Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	913 688 694
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	UNIT4 NORWAY HOLDINGS AS
Forretningsadresse:	Gjerdrums vei 4 0484 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Rune Hellman
Dato for fastsettelse av årsregnskapet:	30.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 12.08.2025

Brønnøysundregistrene
Postadresse: 8910 Brønnøysund
Telefoner: Opplysningstelefonen 75 00 75 00 Telefaks 75 00 75 05
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Kostnader			
Other operating expenses		14 916	
Sum kostnader		**14 916**	
Driftsresultat		**-14 916**	
Finansinntekter og finanskostnader			
Income from investments in subsidiaries	5	63 061 749	60 578 133
Renteinntekt fra foretak i samme konsern		956 683	2 409 532
Other financial income	5		
Sum finansinntekter		**64 018 432**	**62 987 665**
Other financial expenses	5	12 900 000	12 900 000
Sum finanskostnader		**12 900 000**	**12 900 000**
Netto finans		**51 118 432**	**50 087 665**
Ordinært resultat før skattekostnad		**51 103 516**	**50 087 665**
Skattekostnad på ordinært resultat	6	11 242 774	11 019 286
Ordinært resultat etter skattekostnad		**39 860 742**	**39 068 379**
Årsresultat		**39 860 742**	**39 068 379**
Overføringer og disponeringer			
Ordinært utbytte	7		100 000 000
Overføringer til/fra annen egenkapital	7	39 860 742	-60 931 621
Sum overføringer og disponeringer		**39 860 742**	**39 068 379**

Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	6	7 737 262	8 577 308
Sum immaterielle eiendeler		**7 737 262**	**8 577 308**
Finansielle anleggsmidler			
Investering i datterselskap	9	857 122 500	857 122 500
Sum finansielle anleggsmidler		**857 122 500**	**857 122 500**
Sum anleggsmidler		**864 859 762**	**865 699 808**
Omløpsmidler			
Varer			
Fordringer			
Konsernfordringer	10	185 753 198	167 130 620
Sum fordringer		**185 753 198**	**167 130 620**
Sum omløpsmidler		**185 753 198**	**167 130 620**
SUM EIENDELER		**1 050 612 960**	**1 032 830 428**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	7,8	41 858 074	41 858 074
Overkurs	7	614 381 910	614 381 910
Sum innskutt egenkapital		**656 239 984**	**656 239 984**
Opptjent egenkapital			
Other equity	7	156 455 795	116 595 052
Sum opptjent egenkapital		**156 455 795**	**116 595 052**

Balanse

Beløp i: NOK	Note	2023	2022
Sum egenkapital		**812 695 779**	**772 835 036**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	5,10	150 000 000	150 000 000
Sum annen langsiktig gjeld		**150 000 000**	**150 000 000**
Sum langsiktig gjeld		**150 000 000**	**150 000 000**
Kortsiktig gjeld			
Tax payable	6	10 402 728	9 995 392
Utbytte	10	77 514 453	100 000 000
Kortsiktig konserngjeld	10		
Sum kortsiktig gjeld		**87 917 181**	**109 995 392**
Sum gjeld		**237 917 181**	**259 995 392**
SUM EGENKAPITAL OG GJELD		**1 050 612 960**	**1 032 830 428**

Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer:	2024 732361

Enheten

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Organisasjonsform:	Aksjeselskap
Foretaksnavn:	UNIT4 NORWAY HOLDINGS AS
Forretningsadresse:	Gjerdrums vei 4 0484 OSLO

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Brønnøysundregistrene, 24.08.2024

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Organisasjonsnr: 913 688 694
UNIT4 NORWAY HOLDINGS AS

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Organisasjonsnr: 913 688 694
UNIT4 NORWAY HOLDINGS AS

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Organisasjonsnr: 913 688 694
UNIT4 NORWAY HOLDINGS AS

NOTEOPPLYSNINGER - SELSKAP

- alle poster oppgitt i hele tall

Note
3

Antall årsverk i regnskapsåret
0.00

Sum	Beløp

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.

Konsernregnskap
Virksomheten inngår i konsolideringen til morselskapets konsernregnsk.: Ja

Morselskapet sitt navn
AI Avocado Holding B.V. i

Forretningskontor for morselskapet
Nederland

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Note

Fordringer

Fordringer som forfaller senere enn ett år etter regnskapsårets slutt

Mer om fordringer

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	01.02.2018	06.02.2018
Telefon	**Deres referanse**	**Vår referanse**
22078139	Hanne Nerdrum	2018/91073

UNIT4 NORWAY HOLDINGS AS
Gjerdrums vei 4
0484 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Unit4 Norway Holdings AS, org.nr. 913 688 694

Vi viser til deres brev av 1. februar 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Unit4 Norway Holdings AS.

Skattedirektoratet gir på bakgrunn av en konkret vurdering Unit4 Norway Holdings AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn
Unit4 Norway Holdings AS er morselskap i et norsk underkonsern. Det ultimate morselskapet er det amerikanske selskapet Advent Inc. Konsernet tilbyr tjenester innenfor IT-sektoren rettet mot bedriftsmarkedet. Konsernets arbeidsspråk og bransjespråket er engelsk. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> *"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal*

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60

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Statsautoriserte revisorer
Ernst & Young AS

Dokkvegen 11, 3920 Porsgrunn
Postboks 64, 3901 Porsgrunn

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Unit4 Norway Holdings AS

Opinion

We have audited the financial statements of Unit4 Norway Holdings AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

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

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the general manager) is responsible for the other information. Our opinion on the financial statements does not cover the other information, 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 other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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

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going concern basis of accounting 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 about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors 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.

Porsgrunn, 28. June 2024
ERNST & YOUNG AS

The auditor's report is signed electronically

Tone Mari Flatland
State Authorised Public Accountant (Norway)

PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Flatland, Tone Mari
Statsautorisert revisor
På vegne av: Tone Mari Flatland
Serienummer: no_bankid:9578-5993-4-2495689
IP: 147.161.xxx.xxx
2024-06-28 14:00:27 UTC

bankID

Penneo Dokumentnøkkel: E7NS0-VED16-5DFDF-5CUBA-HFH5M-M40W7

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UNIT4 NORWAY HOLDINGS AS

Board Report 2023

Operations and locations

The Group includes, in addition to Unit4 Norway Holdings AS, the following subsidiaries:
Unit4 AS
Unit4 R&D AS

Comments related to the financial statements

The company had no operating revenues in 2023 or 2022. Income in the financial statement relates to investments in subsidiaries of TNOK 63.062 and interest income from group companies of TNOK 957. The Net profit for the period shows a surplus of TNOK 39.861. The Board of Directors has proposed the net income of Unit4 Norway Holdings AS to be attributed to:

Net Dispositions	TNOK 39.861

The company´s short term debt as of 31.12.2023 constituted 8 % of the total equity and liabilities and is related to dividend and tax payable. Total assets at year end amounted to TNOK 1.050.613, compared to TNOK 1.032.830 last year. The equity ratio was 77 % as of 31.12.2023, compared to 75 % the year before.

Liquidity and cash flow

UNIT4 Norway Holdings AS does not have any external financing and the Board of Directors considers the liquidity to be solid. UNIT4 Norway Holdings AS does not have cash and therefore there is no cashflow. The net profit before tax is TNOK 51.104. The equity ratio in 2023 is 77 % slightly increased comparing with previous year. The ratio is considered healthy.

Going concern

In accordance with the Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on profit forecasts for the year 2024 and the Group's long-term strategic forecasts. The Group's economic and financial position is sound.

The working environment and the employees

The environmental impact of UNIT4 Norway Holdings AS is limited since there are no active operations. There are no employees in this company.
Unit4 respects the human rights of all individuals and groups that may be affected by it`s operations- this includes employees, customers, and suppliers. Unit4 has a zero-tolerance policy in relation to slavery and human trafficking and is committed to acting ethically and with integrity in all it`s business dealings and relationships. Unit4 has created policies and processes to ensure compliance, and through careful observance of these internal policies and processes, is committed to ensure that there

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are no human rights violations taking place in any part of it`s business. The Norwegian Transparency Act is published on Unit4`s website on the following link:
https://www.unit4.com/about-us/social-responsibility

Insurance for board members and general manager

The board members and general members in Unit4 Norway Holdings AS are the same as in Uni4 AS. Unit4 AS has directors and officers liability insurance. The insurance covers legal personal liability for financial damage caused by the performance by the directors and officers of their duties. The insured under this policy is any past, present or future individual member of the board of directors and/or executive board or similar executive body of the group. As well as any past, present of future director of employee of the group who can incur personal managerial liability.

