

twoday Business Apps ERP A/S

Buchwaldsgade 35, 3., 5000 Odense C

CVR no. 35 48 07 30

Annual report 2024

Approved at the Company's annual general meeting on 23 May 2025

Chair of the meeting:

.....
Simon Eglin Berthelsen

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of twoday Business Apps ERP A/S for the financial year 1 January - 31 December 2024.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024.

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

We recommend that the annual report be approved at the annual general meeting.

Odense, 23 May 2025
Executive Board:

.....
Simon Eglin Berthelsen
Adm. dir.

Board of Directors:

.....
Lars Engell Berthelsen
Chairman

.....
Philip Lykke Christensen

.....
Ole Nielsen

.....
Katrine Sundgaard
Christensen

Independent auditor's report

To the shareholder of twoday Business Apps ERP A/S

Opinion

We have audited the financial statements of twoday Business Apps ERP A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

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

Odense, 23 May 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Søren Smedegaard Hvid
State Authorised Public Accountant
mne31450

Management's review

Company details

Name	twoday Business Apps ERP A/S
Address, Postal code, City	Buchwaldsgade 35, 3., 5000 Odense C
CVR no.	35 48 07 30
Established	25 September 2013
Registered office	Odense
Financial year	1 January - 31 December
Board of Directors	Lars Engell Berthelsen, Chairman Philip Lykke Christensen Ole Nielsen Katrine Sundgaard Christensen
Executive Board	Simon Eglin Berthelsen, Adm. dir.
Auditors	EY Godkendt Revisionspartnerselskab Cortex Park Vest 3, 5230 Odense M, Denmark

Management's review

Financial highlights

DKK'000	2024	2023	2022	2021	2020
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Key figures

Gross profit	167,318	148,697	117,588	99,889	75,275
Operating profit/loss	13,991	19,791	7,813	10,855	8,350
Net financials	-794	1,745	2,355	32	-520
Profit for the year	10,110	17,154	8,416	8,460	5,982

Total assets	123,495	113,034	91,505	72,568	67,365
Investments in property, plant and equipment	2,331	2,523	1,708	1,738	1,141
Equity	58,555	47,998	39,433	37,017	35,446

Financial ratios

Equity ratio	47.4%	42.5%	43.1%	51.0%	52.6%
Return on equity	19.0%	39.2%	22.0%	23.3%	15.0%

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

Operating profit/loss	$\frac{\text{Profit/loss before net financials +/- Other operating income and other operating expenses}}{\text{Equity, year-end} \times 100}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

In 2024, a reverse vertical merger of twoday Business Apps ERP A/S and the parent company RelateIT Holding A/S, as well as a vertical merger of twoday Business Apps ERP A/S and the 100% owned subsidiary XtensionIT ApS, was completed with accounting effect from January 1, 2024. In relation to this, adjustments have been made to key figures and ratios.

Management's review

Business review

The main activity of the Company is to offer ERP solutions, customized IT solutions and other related activities.

Financial review

The income statement for 2024 shows a profit of DKK 10,109,940 against a profit of DKK 17,153,946 last year, and the balance sheet at 31 December 2024 shows equity of DKK 58,555,480. The profit of the year is considered positive and above expectations set in the Annual Report 2023.

Overall, Management expresses satisfaction with the set of results.

Non-financial matters

In 2024, a reverse vertical merger of twoday Business Apps ERP A/S and the parent company RelateIT Holding A/S, as well as a vertical merger of twoday Business Apps ERP A/S and the 100% owned subsidiary XtensionIT ApS, was completed with accounting effect from January 1, 2024. The primary goal of merging the companies is to streamline administration, expand service offerings and enable seamless collaboration for customers and partners.

In relation to merger, adjustments have been made to key figures and ratios.

Knowledge resources

One of the company's most important quality parameters is skilled employees. Therefore, the company continuously addresses the need to be able to attract, develop and retain employees with a high level of competence

Financial risks and use of financial instruments

The company's most significant risk is related to its ability to operate in a constant changing market situation due to the economic changes in the markets where it's Customers operates and interacts with.

Impact on the external environment

The company's products are of such a nature that they do not have a significant impact on the environment, as the company is a pure software company.

