of 31.12.23	1.514.290

	2023 DKK	2022 DKK
1. Income		
Membership Fees:		
Companies	426.972	449.877
NGO	113.000	145.000
Public institutions	5.000	0
Universities	30.000	50.000
Associations	30.000	10.000
Projects:		
PIVOE	10.890	3.371.707
Danida	0	549.518
KNUST (BSU Ghana)	275.507	145.600
DIBE	47.352	0
BSU III Tanzania	265.534	229.713
ØSK	0	293.235
PhD	0	88.185
DMDP Grain Hub	1.560.148	918.023
Food loss	75.000	170.000
MFA delegations	122.500	0
DGBP Grundfos	218.237	0
DGBP Mash	596.013	0
DGBP Green Hub Kampala	100.000	0
BSU Bangladesh Garment	72.324	0
DGBP SaWa	80.000	0
Other Income:		
Other income	36.250	99.461
Total	4.064.727	6.520.319

	2023 DKK	2022 DKK
2. Project Costs		
PIVOE Program	27.867	241.368
Danida	0	572.227
KNUST (BSU Ghana)	74.815	113.233
DIBE	47.352	0
BSU III Tanzania	191.298	87.737
ØSK	0	334.288
PhD course	0	10.000
DMDP Grain Hub	1.193.978	743.753
Food loss	0	119.696
Grundfos/EAGC	187.671	0
DGBP Mash	549.526	0
DGBP Green Hub Kampala	114.027	0
BSU Bangladesh Garment	48.170	0
DGBP SaWa	86.907	0
MFA Delegations	188.021	0
Total	2.709.632	2.222.302

3. Personnel Costs

Salaries	2.283.903	2.484.534
Change in holiday pay obligation, other	37.829	-34.727
Pension contributions	131.673	318.945
ATP grants	29.580	37.844
Other staff costs	10.912	2.570
Transferred to project costs	-877.481	-1.912.544
Total	1.616.416	896.622

	2023 DKK	2022 DKK
4. Office Costs		
Office rent	308.417	246.330
5. Administration and Running Costs		
Travels	129.702	260.355
Workshops and fairs	0	5.594
Meeting costs, workshops and fairs	41.725	98.286
Consultant fees, communication	147.522	137.337
Consultant's fees, external	306.125	77.833
Meals	5.502	10.872
IT costs incl. website	51.506	39.221
Office supplies, etc.	23.286	26.066
Minor new acquisitions	23.178	6.968
Telephone and internet	15.139	7.187
Postage and fees	14.753	11.659
Auditor's fees	61.563	63.500
Business services, bookkeeping and payroll administration	48.284	21.900
Administration, Aalborg Municipality	4.614	1.723
Insurance	23.236	22.047
Quotas	29.719	47.119
Total	925.854	837.667

	2023 DKK	2022 DKK
6. Financial Income		
Interest rates, banks	3.143	0
Exchange rate gains	172	0
Total	3.315	0

7. Financial Costs

Interest rates, banks	56	35.374
Interest rates payable	917	500
Non-deductible interest and percentage	534	0
Indexation of holiday funds	622	0
Exchange rate adjustments	2	32
Total	2.131	35.906

	31.12.23 DKK	31.12.22 DKK
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8. Shareholdings in Affiliated Companies

Cost price as of 01.01.23	300.000	300.000
Cost as at 31.12.23	300.000	300.000
Depreciation and amortization as of 01.01.23	-23.876	-12.838
Profit from shares for the year	-73.221	-11.038
Depreciation and amortization as of 31.12.23	-97.097	-23.876
Carrying amount as at 31.12.23	202.903	276.124

	Shares
Access2Venture ApS, Aalborg	100%

	31.12.23 DKK	31.12.22 DKK
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9. Receivables from Sales and Services

Receivables from sales and services	30.750	644.421
Amortization on receivables	-7.500	-40.000
I alt	23.250	604.421

	31.12.23	31.12.22
	DKK	DKK

10. Other Debt

ATP and other social benefits	3.124	3.124
Attachment	538	11.441
Holiday pay	0	141
Holiday pay obligation for salaried employees	80.932	61.706
Costs due	108.737	91.292
Total	193.331	167.704

11. Pre-payment for Projects

PIVOE Program	0	1.300.082
DGBP Mash	300.987	0
DMDP Grain Hub	1.482.357	477.505
DGBP Grundfos/EAGC	137.042	0
Total	1.920.386	1.777.587

12. Accounting Practice

GENERAL

The annual report has been prepared in accordance with the Danish Financial Statements Act for companies in accounting class B, with the addition of provisions from a higher accounting class.

The accounting policy used is unchanged compared to the previous year.

In accordance with section 110 of the Danish Financial Statements Act, the association has failed to prepare consolidated financial statements.

General information about recognition and measurement

Income is recognized in the income statement as it is earned, including value adjustments of financial assets and liabilities. In the income statement, all costs, including depreciation and amortization, are also included.