Vision for 2024

Unit4 Norway Holdings AS is the holding company for UNIT4 AS which is is an international producer and supplier of high quality and cost-effective standard business software. UNIT4 operates in the European ERP Software Companies market. The main factors affecting this market may be characterized as follows:

- Recurring revenues are above the market average and growing for all companies, which will support continued predictable and stable earnings
- The transition to cloud-based services represents a strategic challenge but also an opportunity for growth

One of the key external drivers for the software industry is private investment in computers and software. Most software is purchased in conjunction with hardware, and software licenses often correspond with the number of computers on which the software is installed. As a result, there is a direct correlation between investment in computers and software-publishing revenue. Due primarily to rising demand from the business sector, investment in software is expected to increase in 2024, representing an opportunity for the industry. Another external driver is per capita disposable income. As per capita disposable incomes increase, consumers are more likely to purchase new software as well as expensive downstream items, such as video games. Per capita disposable income is expected to increase in 2024.

In 2024, UNIT4 will focus on the main drivers of growth, by increasing investments in core products and their cloud delivery, while managing costs efficiently to grow profit margins.

The forecast operating cash flows in combination with the financing structure in place, are expected to be sufficient to support the liquidity needs in the upcoming period.

In 2024 UNIT4 will continue to invest in the development of employees to and to achieve the goals of its remuneration policy. The Group does not anticipate significant changes in existing workforce based on its current business and related operations.

UNIT4 has taken notice of the Corporate Sustainability Reporting Directive requiring all large companies to publish regular reports on their environmental and social impact activities in line with the European Sustainability Reporting Standards (ESRS) and is working to be compliant at the enforcement date in January 2026 for reporting year 2025. UNIT4 will conduct a double materiality analysis on how sustainability issues affect our performance including climate risk, and on the impact our activities have on people and the environment. Disclosures will be reported in line with Sustainable Finance Disclosure Regulation (SFDR) and the EU's Taxonomy Regulation, and include the mandatory and material information both forward-looking and retrospective. Once completed UNIT4 will undertake an independent third-party review.

Business drives most of the software demand. Over the last decade, the business world has thoroughly embraced computers, software, and the productivity improvements they can potentially provide. Business investment in software and related products varies with corporate profits and the software's

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update cycle; for example, businesses may delay replacing existing hardware due to tight earnings, putting downward pressure on software publisher's revenue. Businesses may delay upgrading to the newest versions of the software if the update is perceived as marginally valuable, unreliable or if its adoption would require significant adoption of business processes.

The local market is mature with companies offering ERP solutions, including UNIT4, that have been available for many years. The number of large enterprises (customers) is limited but there are numerous companies with revenues within the interval of EUR 10-100 million. Additionally, there are several local players in the market with competitive SaaS offerings.

UNIT4's position in the Covered Territories is as follows:

UNIT4 has a well-known brand in the local market as well as a product with established reputation and references. Unit4 has a strong position in the public sector together with its partner for distribution and implementation activities, TietoEvry. UNIT4 delivers an integrated solution with financials, payroll, HR and project management, making the solution suitable for both specific verticals as well as horizontals.

The challenge is to be successful in entering into new verticals of lower parts of the market (i.e., small and medium enterprises, or "SME"). UNIT4 recognizes that it´s competitors bring in new competitive advantages.

The Company's main competitors in the local market are:

- SAP
- Oracle
- XLedger
- Microsoft
- Aditro (payroll)

Oslo, 26th June 2024

Board of directors for UNIT4 Holdings AS

DocuSigned by:
Rune Hellmann
C6CB9E1DA6854C2...
Rune Hellman
Board member, Managing Director

DocuSigned by:
Mark Clayton
13C9A8EBB88A4BD...
Mark Clayton
Board member

DocuSigned by:
Matt Bagley
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Unit4 Norway Holdings AS

Annual report 2023

Annual accounts
- Income statement
- Balance sheet
- Cash flow statement
- Notes

Auditors' report

Unit4 Norway Holdings AS

Income statement 01.01-31.12

All figures in NOK	Note	2023	2022
Operating expenses			
Other operating expenses		-14 916	0
Operating result		-14 916	0
Financial income and expenses			
Income from investments in subsidiaries	5	63 061 749	60 578 133
Interest income from group companies		956 683	2 409 532
Other financial income	5	-	-
Other financial expenses	5	12 900 000	12 900 000
Net financial items		51 118 432	50 087 665
Result before tax		51 103 516	50 087 665
Tax on result	6	11 242 774	11 019 286
Net profit or loss for the year		**39 860 743**	**39 068 379**
Allocated as follows			
Dividend	7	-	100 000 000
Transferred from other equity	7	-	60 931 621
Net dispositions	7	39 860 743	39 068 379

Unit4 Norway Holdings AS

Balance sheet as of 31 December

All figures in NOK	Note	2023	2022
Fixed assets			
Intangible assets			
Deferred tax asset	6	7 737 262	8 577 308
Total intangible assets		7 737 262	8 577 308
Financial assets			
Investments in subsidiaries	9	857 122 500	857 122 500
Total financial assets		857 122 500	857 122 500
Total fixed assets		864 859 762	865 699 808
Current assets			
Receivables			
Other receivables from group companies	10	185 753 198	167 130 621
Total accounts receivable		185 753 198	167 130 621
Total current assets		185 753 198	167 130 621
Total assets		1 050 612 959	1 032 830 429

Unit4 Norway Holdings AS

Balance sheet as of 31 December

All figures in NOK	Note	2023	2022
Equity			
Paid-in capital			
Share capital	7, 8	41 858 074	41 858 074
Share premium reserve	7	614 381 910	614 381 910
Total paid-in capital		656 239 984	656 239 984
Retained earnings			
Other equity	7	156 455 795	116 595 052
Total retained earnings		156 455 795	116 595 052
Total equity		812 695 779	772 835 036
Liabilities			
Other long-term liabilities			
Long-term liabilities to group companies	5, 10	150 000 000	150 000 000
Total other long term liabilities		150 000 000	150 000 000
Current liabilities			
Tax payable	6	10 402 728	9 995 392
Dividend Payable	10	77 514 453	100 000 000
Other short-term liabilities to group companies	10	-	-
Total current liabilities		87 917 180	109 995 392
Total liabilities		237 917 180	259 995 392
Total equity and liabilities		1 050 612 959	1 032 830 429

Oslo, 26th June 2024

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Board member, Managing Director

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Board member

Unit4 Norway Holdings AS

Cash flow statement 01.01-31.12

All figures in NOK	Note	2023	2022
Cash flow from operating activities			
Profit/(loss) before tax		51 103 516	50 087 665
Taxes paid		-9 995 392	-8 622 483
Changes in inventories, trade receivables and trade payables		-41 108 124	-58 710 148
Net cash flow from operating activities		0	0
Cash flow from investing activities			
Net cash flow from investing activities		0	0
Cash flow from financing activities			
Net cash flow from financing activities		0	0
Cash and cash equivalents at 01.01		0	0
Cash and cash equivalents at 31.12		0	0

Unit4 Norway Holdings AS

Notes to the accounts for 2023

Note 1 - Accounting Principles

Generally
The financial statements have been prepared in accordance with the Accounting Act of 1998 and generally accepted accounting principles. The company makes use of exemptions from consolidated accounts and does not prepare consolidated accounts when the parent company is domiciled in an EEA State and prepares consolidated financial statements that comprise the accounting officer and its subsidiaries.

All figures are in Norwegian kroner (NOK) unless otherwise stated.
The accounts for 2023 have been prepared according to the same principles as in 2022. The accounts have been prepared on the basis of continued operations.

The Company is consolidated on a group level under Bock Capital Topco B.V., a Dutch limited liability company incorporated on 10 June 2021 headquartered in the Netherlands.

Foreign currency translation
Foreign currency transactions are translated using the year end exchange rates.

Balance sheet classification
Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long-term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.

Fixed assets are valued by the cost of acquisition, in the case of non incidental reduction in value the asset will be written down to the fair value amount. Long term creditors are recognized at nominal value.

Property, plant and equipment
Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

Trade and other receivables
Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

Income tax
Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences both positive and negative, are balance out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized.

To what extent group contribution isn’t registered in the profit and loss, the tax effect of group contribution is posted directly against the investment in the balance.

Unit4 Norway Holdings AS

Notes to the accounts for 2023

Note 2 - Financial market risk

Interest risk
UNIT4 Norway Holding AS has no material exposure to financial market risk. The company has intra-group interest-bearing debt of NOK 150 000 000 (2022: NOK 150 000 000). The loan is in Norwegian kroner.