Research and development activities

Development activities include ERP software development. The development activities are carried out as part of the company's strategy.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Outlook

The strategy will continue to involve investing strategically in best-of-breed solutions and technologies that revolve around the core business, Microsoft Business Central. Additionally, the focus will be on industry-specific solutions. The Company expects moderate growth during 2025.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2024	2023
	Gross profit	167,318,323	148,696,544
4	Staff costs	-144,624,629	-124,463,258
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-8,689,773	-4,441,801
	Profit before net financials	14,003,921	19,791,485
	Income from investments in group enterprises	-697,633	2,258,452
5	Financial income	464,160	210,390
6	Financial expenses	-560,264	-723,734
	Profit before tax	13,210,184	21,536,593
7	Tax for the year	-3,100,244	-4,382,647
	Profit for the year	10,109,940	17,153,946

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2024	2023
	ASSETS		
	Fixed assets		
9	Intangible assets		
	Completed development projects	5,695,117	9,655,333
	Acquired intangible assets	61,894	92,841
	Acquired licences	0	0
	Goodwill	0	490,000
	Development projects in progress	0	473,346
		<u>5,757,011</u>	<u>10,711,520</u>
10	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	2,335,454	2,002,179
	Leasehold improvements	454,610	521,246
		<u>2,790,064</u>	<u>2,523,425</u>
11	Investments		
	Investments in group entities	19,597,031	19,846,728
	Deposits, investments	1,392,440	1,215,891
		<u>20,989,471</u>	<u>21,062,619</u>
	Total fixed assets	<u>29,536,546</u>	<u>34,297,564</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	55,829,946	50,320,709
12	Construction contracts	9,078,231	2,883,950
	Receivables from group entities	0	390,911
	Other receivables	245,251	729,618
13	Prepayments	2,175,229	3,290,346
		<u>67,328,657</u>	<u>57,615,534</u>
	Cash	<u>26,628,858</u>	<u>21,120,094</u>
	Total non-fixed assets	<u>93,957,515</u>	<u>78,735,628</u>
	TOTAL ASSETS	<u>123,494,061</u>	<u>113,033,192</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2024	2023
	EQUITY AND LIABILITIES		
	Equity		
14	Share capital	500,000	500,000
	Reserve for development costs	4,579,832	7,900,368
	Retained earnings	53,475,648	39,597,235
	Dividend proposed	0	0
	Total equity	<u>58,555,480</u>	<u>47,997,603</u>
	Provisions		
15	Deferred tax	<u>566,978</u>	<u>1,610,696</u>
	Total provisions	<u>566,978</u>	<u>1,610,696</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Bank debt	306,441	410,526
	Prepayments received from customers	2,341,710	3,507,071
12	Prepayments on work in progress	60,693	89,944
	Trade payables	15,286,176	16,184,736
	Payables to group entities	12,854,619	10,363,912
	Joint taxation contribution payable	4,143,963	2,833,366
17	Other payables	<u>29,378,001</u>	<u>30,035,338</u>
		<u>64,371,603</u>	<u>63,424,893</u>
	Total liabilities other than provisions	<u>64,371,603</u>	<u>63,424,893</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>123,494,061</u></u>	<u><u>113,033,192</u></u>

- 1 Accounting policies
- 2 Events after the balance sheet date
- 3 Other operating income
- 8 Appropriation of profit
- 16 Deferred income
- 18 Contractual obligations and contingencies, etc.
- 19 Security and collateral
- 20 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK	Share capital	Reserve for development costs	Retained earnings	Dividend proposed	Total
	Equity at 1 January 2023	500,000	4,922,217	21,071,440	12,750,000	39,243,657
	Additions	0	6,984,410	-6,984,410	0	0
8	Transfer, see "Appropriation of profit"	0	0	17,153,946	0	17,153,946
	Depreciation in the year	0	-3,166,268	3,166,268	0	0
	Tax on items recognised directly in equity	0	-839,991	839,991	0	0
	Dividend	0	0	4,350,000	-4,350,000	0
	Dividend distributed	0	0	0	-8,400,000	-8,400,000
	Equity at 1 January 2024	500,000	7,900,368	39,597,235	0	47,997,603
	Additions	0	1,684,353	-1,684,353	0	0
8	Transfer, see "Appropriation of profit"	0	0	10,109,940	0	10,109,940
	Adjustment of investments through foreign exchange adjustments	0	0	447,937	0	447,937
	Impairment losses for the year	0	-2,879,202	2,879,202	0	0
	Depreciation in the year	0	-3,062,250	3,062,250	0	0
	Tax on items recognised directly in equity	0	936,563	-936,563	0	0
	Equity at 31 December 2024	500,000	4,579,832	53,475,648	0	58,555,480