Assets are recognized in the balance sheet when it is likely that future financial benefits will accrue to the Association and the value of the asset can be reliably measured. Liabilities are recognized in the balance sheet when it is likely that future financial benefits will be derived from the association and the value of the obligation can be reliably measured. At first recognition, assets and liabilities are measured at cost price. Subsequently, assets and liabilities are measured as described below for each accounting item.

In recognition and measurement, foreseeable losses and risks that arise before the annual report is presented and that confirm or disprove conditions that existed at the balance sheet date, are taken into account.

CURRENCY

The annual report is presented in Danish kroner.

Transactions in foreign currency are translated at the exchange rate on the transaction day at the first recognition. Exchange rate differences arising between the exchange rate on the transaction day and the rate on the payment date are recognized in the income statement as a financial item. Receivables, debt obligations and other monetary items denominated in foreign currency are translated at the exchange rate at the balance sheet date. The difference between the exchange rate at the balance sheet date and the price at the time of the receivables or debt liability arising or recognition in the most recent annual report is recognized in the income statement under financial income and expenses. Fixed assets and other non-monetary assets acquired in foreign currencies are translated at historical exchange rates.

12. Accounting Practice (continued)

INCOME STATEMENT

Net sales

Income from the sale of services is recognized in the income statement in line with the provision of services (method of delivery). Net sales are measured at the sales value of the assessed remuneration, excluding VAT and taxes collected on behalf of third parties and less discounts.

Other external costs

Other external costs include production costs, sales costs, premises and administrative costs, as well as other capacity costs, including losses on debtors to the extent that they do not exceed normal impairment charges.

Personnel costs

Personnel costs include salaries, salaries and other staff-related costs.

Income from shareholdings in associated enterprises

For shares in subsidiaries measured according to the equity method, the share of the companies' profit and loss is recognized in the income statement after the elimination of unrealized internal gains and losses and less any depreciation and amortization of goodwill.

Income from shareholdings in subsidiaries also includes gains and losses on the sale of shareholdings.

Other financial items

Other financial items include interest income and expenses, exchange rate gains and losses on transactions in foreign currency, etc.

Tax on profit for the year

The association is not an independent tax entity. Therefore, tax is not recognized in the annual accounts.

12. Accounting Practice (continued)

BALANCE

Shareholdings in affiliated companies

Shares in subsidiaries are recognized and measured according to the equity method. For capital shares in subsidiaries, the equity method is considered to be a measurement method.

Equity participations measured according to the equity method are measured at first recognition at cost. Transaction costs directly attributable to the acquisition are recognized in the cost of the shares.

Subsequent recognition and measurement of shares according to the equity method means that the shares are measured at the proportionate share of the companies' carrying net asset value, calculated in accordance with the accounting policies of the owner company, adjusted for the remaining value of goodwill and gains and losses on transactions with the companies in question. Capital shares, for which information for recognition according to the equity method is not known, is measured at cost price.

Gains or losses on the sale of shares are calculated as the difference between the sale price and the carrying amount of net assets at the time of sale, including depreciated goodwill and expected costs for sale or liquidation. Gains and losses are recognized in the income statement under income from shares.

Depreciation of fixed assets

The carrying amount of fixed assets that are not measured at fair value is assessed annually for indications of depreciation beyond that expressed by depreciation.

If the association's realized return on an asset or group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, impairment tests are carried out on each individual asset or each group of assets.

A write-down is made to the recoverable value if this is lower than the accounting value.

The highest value of the net sale price and capital value is used as the recoverable value. The capital value is calculated as the present value of the expected net cash flows from the use of the asset or asset group and the expected net cash flows from the sale of the asset or asset group at the end of its useful life.

12. Accounting Practice (continued)

Write-downs are reversed when the reason for the write-down no longer exists.

Receivables

Receivables are measured at amortized cost, which usually corresponds to nominal value less impairment to offset losses.

Impairment losses to offset losses are calculated on the basis of an individual assessment of the individual receivables when there is an objective indication at the individual level that a receivable has been impaired in value.

Accruals

Accrual items recognized under assets include costs incurred for subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents include deposits in bank accounts.

Equity

Net revaluation of equity participations measured by the equity method is recognized in the equity reserve for net revaluation by the equity method to the extent that the carrying amount exceeds the cost.

Debt obligations

Long-term debt obligations are measured at cost at the time of incorporation of the debt (borrowing). The liabilities are then measured at amortized cost, where capital losses and borrowing costs are recognized in the income statement as a financial cost over the term on the basis of the calculated effective interest rate at the time the debt was incorporated.

Short-term financial liabilities are measured at amortized cost, which normally corresponds to the face value of the debt. Other current liabilities are measured at net realizable value.

Accruals

Accrual items, recognized under commitments, include payments received in respect of revenue in subsequent financial years.