Note 3 - Wage costs, number of employees, remuneration, loans to employees and auditor's fee

Management remuneration

There are no employees in the company. The board members received no remuneration in 2023.

Auditor fee has been divided as follows	**2023**
Statutory audit fee	33 000
Assurance services	0

VAT is not included in the figures of auditor's fee.

Note 4 - Pensions

There are no employees in company and the company is not prudent to have an occupational pension scheme complying with the law on mandatory occupational pension.

Note 5 - Financial items

Specification of other financial income	**2023**	**2022**
Interest income from companies in the same group	956 683	2 409 532
Group contributions	63 061 749	60 578 133

Specification of other financial expenses	**2023**	**2022**
Interest expense from companies in the same group	12 900 000	12 900 000
Currency losses	0	0

Unit4 Norway Holdings AS

Notes to the accounts for 2023

Note 6 - Income taxes

Income tax expenses	**2023**	**2022**
Tax payable	10 402 728	9 995 392
Change in deferred tax	840 046	1 023 894
Total income tax expense	11 242 774	11 019 286

Tax base estimation	**2023**	**2022**
Ordinary result before tax	51 103 516	50 087 665
Permanent differences	0	0
General income	50 087 665	50 087 665
Limitation of deduction for interest between related	-3 818 391	-4 654 065
Tax base	47 285 125	45 433 600
Payable tax based on this year result	10 402 728	9 995 392
Tax refund received	0	0
Tax adjustment (previous year and others)	0	0
Income Tax payable as on 31.12	10 402 728	9 995 392

Temporary differences outlined	**2023**	**2022**
Limitation of deduction for interest between related	-35 169 372	-38 987 763
	-35 169 372	-38 987 763
Deferred tax asset (22%)	-7 737 262	-8 577 308

Note 7 - Owners equity

	Share capital	**Share premium reserve**	**Other equity**	**Total**
Equity 01.01.23	41 858 074	614 381 910	116 595 052	772 835 036
Profit for the year	0	0	39 860 743	39 860 743
Dividend Distribution	0	0	0	0
Equity 31.12.23	41 858 074	614 381 910	156 455 795	812 695 779

Unit4 Norway Holdings AS

Notes to the accounts for 2023

Note 8 - Share capital and shareholder information

Share capital:

	Number of shares	Face value	Book value
Shares	2 400	17 440,86	41 858 074

Unit4 Norway Holdings AS has one share class where each share gives one vote to the company's general meeting. There are no trade restrictions on the company's shares. All shares are owned by Unit4 Business Software Holding BV.

Unit4 Norway Holdings AS is included in the consolidated financial statements of the parent company AI Avocado Holding B.V. in the Netherlands.

Note 9 - Investment in subsidiaries and associate

Company	Location	Share owners	Voting rights	Net profit 2023	Equity 31.12	Book value 31.12
Unit 4 AS	Oslo	100 %	100 %	46 200 307	87 219 039	667 236 900
Unit 4 R&D AS	Oslo	100 %	100 %	4 354 500	20 030 694	189 885 600
Total				50 554 807	107 249 733	857 122 500

Note 10 - Intercompany balance group company and associate

Related parties to the company are companies in the same group. All transactions with closely related parties are carried out under market terms.

Receivables	**2023**	**2022**
Accounts receivables	32 990 637	14 719 524
Group contribution	175 940 515	112 878 766
Intermediate Group Account	22 508 123	39 532 331
Total	231 439 275	167 130 621

Payables	**2023**	**2022**
Long-term loan	150 000 000	150 000 000
Short-term loan	-	-
Dividend Payable	-	100 000 000
Trade creditors	-	-
Total	150 000 000	250 000 000

Bock Capital Topco B.V.
Annual Report 2023

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Report from Board of Directors

The Board of Directors present their report and audited financial statements for the year ended 31 December 2023 ("the Year").

General information

Bock Capital Topco B.V. ("**Company**") is a Dutch limited liability company incorporated on 10 June 2021. In July 2021, the Company acquired AI Avocado Holding B.V., which is the Dutch holding entity of the group of companies that presents itself to the market as Unit4 Group ("**Unit4**").

The Unit4 Group is the principal asset of the Company and as such, many of the factors in this report derive from considerations that apply to the Unit4 Group. For the avoidance of doubt the term "**Group**" refers to the Company and all its subsidiaries.

Unit4 Group is a leading global provider of enterprise applications, empowering people in service organizations. Many organizations; primarily from industry verticals of Professional Services, Public Services, Higher Education and Not for Profit, benefit from the industry-focused solutions, end-to-end Cloud ERP suite and best-in-class applications for Financial Management and Performance Management.

The traditional business model of software vendors selling licenses, support and consultancy services has significantly changed in the past years, driven by the advent of new technology and customer demand and knowledge. Through the acquisition of the Unit4 Group, the Company obtained access to an infrastructure for development, support and delivery that can support Unit4's growth on a global scale and focus Unit4's product development on cloud-based applications.

The Unit4 Group operates a global business model. This global business includes modern cloud-based business applications serving predominantly organizations in people-centric or service industries. This is a business that benefits from scale and global reach. Unit4's flagship products are Unit4 Enterprise Resource Planning (ERP), Unit4 Financial Planning & Analysis (FP&A), Human Capital Management (HCM) and Unit4 Financials and ERPx. ERPx is Unit4's next generation cloud-based ERP solution, which delivers a fully integrated ERP, HCM and FP&A solution on a single platform, making use of the latest developments to deliver an optimal people experience. These products deliver an excellent people experience with proven flexibility utilizing the potential of the latest cloud technologies.

The Company is headquartered in the Netherlands. The Group employs more than 2,600 people, and has operations in 25 countries across Europe, North America, Asia Pacific and Africa. In addition, it operates a distribution network of partners around the world to ensure local access to sales, service and support. Local entities within the Unit4 Group act as resellers of Unit4 products with local add-ons and are the owners of region-specific products and services.

For the legal structure of Group, please refer to paragraph 3.2 of the Consolidated Financial Statements.

The Company's directors are as follows:

M.E. Ettling, CEO
J.M. Seigler, Chairman
B. Ogut
D. Dunnam
C. Bayne
S.A. Dandl
N. Wadhera
C.M. Rees
M. Bagley
R. Alexander

Highlights of 2023

During the year the Company continued to focus its strategy on cloud-based products and services and offer a better people experience.

As Unit4 Group evolves to being a true SaaS company, the journey to Cloud was a priority. This resulted in an announcement of the transition of on-premise Unit4 ERP, Unit4 Financials by Coda and FP&A to being fully cloud-based solutions at the end of 2024. This will offer a raft of additional benefits for customers and enables greater flexibility and agility, giving customers competitive advantage and helping to enhance both user and customer experiences.

In the previous year the Race4Success initiative was launched. Race4Succes presented the opportunity to streamline focus and accelerate the existing strategic plan to achieve the organisation's long-term growth plans. In 2023 Race4Succes is further implemented to evolve our vision, mission, and putting clear plans in place to support this.

Multiple ERPx milestones have been accomplished. ERPx provides a fully integrated ERP, HCM and FP&A solution on a single platform, making use of the latest developments to deliver the optimal people experience. This platform will be central to the Unit4 Group's offerings for future years and is expected to drive further innovation.

Financial overview

In 2023, total revenue increased to €413.7 million (2022: €397.3 million). Total recurring revenue (SaaS and subscriptions, maintenance revenue) increased to €327.7 million (2022: €293.7 million), reflecting the general focus on recurring revenues by the Group. This trend is expected to continue in the future years as a result of the Group's strategy and overall market developments. Although more than expected, new License revenues decreased during the year reflecting the market shift to cloud based products with this trend forecasted to continue in the future.

Services revenue decreased to € 70.9 million (2022: €82.7 million). Despite the shift of focus from license sales to SaaS, where SaaS has a lower attach rate for Services, the Group expects these service revenues to remain stable over the upcoming period. Furthermore, the development of the partner ecosystem with capability to deliver Unit4 solutions will provide a broader distribution base. The Group will continue to refine its delivery methods and simplify implementation processes as standardized industry models are developed.

Operating result

Operating result before interest, tax, depreciation & amortization ("**operating result**") increased to €120.6 million (2022: €14.1 million).

Net result

The financial year 2023 shows a net loss of €77.8 million (2022: loss of €129.4 million), primarily due to:

- amortization charges amounting to €142.0 million (2022: €128.0) on intangibles;
- finance costs amounting to €92.1 million (2022: €58.4 million) of which €34.7 million is non-cash (2022: € 23.8 million);
- depreciation and amortization charges on other fixed assets amounting to €7.6 million (2022: € 13.3 million).