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of twoday Business Apps ERP A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

Pursuant to section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The financial statements of twoday Business Apps ERP A/S are included in the consolidated financial statements of Twoday Holding Denmark ApS, Nordhavn, Denmark, (reg. no. 43263439)

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flows are reflected in the consolidated cash flow statement.

Basis of recognition and measurement

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

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

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

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

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

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Intra-group business combinations

For vertical and downstream intra-group mergers the group method is applied for the combination of the entities. Thereby, the entities are combined at the revaluation value recognised in the consolidated financial statements or which would have been recognised in the consolidated financial statements for the parent company included in the merger. The group method is applied as if the entities had been combined from the date when the parent company acquired the equity investments in the entities included in the merger, and therefore, the comparative figures were restated.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

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

The 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 the company expects to be entitled in exchange for those services. Revenue is recognised over time when an asset on behalf of a customer is created with no alternative use and the Company has an enforceable right to payment for performance completed year to date.

The Company's primary service offerings include information technology consultancy services. These services are characterized by being deliveries which in nature are negotiated contracts based on consumption and typically comprise advisory, design and development activities. Each contract is divided into separate performance obligations whether this means unbundling contracts or combining contracts.

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. Revenue from fixed price contracts is recognised under the percentage-of-completion method, whereby revenue is recognised based on hours incurred to date as a percentage of the total estimated costs of hours to fulfil the contract. Reference to hours is assessed to be the most appropriate method as incurred hours are the value driver for the projects.

A contract modification is a change to an existing contract. A contract modification might change the contract's scope, price or both. A contract modification exists when the parties to the contract approve the modification. An assessment is often needed to determine whether changes to existing rights and obligations should have been accounted for as part of the original contract, or as a separate contract. Contract modifications can be accounted for either as a separate contract, prospectively, or as a catch-up adjustment. The nature of the modification determines the way it is accounted for.

Licenses are identified on a contract-by-contract assessment. In a vast majority of license revenue the Company acts as an agent of the software provider by connecting customer seeking software solutions with the software provider. For certain licenses, the Company promises licenses to customer for a fee and separately subcontract with the software provider to provide the software solution. For these licenses, we are the principal for the services because we are primarily responsible for the services.

Licenses are recognised either at a point in time or point over time depending on the Company's control of license agreement which is provided by the software provider. If the customer has the control of the software solution, the customer has the right to use the software solution and the license will be recognised at a point in time. However, if control of the software solution is held with the software provider, the customer will only have the right to access the software solution and the licenses will be recognised over time.

Gross profit

The items revenue, cost of sales, other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Cost of sales

Cost of sales comprises costs consumed in the financial year measured at cost.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation and impairment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	5 years
Fixtures and fittings, other plant and equipment	5 years
Leasehold improvements	5 years

Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

The item includes dividend received from group entities.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Intellectual property rights etc comprise acquired intellectual property rights.

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

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

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually # years and cannot exceed # years.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight line basis over the remaining term of the patent, and licences are amortised over the term of the licence, but not exceeding # years.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Deposits, investments

Deposits comprises deposits.

Investments in group entities

Equity investments in group entities are measured according to the equity method.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method: see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in group entities is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Construction contracts

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprises cash.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Other payables

Other payables are measured at net realisable value.

Prepayments received from customers

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

Financial statements 1 January - 31 December

Notes to the financial statements

2 Events after the balance sheet date

No events which could effect the Companys financial position have ocured after the balance sheetdate.