Cashflow and key ratio's

The Company has reported the following cash flows for reporting period:

The cash flow from operating activities: €114.9 million. The cash flow from investing activities in the reporting period: €-26.9 million and are primarily related to investments in tangible and intangible assets of €2.3 million and €24.4 million respectively. The cash flow from financing activities in the reporting period amounts to €-75.5 million. The solvency ratio is in 2023 33% (2022: 35%) and liquidity ratio is 69% (2022: 57%). The decrease in solvency and increase in liquidity ratio is mainly the effect of the repayment of the revolving credit facility for € 45.0 million.

Financing structure

In June 2021, the Group obtained external financing in the amount of €900 million, which was used to acquire the Unit4 Group. This external financing consists of two agreements, the Senior Facilities Agreement and the PIK Facility.

As part of the Senior Facilities Agreement, a € 675 million loan was received (called "Facility B"). Facility B matures in June 2028 and has a monthly interest payable at a rate of 1-month Euribor plus a spread of 400 basis points.

Under the PIK Facility, a € 225 million loan was received. The PIK Facility will mature in June 2029. Interest on the outstanding loan accrues at a rate of 6-month Euribor plus a spread of 950 basis points, subject to an E&S ratchet. The E&S ratchet offers the possibility to reduce the margin in the event the Group achieves certain specified environmental and social objectives. Interest on this loan is added to (and forms part of) the outstanding principal amount on the last day of each interest period. The E&S Target 1 was complied with on the test date of 30.06.2023. From 3 July 2023 the margin has been reduced by 0.025% and amounts to 9.475%.

As part of the Senior Facilities Agreement, the Group also received access to a revolving credit facility ("RCF") of € 100.0 million. As at year-end 2023, € 0.0 million (2022: € 45.0 million) is drawn under the RCF.

The group entered into a intercompany loan agreement with a related party, Bock Capital EU Luxemburg Nature II Sàrl. The group received a €7.0 million loan with an interest rate of 5.643% per year.

Reporting period changes in the amounts of the long-term loans are as follows:

(in € x millions)	PIK	SFA	RCF	Nature II	**Total**
Balance at 31 December 2022	**259.5**	**678.2**	**45.0**	**0.0**	**982.7**
Loan amount		-3.2	-45.0	7.0	-41.2
Accrued interest	34.7	4.5	–	0.2	39.4
Balance at 31 December 2023	**294.2**	**679.5**	**0**	**7.2**	**980.9**

Financial position

In 2023, the total Company equity amounted to € 683.1 million (2022: € 759.5 million), despite the negative net result of the year.

Risk Management

The Group's enterprise risk assessment framework seeks to provide an understanding and awareness of the risks that could potentially jeopardize the Group's strategic objectives and future performance. The approach encompasses an overview of the major risk scenarios as well as taking into account the Group's capacity and acceptance of risk. A risk register lists the identified risks and for each of them an assessment including triggers, potential consequences and mitigations. The risk register is reviewed on a quarterly basis by the Group's Global Leadership Team and the Audit Committee.

The objectives of the risk management framework are to:

- set out the risk management objectives and requirements for the business;
- establish a risk management structure embedded within the Group's areas of business, corporate functions and each of the regions where it operates;
- ensure that risk management activities are performed in a consistent manner across the business;
- establish the periodic reporting of risk data to the Global Leadership Team, the Audit Committee and the Board.

The main risks identified in the risk register are summarized below.

Macroeconomic; Strategic; Compliance risks

Risk Areas	Risk description	Risk appetite	Control Measurements and/or mitigating factors
Macro-economic	The Group is impacted by global political and economic events leading to economic downturn in geographies in which the Group operates and resulting in less investments or delayed purchases by customers and hence lower or negative growth. Macro-economic events could also affect the credit risk the Group is exposed to (see the Financial Risk section hereafter).	Moderate	Ongoing economic awareness is fed into annual and quarterly budget and forecasting cycles. Both lead and lag indicators are reviewed and monitored on a monthly and quarterly basis, globally and for every region. Flexibility in the business model regarding costs, and especially employee costs, implemented to provide the Group with the ability to flex resources up and down to respond to external market conditions.
Strategic	The Group's strategy as defined is inappropriate or ineffectively executed and fails to deliver on the Group's strategic goals.	Moderate: right balance between risk and long-term return	To ensure the relevance and effectiveness of the strategy, the long-term plan is evaluated annually, and approved by the Board. It is supported by an annual budget and annual operating plan, with performance monitored on a regular basis by the Board and the Global Leadership Team. Areas for acquisitions and divestments are clearly identified in the strategic plan defined and approved by the Board. Active sourcing and management of potential targets takes place on an ongoing basis.

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Risk Areas	Risk description	Risk appetite	Control Measurements and/or mitigating factors
Compliance with Laws/ Regulations	The Group has ineffective systems and processes to ensure up-to-date knowledge and compliance with relevant legislation leading to breaches and the resulting consequences of penalties and sanctions for the Group and its officers and employees with consequent damage to reputation and brand and potential financial losses.	Low: full compliance with legal and regulatory environments	Group General Counsel is responsible for overseeing the regulatory framework, supported by a delegation of authorities. The policies and procedures as well as standard sales and supplier agreements are regularly updated, supported by a communications plan and a fit for purpose training regime. Access to external specialists' advice if there is any uncertainty about the interpretation of the relevant laws and regulations related to the day-to-day business operations. The Group has a Corporate Code of Conduct in place. A training programme has been rolled out which covers not only the Code of Conduct itself, but also further topics such as the cybersecurity, diversity, whistleblower policy and anti-bribery regulations. General Data Protection Regulation ("GDPR") and further privacy regulation continue to be important following their implementation. Under the supervision of the Data Protection Officer, GDPR adherence is continuously monitored by the respective business owners. The Data Protection Officer continues to create further privacy awareness, strengthen the privacy network and ensure that policies and processes are known. Review of tax framework and strategy undertaken by the central finance team, supported by external experts on specific areas, takes place as required. Ongoing monitoring of fiscal and regulatory compliance is in place to address issues that may arise.

Operational risks

Risk Areas	Risk description	Risk appetite	Control Measurements and/or mitigating factors
Growth	The Group fails to meet growth ambitions and targets due to inadequate brand awareness, uncompetitive products, overselling, underperformance of implementation services or inadequate go-to-market model and execution.	Moderate: alignment of targets and related costs	The Group has clearly defined the strategy for the global business and the approach to the market. Further marketing activities have been developed to increase brand awareness in target vertical and geographical markets. An ongoing program to engage with analysts and digital marketing campaigns is up and running, with ongoing monitoring of effectiveness. The Product organization actively monitors the market, technology and customer trends, to ensure that the product development team continues to develop existing products and new products to meet market demands. The direct go-to-market strategy operates with a model to support both growth and customer success, with implementation of customer acquisition, customer success, and inside sales capabilities, complemented by centers of excellence for key target verticals. The Group has a cloud transformation team whose focus is to improve cloud delivery capabilities and shorten the time to go live. Centralized cloud operations and support teams are available to reduce support backlog and shorten resolution times. The Group has developed value accelerators and standard industry configurations to shorten the implementation cycles and apply industry best practices to better meet customers' requirements. Both lead and lag measures are in place across verticals, geographies, and channels to ensure effective monitoring of progress.

Risk Areas	Risk description	Risk appetite	Control Measurements and/or mitigating factors
Information Security	The Group maybe subject to attacks or failures leading to data breaches or loss of information (including data or IP theft) resulting in brand and reputational damages plus financial and legal sanctions against the Group, its officers and customers.	Low	The Group's information security policies are based on industry best practices. Controls are implemented, risk based and improvement activities are planned based on priorities and risk appetite. These are continuously evaluated under the supervision of the Chief Information Security Officer and adjusted as needed to address recent developments presenting a risk to the Group and ensure that the risks identified are sufficiently mitigated. As an additional safeguard cybercrime insurance is in place. Where required, the effectiveness of (security) controls is demonstrated via certification and third-party assurance reports.
People	The Group fails to establish a strong employer brand and supporting infrastructure leading to its inability to attract and retain high calibre people leading to loss of competitiveness and business interruption.	Moderate	A Global HR organization is in place supported by the HR centers of excellence. Ongoing investments in employer brand are made to drive attractiveness of Unit4 as an employer of choice. Continued emphasis is placed on the Company values to clearly communicate the mission of the organization to people inside and outside the Group. A diversity & inclusion course is established to increase awareness on this topic as well as emphasizing the importance of creating an inclusive environment that values diversity. A global job framework has been established to cover all business areas and functions, along with a more standardized compensation and benefits framework.