3 Other operating income

DKK	2024	2023
4 Staff costs		
Wages/salaries	128,651,313	110,220,366
Pensions	9,115,501	8,148,639
Other social security costs	1,296,500	1,122,651
Other staff costs	5,561,315	4,971,602
	<u>144,624,629</u>	<u>124,463,258</u>
Average number of full-time employees	<u>172</u>	<u>153</u>

Remuneration of management is omitted in pursuance of the Danish Financial Statements Act section 98 (b), subsection 3.

The Board of Directors is remunerated in Twoday Holding Denmark ApS.

5 Financial income

Interest receivable, group entities	98,366	146,390
Remission of debt and similar	365,794	64,000
	<u>464,160</u>	<u>210,390</u>

6 Financial expenses

Interest expenses, group entities	459,512	444,215
Other interest expenses	0	4,155
Exchange adjustments	44,340	63,706
Remission of debt and similar	56,412	4,155
Other financial expenses	0	207,503
	<u>560,264</u>	<u>723,734</u>

7 Tax for the year

Estimated tax charge for the year	4,143,962	3,067,214
Deferred tax adjustments in the year	-1,043,718	660,466
Tax adjustments, prior years	0	654,967
	<u>3,100,244</u>	<u>4,382,647</u>

8 Appropriation of profit

Recommended appropriation of profit		
Retained earnings	10,109,940	17,153,946
	<u>10,109,940</u>	<u>17,153,946</u>

Financial statements 1 January - 31 December

Notes to the financial statements

9 Intangible assets

DKK	Completed development projects	Acquired intangible assets	Acquired licences	Goodwill	Development projects in progress	Total
Cost at 1 January 2024	13,212,764	344,114	321,326	600,000	473,346	14,951,550
Additions	1,684,353	0	0	0	0	1,684,353
Transferred	455,869	0	0	0	-455,869	0
Cost at 31 December 2024	15,352,986	344,114	321,326	600,000	17,477	16,635,903
Impairment losses and amortisation at 1 January 2024	3,557,431	251,273	321,326	110,000	0	4,240,030
Impairment losses for the year	3,038,188	0	0	430,000	17,477	3,485,665
Amortisation for the year	3,062,250	30,947	0	60,000	0	3,153,197
Impairment losses and amortisation at 31 December 2024	9,657,869	282,220	321,326	600,000	17,477	10,878,892
Carrying amount at 31 December 2024	5,695,117	61,894	0	0	0	5,757,011

Completed development projects

Development projects include add-on software applications. The development project essentially consists of costs in the form of salaries. The carrying amount of completed and in progress development projects is DKK 5,871,580 at 31.12.2024 (compared to DKK 10,383,666 at 31.12.2023) . The remaining platforms are expected to increase the level of activity and profit for the company.

Management has identified indications of impairment in relation to the carrying amount on the project Ka-ching. Ka-ching has been discontinued in the new strategy, and has resulted in a 100% impairment of DKK 3,291,725.

Financial statements 1 January - 31 December

Notes to the financial statements

10 Property, plant and equipment

DKK	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 January 2024	6,189,212	2,560,071	8,749,283
Additions	2,135,758	195,528	2,331,286
Disposals	-55,216	0	-55,216
Cost at 31 December 2024	8,269,754	2,755,599	11,025,353
Impairment losses and depreciation at 1 January 2024	4,187,033	2,038,825	6,225,858
Depreciation	1,788,747	262,164	2,050,911
Reversal of accumulated depreciation and impairment of assets disposed	-41,480	0	-41,480
Impairment losses and depreciation at 31 December 2024	5,934,300	2,300,989	8,235,289
Carrying amount at 31 December 2024	2,335,454	454,610	2,790,064

Note 19 provides more details on security for loans, etc. as regards property, plant and equipment.

11 Investments

DKK	Investments in group entities	Deposits, investments	Total
Cost at 1 January 2024	24,610,993	1,215,891	25,826,884
Foreign exchange adjustments	5,422	0	5,422
Additions	0	367,378	367,378
Disposals	0	-190,829	-190,829
Cost at 31 December 2024	24,616,415	1,392,440	26,008,855
Value adjustments at 1 January 2024	-4,764,265	0	-4,764,265
Foreign exchange adjustments	504,491	0	504,491
Profit/loss for the year	1,692,306	0	1,692,306
Value adjustments for the year	-2,451,916	0	-2,451,916
Value adjustments at 31 December 2024	-5,019,384	0	-5,019,384
Carrying amount at 31 December 2024	19,597,031	1,392,440	20,989,471

Goodwill recognised at 31 December 2023 amounts to DKK 9,807,666.