Risk Areas	Risk description	Risk appetite	Control Measurements and/or mitigating factors
Product – Innovation	The Group fails to identify, track and respond to market and technological developments in the ERP marketplace leading to lack of product innovation and ability to compete with rival offers.	Low	The product strategy and execution governance, supported by product marketing and product management is reviewed as part of the Strategic Plan. Ongoing review of market developments with analysts, customer win-loss analysis and other marketing research to ensure product roadmap delivers appropriate level of innovation for ongoing market competitiveness. An innovation group is in place to identify potential market development opportunities.

Financial Risk

Risk Areas	Risk description	Risk appetite	Control Measurements and/or mitigating factors
Currency	The Group's results, which are reported in Euro but are generated with a significant element in other currencies, can be negatively impacted by fluctuations between the reporting currency and the various functional currencies in the economic regions in which the Group's operating companies are active.	Moderate: the currency exposure of the net investments in foreign activities is not hedged. Only specific transactions with a high currency exposure are hedged with derivatives.	The Group uses, where it is deemed necessary, currency derivatives, such as forward contracts, to secure certainty in its cash flows and results.
Interest	The Group is exposed to floating interest payments under long term financing agreements with 3rd parties, resulting in higher cash outflows.	Low to moderate	The Group's actual cash position, including the consolidated cash balances in each currency, is continuously monitored and managed by the Corporate Finance Department. The Company uses interest derivatives to secure its long-term exposure to volatility in interest rates. The working capital financing needs are generally financed against floating interest. The impact of any upward direction of the floating interest rate is limited as these finance needs generally are smaller, given the current excess cash position, and short-term nature.
Credit	The Group is unable to collect its accounts receivable.	Low	The Group assesses the credit status of new customers and where needed existing customers using standardized procedures. Where necessary advice is obtained from external credit reference agencies. A large part of the Group's revenue is pre-billed on an annual basis. Where a customer does not pay, the support, maintenance or service may be suspended until payment.
Liquidity	The Group has insufficient liquidity.	Low	The Group has a daily cash management process in place which monitors the daily cash inflows and outflows. The Group also has a planning and control process which includes the analysis of liquidity budgets for a period of 12 months ahead and also has a Revolving Credit Facility (RCF) which can be used to cover short term liquidity requirements.

Fraud assessment:
An anti-fraud policy is in place at the Group and includes a zero-tolerance stance on fraud, and Anti-Fraud policy statements. The Group has a policy in place if fraud occurs. The Group mitigates the risk of intentional acts designed to deceive or mislead others mainly to obtain unjust or illegal advantage to the detriment of the Group.

Risk Areas	Risk description	Risk appetite	Control Measurements and/or mitigating factors
Fraudulent payments	The group may be subject to fraudulent payments made by employees (i.e., unauthorized payments, changes made in customer master files).	Low to moderate	The group has a four eyes involvement and a multiple authorization lane of payments in place. The Group has also review and approval procedures on changes in the master data. The master data is continuously monitored and evaluated by the master data manager to verify the master data quality. Besides, cash trackers are reported and monitored on a weekly basis. Training and awareness programs are in place to prevent phishing.
Theft of intellectual property	The group may be subject to theft of intellectual property.	Low	The Group's security policies regarding intellectual property are based on industry best practices. Controls are implemented risk based, and improvement activities are planned based on priorities and risk appetite. These are continuously evaluated under the supervision of the Chief Information Security Officer and adjusted as needed to address recent developments presenting a risk to the Group and ensure that the risks identified are sufficiently mitigated. Where required, the effectiveness of (security) controls is demonstrated via certification and third-party assurance reports.
Unlawfully claiming bonus and commissions	The group may be subject to fraudulent sales deals to increase sales commission payments.	Low to moderate	The group conducts due diligence on new customers before entering in new contracts. The group has also established and formalized a new contract approval process in 2023. Besides, segregation of duties is implemented to ensure multiple individuals review and approve contracts. A secure electronic signature process is forced to reduce the risk of forged signatures. The group has implemented in 2023 a strong authorization and authentication procedure to ensure that only authorized personnel can initiate, approve and modify contracts based on the related risk. Besides, the group is regularly reviewing and monitoring existing contracts to identify any irregularities or inconsistencies.

Risk Areas	Risk description	Risk appetite	Control Measurements and/or mitigating factors
Cyber fraud	The group may be subject to cyber fraud.	Low	The Group's security policies regarding cyber security are based on industry best practices. Controls are implemented risk based, and improvement activities are planned based on priorities and risk appetite. These are continuously evaluated under the supervision of the Chief Information Security Officer and adjusted as needed to address recent developments presenting a risk to the Group and ensure that the risks identified are sufficiently mitigated. Training and awareness programs are in place to educate employees about the latest cyber threats and best practices. Multi-factor authentication for accessing sensitive systems and data is enforced. A regularly review is conducted and updates on authentication protocols are aligned with industry best practices.

Remuneration

The goal of the remuneration policy is to attract, motivate and retain talented people, who will act for the benefit of all stakeholders in the Group. Remuneration may consist of fixed and variable components and the Remuneration Committee seeks to ensure the proper balance between these components to align with the interests of the Group and the individual.

The remuneration of the members of the Group Global Leadership Team is determined by the CEO, with approval of the Remuneration Committee.

Distribution of seats of the board

The company recognizes the importance and added value of a diverse composition of the board and the Global Leadership Team (GLT). When selecting and evaluating candidates for new appointments to the board and GLT, the board will consider the relevant diversity requirements. As at December 31, 2023, 20% of the board members and 14% of GLT were female. The company implemented the Dutch Gender Balance Act which entered into force on January 1, 2022. The company strives for GLT new hires a target applicant ratio of at least 50% female and 50% male when vacancies are open. At this moment the company does not comply with the Dutch Gender Balance Act but is currently developing an action plan to be compliant.

Research and development activities

With a view to best serving the needs of its customers, the Group is seeking to transition key products from its portfolio onto a single platform, enabling products to function together thereby providing enhanced value. The core platform is designed around four areas which enable Group customers to run their business:

- a functionally comprehensive and integrated ERP solution;
- best-in-class applications for specific processes and / or geographies;
- deep industry functionality that creates sustainable market differentiation;
- a platform that enables Unit4 offerings to work together based on user experience, integration framework and to enable capabilities in the areas of digitization, social media, mobile, analytics (big data) and cloud.

Unit4's product priorities are determined considering the following:

- product performance and potential;
- market-centric product roadmaps; and
- centralization of development efforts in locations where there is an appropriate skill / cost balance.

Future outlook

In 2024, the Group will focus on the main drivers of growth, by increasing investments in core products and their cloud delivery, while managing costs efficiently to grow profit margins.

The forecast operating cash flows in combination with the financing structure in place, are expected to be sufficient to support the liquidity needs in the upcoming period.

For 2024 the Group will continue to invest in the development of employees to and to achieve the goals of its remuneration policy. The Group does not anticipate significant changes in existing workforce based on its current business and related operations.

Unit4 Group has taken notice of the Corporate Sustainability Reporting Directive requiring all large companies to publish regular reports on their environmental and social impact activities in line with the European Sustainability Reporting Standards (ESRS), and we are working to be compliant by the enforcement date in January 2026 for reporting year 2025.

Unit4 Group is taking a three-phase approach: first completing the double materiality analysis, then conducting a gap assessment against the standards and finally working to close the gaps. Unit4 is now conducting a double materiality analysis on how sustainability issues affect our performance including climate risk, and on the impact our activities have on people and the environment. So far in 2024, Unit4 has completed stakeholder mapping, review of the long list of sustainability matters, and validation of the shortlist and associated impacts, risks and opportunities through stakeholder interviews. Unit4 is planning to have the double materiality analysis finalized by April 2024, and then work on assessing and closing the gaps starting in the second quarter with the aim of having all the gaps closed by end of 2024. From Annual Report 2025, disclosures will be reported in line with and the EU's Taxonomy Regulation, and include the mandatory and material information both forward-looking and retrospective, including an independent third-party review.

Subsequent events during 2024
No subsequent events noted with a significant impact on the consolidated financial statements 2023.

March 29th, 2024

The Board of Directors

De handtekening is door KVK onleesbaar gemaakt

J.M. Seiger

N. Wadhera

De handtekening is door KVK onleesbaar gemaakt

C.A.A. Bayne

[redacted]

De handtekening is door KVK

R. Alexander

DocuSigned by:

S.A. Dandl

De handtekening is door KVK onleesbaar gemaakt

B.A. Ogut

C.M. Rees

De handtekening is door KVK onleesbaar gemaakt

M. Bagley

D. Dunham

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Consolidated Financial Statements

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2023

(in € x 1,000)	Notes	2023	2022
Continuing operations			
Revenue from contracts with customers	6		
SAAS and Subscriptions		184,948	150,633
Licenses		15,160	20,897
Maintenance		142,734	143,019
Services and other		70,857	82,733
Total Revenue		**413,699**	**397,282**
Cost of sales	7	(50,013)	(65,375)
Gross profit		**363,686**	**331,907**
Employee costs	8	(205,354)	(235,741)
Other operating expenses	10	(37,695)	(82,017)
Operating result before interest, tax, depreciation & amortization		**120,637**	**14,149**
Depreciation and amortization	11	(153,859)	(141,333)
Operating result before interest, tax		**(33,222)**	**(127,184)**
Finance costs	12	(92,142)	(58,445)
Finance income	13	67	46,866
Other expense profit / (loss)		129	(1)
Share of profit / (loss) of associates		200	325
Profit / (loss) before tax from continuing operations		**(124,968)**	**(138,439)**
Income taxes (expense) / benefit	14	47,137	9,046
Profit / (loss) for the year		**(77,831)**	**(129,393)**
Discontinued operations		-	-
Profit / (loss) for the year attributable to the owners of the Company		**(77,831)**	**(129,393)**
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		1,037	4,979
Other comprehensive income for the year, net of income tax		**1,037**	**4,979**
Total comprehensive income / (loss) for the year		**(76,794)**	**(124,414)**
Total comprehensive income for the year attributable to the owners of the Company		**(76,794)**	**(124,414)**

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 31 December 2023

(in € x 1,000)

	Notes	2023	2022
Assets			
Non-current assets			
Goodwill	16	1,192,295	1,192,456
Other intangible assets	15	628,169	741,390
Property, plant and equipment	17	4,110	13,582
Right-of-use assets	18	6,716	9,956
Investments in associates		2,832	2,476
Deferred tax assets	14	6,373	9,263
Other financial assets	19	18,474	38,810
Total non-current assets		**1,858,969**	**2,007,933**
Current assets			
Contract assets	20	12,424	28,382
Trade and other receivables	21	86,241	91,333
Other financial assets	19	2,925	1,158
Current tax assets	14	2,386	3,389
Cash and cash equivalents	22	66,286	54,178
Total current assets		**170,262**	**178,440**
Total assets		**2,029,231**	**2,186,373**

Consolidated statement of financial position – continued

As at 31 December 2023

(in € x 1,000)

	Notes	2023	2022
Equity and liabilities			
Capital and reserves			
Issued capital and share premium	23	988,408	988,408
Share-based payments reserve		3,736	3,311
Foreign currency translation reserve	24	6,420	5,383
Retained earnings		(315,417)	(237,586)
Total equity		**683,147**	**759,516**
Non-current liabilities			
Borrowings	25	962,365	918,240
Lease liabilities	18	5,275	7,690
Other financial liabilities	26	4,111	5,094
Deferred tax liabilities	14	114,730	153,464
Provisions	27	11,456	26,264
Other liabilities	30	20	556
Total non-current liabilities		**1,097,957**	**1,111,308**
Current liabilities			
Borrowings	25	-	45,025
Lease liabilities	18	4,226	6,216
Other financial liabilities	26	5,249	4,306
Trade and other payables	29	21,633	24,469
Current income tax liabilities	14	9,161	25,626
Provisions	27	7,485	16,063
Contract liabilities	28	125,842	113,934
Other liabilities	30	74,531	79,910
Total current liabilities		**248,127**	**315,549**
Total liabilities		**1,346,084**	**1,426,857**
Total equity and liabilities		**2,029,231**	**2,186,373**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the year ended 31 December 2023

(in € x 1,000)	Share capital/ premium	Share-based payments reserve	Foreign currency translation reserve	Retained earnings	Total
Reference	23		24		
For the year ended 31 December 2023					
Balance at 1 January 2023	**988,408**	**3,311**	**5,383**	**(237,586)**	**759,516**
Profit/(Loss) for the year	–	–	–	(77,831)	(77,831)
Other comprehensive income for the year, net of income tax	–	–	1,037	–	1,037
Total comprehensive income for the year	–	–	1,037	(77,831)	(76,794)
Share-based compensation	–	425	–	–	425
Balance at 31 December 2023	**988,408**	**3,736**	**6,420**	**(315,417)**	**683,147**

(in € x 1,000)	Share capital/ premium	Share-based payments reserve	Foreign currency translation reserve	Retained earnings	Total
Reference	23		24		
For the year ended 31 December 2022					
Balance at 1 January 2022	**988,408**	**4**	**404**	**(108,193)**	**880,623**
Profit/(Loss) for the year	–	–	–	(129,393)	(129,394)
Other comprehensive income for the year, net of income tax	–	–	4,979	–	4,979
Total comprehensive income for the year	–	–	4,979	(129,393)	(124,415)
Share-based compensation	–	3,307	–	–	3,307
Balance at 31 December 2022	**988,408**	**3,311**	**5,383**	**(237,586)**	**759,516**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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Consolidated statement of cash flows

For the year ended 31 December 2023

(in € x 1,000)	Note	2023	2022
Cash flows from operating activities			
Operating result before interest, tax (EBIT)		(33,222)	(127,184)
Adjustments for:			
Depreciation, amortization and impairment	11	153,859	141,333
Share-based payment transaction expense	9	(695)	4,523
Changes in costs to obtain a contract	15	(5,087)	(6,199)
Change in Provisions	27	(23,386)	34,709
Changes in Long Term liabilities		(536)	(755)
Changes in Long Term receivables		2,753	320
Changes in working capital[1]		24,659	12,923
Cash generated from operations		**118,345**	**59,669**
Interest (paid) / received		323	(469)
Income tax (paid) / received		(3,764)	(5,924)
Net cash generated by operating activities		**114,904**	**53,276**
Cash flows used in investing activities			
Investments in intangible assets	15	(24,406)	(29,208)
Investments in property, plant and equipment	17	(2,288)	(3,169)
Acquisition of subsidiaries, net of cash and cash equivalents		-	(63,495)
Cash received from associates		110	-
Proceeds/(investments) in other financial assets	19	379	606
Loans to related parties	33	(655)	(1,045)
Cash flows used in investing activities		**(26,859)**	**(96,311)**
Cash flows from financing activities			
(Repayments)/Proceeds from borrowings	25	(38,000)	45,000
Interest and financial expenses paid		(30,975)	(26,619)
Payment of principal portion of lease liabilities	18	(6,530)	(7,974)
Net cash from financing activities		**(75,505)**	**10,407**
Movement in cash and cash equivalents		**12,539**	**(32,628)**
Cash and cash equivalents at the beginning of the year		54,178	86,665
Effects of exchange rate changes on the balance of cash held in foreign currencies		(431)	141
Cash and cash equivalents at the end of the year	22	**66,286**	**54,178**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

[1] Changes in working capital consists of movements in contracts assets, trade and other receivables, trade and other payables, other liabilities, contract liabilities and other adjustments to calculate the cashflow.

Notes to the Consolidated Financial Statements

1 General information

Bock Capital Topco B.V. (hereafter "the Company") is a limited liability company and was incorporated on 10 June 2021. Bock Capital Topco B.V. (Chamber of Commerce reference 83047581) and its subsidiaries (together "the Group"). Under its core business, the Group is an international provider of enterprise applications empowering people in service organizations, and delivers ERP, industry-focused applications.

Bock Capital Topco B.V. is the head of the group. The parent of the Group is Bock Capital EU Luxembourg Nature II S.a.r.l. (100% shareholding). Its ultimate parent of the Group is TA Associates L.P., Boston United States of America. Bock Capital Topco B.V. has its registered office at Johan de Wittstraat 156, 3311KJ, Dordrecht, The Netherlands.

The Financial Statements were authorized for issue by the Board of Directors on 29 March 2024. The adoption of these Financial Statements, including the adoption of the proposed allocation of the net loss for the period ended 31 December 2023, is subject to approval by the shareholders at the General Meeting.

The consolidated financial statements provide comparative information in respect of the previous period which covered the period between 1 January 2022 and 31 December 2022.

As permitted pursuant to Article 402, Title 9, Book 2 of the Dutch Civil Code Bock Capital Topco B.V.'s company income statement is presented in a condensed form. All amounts are presented in Euros (€ x 1,000), unless stated otherwise. The consolidated financial statements provide comparative information in respect of the previous period.