Group entities

Name	Legal form	Domicile	Interest
RelateIT DMCC	DMCC	Dubai, United Arabic Emirates	100.00%

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2024	2023
12 Construction contracts		
Selling price of work performed	24,070,272	11,888,626
Progress billings	-15,052,734	-9,094,620
	<u>9,017,538</u>	<u>2,794,006</u>
recognised as follows:		
Construction contracts (assets)	9,078,231	2,883,950
Construction contracts (liabilities)	-60,693	-89,944
	<u>9,017,538</u>	<u>2,794,006</u>

13 Prepayments

Prepayments comprises prepaid costs relating to subsequent financial years such as rent, insurance etc.

14 Share capital

Analysis of the share capital:

500 A shares of DKK 1,000.00 nominal value each	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

The share capital is registered as DKK 500,000. There has not been changes to the contributed capital in the last 5 years.

15 Deferred tax

Deferred tax at 1 January	1,610,696	410,979
Recognised in the income statement	-1,004,896	1,199,717
Other deferred tax	-38,822	0
Deferred tax at 31 December	<u>566,978</u>	<u>1,610,696</u>

Deferred tax relates to:

Other taxable temporary differences	566,978	1,610,696
	<u>566,978</u>	<u>1,610,696</u>

Deferred tax is primarily relating to intangible assets and tangible assets.

16 Deferred income

Deferred income consists of payments received from customers that may not be recognised until the subsequent financial year.

17 Other payables

Other payables consist of accrued payroll-related items and VAT.

Financial statements 1 January - 31 December

Notes to the financial statements

18 Contractual obligations and contingencies, etc.

Contingent liabilities

DKK	2024	2023
Liabilities under rental or lease agreements until maturity in total	10,490,238	3,877,365
	10,490,238	3,877,365

Other contingent liabilities

The Company is jointly taxed with its parent, Twoday Holding Denmark ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2023 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 1 September 2023.

19 Security and collateral

The Company has not provided any security or other collateral in assets at 31 December 2024.

20 Related parties

twoday Business Apps ERP A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Monterey Financing S.a.r.l	Luxembourg	Controlling shareholder (ultimate)
Twoday Holding Denmark ApS	Copenhagen	Immediate controlling shareholder

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Monterey Financing S.a.r.l	Luxembourg	Parent preparing consolidated financial statements for the largest group
Twoday Holding Denmark ApS	Copenhagen	Parent preparing consolidated financial statements for the smallest group













Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

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  Simon Eglin Berthelsen 68265612-d69a-4f42-8fd5-2f8979c41897 2025-05-23 05:36:35Z	  Søren Smedegaard Hvid 679f8e4e-cbe2-40c1-8b8a-b3f72863eea1 2025-05-23 05:37:31Z
  Katrine Sundgaard Christensen CFO ed1e57a2-f667-4ec8-ab3d-45ed71c50a10 2025-05-23 06:03:14Z	  Ole Nielsen 7b85937a-6862-47e4-9c08-62ddc927194b 2025-05-23 06:20:40Z
  Lars Engell Berthelsen d633e749-7580-4677-890b-83600de08951 2025-05-23 07:17:18Z	  Philip Lykke Christensen 316d0d7a-52c6-4ec9-9beb-5c0d670d70e5 2025-05-23 07:18:44Z

Documents in the transaction

BA ERP - 2024 Annual report.pdf	SHA256: 6ae83e1bf47292207a1a054aaed954a85967c9c50c38997efa3e724673215306
BA ERP - 2024 Long form audit report.pdf	SHA256: 9d189184a9a352d53455fdf0bb63ba13f743f71697d52ce184ed723e18469218
BA ERP - 2024 Representation letter.pdf	SHA256: 13cbce508ed0621dca7354befe2d21339141d90ba254582bc6c404d771ddb6f68
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