2 Basis of preparation

Statement of Compliance
The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("EU-IFRS"), effective as at 31 December 2023.

Basis of measurement
The Group prepared its consolidated financial statements on a going-concern basis and under the historical cost convention, except for certain financial instruments that have been measured at fair value as discussed in the significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, which market participants would take into account when pricing the asset or liability at the measurement date.
In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety. These are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Going concern

The consolidated financial statements for the period ended 31 December 2023 are prepared on a going-concern basis.

The Group has a positive operating result before interest, tax and depreciation & amortization for the period ended on 31 December 2023 of €120.6 million.

For the period ended 31 December 2023, the Group incurred a net loss of €77.8 million. The net loss was mainly attributable to the amortization of the intangible assets identified as part of the acquisition amounting to €142.0 million, the interest charges on the Facility B and PIK Facility amounting to €32.0 million and €34.7 million respectively.
The amortization expenses, the result on the valuation of derivatives and the interest expense on the PIK facility are non-cash.

The total equity attributable to owners of the parent as at 31 December 2023 is positive.

The Company has sufficient access to liquidity, including a cash balance of €66.3 million per year-end 2023, positive operating cash flow over the reporting period in 2023 and the undrawn revolving credit facility in amount of €100.0 million.

Based on access to liquidity and the detailed forecast prepared with planned growth, the Company's Board of Directors is confident that the Company will have sufficient cash to pay all its suppliers over the next 12 months after sign off date.

The war in Ukraine and Israel/Gaza has no material impact on the financial performance of the Group.

Climate-related matters
The group considered climate-related matters which could impact the business model, cash flow, financial position and financial performance by applying IFRS. There is no material impact on the group financial statements. Even though climate-related matters currently do not have a significant impact, the group is closely monitoring relevant changes and developments, such as new climate-related legislation.

2.1 Changes in accounting policies

In the current period the Group has adopted a number of amendments to IFRS issued by the IASB that are mandatorily effective for the current accounting period. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The amendments are:

- IFRS 17 Insurance contracts;
- Definition of Accounting Estimates – Amendments to IAS 8
- Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
- International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12

To the extent relevant, the amendments listed above that were in issue and effective from 1 January 2023 have been adopted by the Group as of 1 January 2023.

The amendments to IAS 1 have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

The amendments to IAS 12 - Pillar-II had no impact on the Group's consolidated financial statements as the Group is not in scope of the Pillar Two model rules as its revenue is less that € 750 million/year.

The other amendments did not have a material impact for the group.

Standards issued but not yet effective
The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rate: Lack of Exchangeability

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

2.2 Use of judgements and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.
Actual results may differ from these estimates which, together with underlying assumptions, are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are reviewed and revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on amounts recognized in the financial statements are discussed below:

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages qualified valuators to perform the valuation. For further information on fair values of financial instruments we refer to note 5 of the Consolidated Financial Statements.

Revenue recognition

In making their judgement, the directors considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular whether the Group had transferred control of the goods and services to the customer. Following the detailed quantification of the Group's liability in respect of rectification work, and the agreed limitation on the customer's ability to require further work or to require replacement of the goods, the directors are satisfied that control has been transferred and that recognition of the revenue in the current year is appropriate.

Variable consideration
If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Estimation of the stand-alone selling price
The Group has established a hierarchy to identify the stand-alone selling prices that are used to allocate the transaction price of a customer contract to the performance obligations in the contract.

- Where standalone selling prices for an offering are observable and reasonably consistent across customers, the stand-alone selling prices estimates are derived from our respective pricing history and rate cards. This applies to most of the revenue streams.
- Where sales prices for an offering are not directly observable or highly variable across customers, we use estimation techniques. For renewable offerings, these techniques consider the individual contract's expected renewal price. For non-renewable offerings, these estimations follow a cost-plus-margin approach.
- For offerings that lack renewals and have highly variable pricing, we allocate the transaction price by applying a residual value approach.

Judgment is required when estimating stand-alone selling prices. In judging whether contracts are expected to renew at their contractual renewal prices, we rely on our respective renewal history. We review the stand-alone selling prices periodically or whenever facts and circumstances change to ensure the most objective input parameters available are used.

Reference is made to Note 3.5 for the criteria used regarding revenue recognition.

Capitalization of development costs

Development costs are capitalized in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model.

Impairment of non-current assets

Assets subject to depreciation and amortization are reviewed for impairment if events or changes in the circumstances indicate that the carrying amount may not be recoverable. Assets not subject to depreciation and amortization are reviewed for impairment once a year. In the impairment tests the lowest level of cash-generating units are used. The goodwill will be attributed to those cash-generating units or group of cash-generating units that are to be expected to take advantage of those business combinations in which goodwill has been generated. The judgements, key estimates and assumptions used by management to determine if an impairment has to be recognized are:

- Determining the cash-generating units or group of cash-generating units;
- Timing of the review of impairment;
- Determining the discount rate;
- Projecting of cash flows including long-term expectations.

For more details regarding key assumptions and sensitivity analysis refer to Note 16.

Tax assets and liabilities

The Company and its subsidiaries estimate the tax positions upon their interpretations of the applicable tax laws and regulations in various jurisdictions. The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. For material positions the Company consults with external tax advisors. For the tax declarations that were not formally approved by the tax authorities yet, there is a risk that these positions may be challenged by the local tax authorities. When the risk is considered to be probable, a tax liability will be recognized to reflect the effect of the uncertainty based on either the most likely amount or the expected value.

The Group recognizes deferred tax assets related to losses carried forward or tax receivables as long as the respective fiscal unity or legal entity has sufficient taxable temporary differences or when there are reliable estimates that taxable profits will be available for use by the fiscal unity or legal entity. For more details regarding tax assets and liabilities refer to Note 14.

Share-based payments

Management Equity Incentive Plan (MEIP)
The value of the underlying shares as determined on the grant date depends on the proceeds realized by the majority shareholder upon an Exit. As a result, the grant date fair value of the Plan awards has been measured using a Binomial option pricing model.

Leases

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

The renewal options for lease cars are not included as part of the lease term because the Group typically leases cars for not more than five years and, hence, is not exercising any renewal options. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Lease classification – Group as lessor

The Group has entered into partial sublease of its buildings. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the Right-of-use asset and the present value of the minimum lease payments not amounting to substantially all of the fair value of the building, that it retains substantially all the risks and rewards incidental to ownership of these buildings and accounts for the contracts as operating leases.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure the present value of the lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

IBR calculation for every individual country where the Group had leases to be considered under IFRS 16, resulting on the final list of percentages to be used for the further calculations.

3 Material accounting policies

3.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all entities that are directly or indirectly controlled by the Company. Subsidiaries are entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has the right, to variable returns from its involvement with the investee; and
- has the ability to affect those returns through its power over the investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.
The accounting policies set out below have been applied consistently by all subsidiaries to all periods presented in these consolidated financial statements.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company. Total comprehensive income of subsidiaries is attributed to the owners of the Company.

Transactions eliminated on consolidation

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Loss of control

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the Non-Controlling Interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the Non-Controlling Interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.
When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair

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value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any Non-Controlling Interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3.2 Overview of Group companies

As at 31 December 2023, the following companies are consolidated:

COMPANY	Statutory seat	Business activities	% of ownership
Bock Capital Midco 1 B.V.	Sliedrecht, the Netherlands	Holding	100%
Bock Capital Midco 2 B.V.	Sliedrecht, the Netherlands	Holding	100%
UNIT4 Group Holding B.V.	Sliedrecht, the Netherlands	Holding	100%
Scanmarket A/S	Midtjylland, Denmark	Operational	100%
Scanmarket B.V. (liquidated)	Amsterdam, Netherlands	Operational	100%
Symfact AG	Sugiez, Switzerland	Operational	100%
Symfact Inc.	Chicago, United States	Operational	100%
Scanmarket North America Inc.	Alpharetta, United States	Operational	100%
Scanmarket.com Ltd.	London, United Kingdom	Operational	100%
Compright Inc.	San Francisco, United States	Dormant	100%
Compensationcloud Pty Ltd.	Bangalore, India	Operational	99,8%
UNIT4 Business Software Netherlands B.V.	Sliedrecht, the Netherlands	Operational	100%
UNIT4 Business Software N.V.	Antwerp, Belgium	Operational	100%
UNIT4 Nordics Holding AB	Solna, Sweden	Holding	100%
UNIT4 AB	Solna, Sweden	Operational	100%
UNIT4 A/S	Copenhagen, Denmark	Operational	100%
UNIT4 AS	Oslo, Norway	Operational	100%
UNIT4 Eesti OU	Tallinn, Estonia	Operational	100%
UNIT4 Norway Holding AS	Oslo, Norway	Holding	100%
UNIT4 R&D AS	Oslo, Norway	Operational	100%
UNIT4 UK Software Holdings Ltd.	Reading, United Kingdom	Holding	100%
UNIT4 Business Software Ltd.	Reading, United Kingdom	Operational	100%
CODA Ltd.	Reading, United Kingdom	Dormant	100%
CODA Group International Ltd.	Reading, United Kingdom	Dormant	100%
UNIT4 Business Software Cyprus Ltd.	Nicosia, Cyprus	Operational	100%
UNIT4 Asia Pacific Pte Ltd.	Singapore, Singapore	Operational	100%
UNIT4 Business Software (Ireland) Ltd.	Dublin, Ireland	Operational	100%
UNIT4 Business Software South S.L.	Granada, Spain	Operational	100%
UNIT4 Portugal Unipessoal LDA	Lisbon, Portugal	Operational	100%
UNIT4 Business Software GmbH	Munich, Germany	Operational	100%
UNIT4 Business Software France SA	Courbevoie, France	Operational	100%
UNIT4 R&D Spain S.L.	Granada, Spain	Operational	100%
UNIT4 Business Software Pty Ltd.	Sydney, Australia	Operational	100%
UNIT4 Malaysia Sdn Bhd	Kuala Lumpur, Malaysia	Operational	100%
PT. UNIT Four Indonesia	Jakarta, Indonesia	Operational	100%
UNIT4 Business Software (Pty) Ltd.	Gauteng, South Africa	Operational	100%
UNIT4 Polska Sp. z.o.o.	Wroclaw, Poland	Operational	100%
UNIT4 Software Engineering Sp. z.o.o.	Wroclaw, Poland	Dormant	100%
UNIT4 Americas Holding Inc.	Wilmington, United States	Holding	100%
UNIT4 Business Software Americas Inc.	Victoria (BC), USA	Holding	100%
UNIT4 Business Software Corp	Alberta, Canada	Operational	100%
UNIT4 Business Software, Inc.	Massachusetts, United States	Operational	100%
Prevero GmbH	Munich, Germany	Operational	100%
UNIT4 Business Software Malta Ltd. (liquidated)	Ta' Xbiex, Malta	Operational	100%
UNIT4 Oy	Vantaa, Finland	Operational	100%
Prevero Software GmbH	Graz, Austria	Operational	100%
Prevero Schweiz AG	Zug, Switzerland	Operational	100%

In 2023 Holdco Sourcing AS, Bidco Sourcing AS and Mia data A/S have been merged within Scanmarket A/S.

There were no changes in percentage of ownership for the remaining entities.

3.3 Foreign currencies

Functional and presentation currency

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For purpose of the consolidated financial statements, the results and the financial position of each entity are expressed in Euros, which is the functional currency of the Company and presentation currency for the consolidated financial statements.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period-end exchange rates are recognized in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis as either finance income or expenses, depending on whether the foreign currency movements result in a net income or a net loss position.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Foreign operations

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (none of which has the currency of a hyperinflationary economy) are expressed in Euros using the exchange rates prevailing at the balance sheet date. Income and expense items are translated at average exchange rates for the period. Exchange differences, if any, arising on net investments, including receivables from or payables for a foreign operation for which settlement is neither planned nor likely to occur are recorded directly in Other Comprehensive Income ('OCI'). This is recorded in the FCTR (foreign currency translation reserve)

When control over a foreign operation is lost, in part or in full, the relevant amount in the FCTR is transferred to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3.4 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses.

For the purposes of impairment testing, goodwill is allocated to one cash-generating unit. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than it's carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.5 Revenue recognition

The Group derives its revenues from the sale of a license and optional bespoke effort on the standard product, SaaS and Subscriptions, hardware or implementation services as well as maintenance and support. The Group makes a distinction between all of the components which have their own features, specific pricing and timing of delivery. The value of the remaining performance obligations will be deferred until they are delivered. If a discount is offered in a contract with multiple performance obligations, a proportionate amount of that discount is applied to each element included in the arrangement based on each element's stand-alone selling price without regard to the discount. Where a contract has multiple performance obligations, involving software and consulting, training, or other professional services that are not essential to the functionality of the software, the service revenues are accounted for separately from the software revenues.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

SaaS and Subscriptions (Software as a Service) are delivered remotely in a cloud-based environment and priced with a periodic flat fee, where there is little need for implementation services and there is no need to install and manage software at the customer site. The customer is not entitled to take possession of the software and manage it independently.

The revenue is recognized over the time of the contract as the client simultaneously receives and consumes the benefits provided by Unit4 evenly throughout the obligation period. The Group uses the as-invoiced practical expedient as described in IFRS 15 paragraph B16 for recognizing the SaaS and Subscriptions revenue.

Licenses revenue is the sum of proprietary software revenues and third-party software products. The revenue from license sales is recognized immediately (at a point in time) when the customer either takes possession of the software via a download or is provided with the access codes that allow the customer to take immediate possession of the software on its hardware. At that point, transfer of control has taken place.

Maintenance revenue is the contracted post implementation services revenue, consisting of maintenance and support services. This is generally straightforward where the customer simultaneously receives and consumes the benefits of the maintenance and support (M&S) promises provided by the Group. Therefore, the performance obligation is satisfied over time and the M&S revenue has to be recognized over time.

Services and other revenues are the sum of professional services, customer services, training and IT services. Service revenues involving modification or customization of the software are recognized depending on the fee structure, on a time-and material basis, or using the percentage of completion method, based on direct labor costs incurred to date as a percentage of total estimated project costs required to complete the project.

When another party is involved in providing goods or services to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group has concluded that it is acting as a principal in most of its revenue arrangements and therefore records revenue on a gross basis.

In determining the transaction price for the sale of equipment, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any). Revenue is reduced for estimated customer returns, rebates and other similar allowances. In making this judgment, we consider our history with the respective customer as well as the broader economic context. Warranties and related obligations are not applicable to the company in the consideration of performance obligations.

Significant financing component
Generally, the Group receives short-term advances from its customers. Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

3.6 Costs to obtain a contract

Costs to obtain a contract
The Group pays sales commission to its employees for each contract that they obtain for bundled sales of equipment and installation services. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (included under employee benefits) because the amortization period of the asset that the Group otherwise would have used is one year or less. For the other sales the sales commissions will be capitalized. Refer to accounting policies of intangible assets in section 3.12.

3.7 Cost of sales

The cost of sales is recognized in the same period as the corresponding revenue and relates to direct external costs such as external contractors who generate direct revenue on external projects or third-party components. Costs of personnel, generating direct revenue on external projects for which the Group runs the economic risk are presented under Personnel Costs.

3.8 Finance income and expenses

Finance income and expense comprises interest payable on borrowings calculated using the effective interest rate method, fair value losses and gains on financial assets at fair value through profit or loss and foreign exchange gains and losses. When a loan or receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognized using the original effective interest rate.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the costs of those assets, until such time as the assets are ready for their intended use or sale.

The interest expense component of lease payments is recognized in the income statement using the effective interest rate method.

Interest and dividend income
Revenue arising from the use by others of Company's assets yielding interest, royalties and dividends are recognized on the following bases:

- Interest income is recognized in the income statement as it accrues, using the effective interest method.
- Royalties are recognized on an accrual basis in accordance with the substance of the relevant agreement.
- Dividends are recognized when the shareholder's right to receive payment is established.

3.9 Taxation

Income tax expense represents the sum of the current tax payable and deferred tax.

Current tax
The current tax liability is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years (temporary difference) and items that are never taxable or deductible (permanent differences). The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it

is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Tax group liability (the Netherlands)

The Company forms a fiscal unity with some of its Dutch subsidiaries for corporate income tax purposes. In accordance with standard conditions, the Company, along with the subsidiaries that are part of the fiscal entity, is wholly and severally liable for taxation payable by the fiscal unity.

3.10 Leasing

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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognized lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

In calculating the present value of lease payments, the Group 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, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are separately disclosed in Note 18.

The Group applies portfolio approach to leases with similar characteristics. Applying this approach would not differ materially from applying lease accounting principles to the individual leases within the portfolio.

Furthermore, reference is made to Note 18 for more detailed information about amounts recognized in profit or loss.

3.11 Property, plant and equipment

Property, plant and equipment is stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Land is not depreciated. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

- Land and buildings:	
o Freehold land	not depreciated
o Freehold buildings	50 years
- Technological equipment	2 - 10 years
- Other tangible assets	2 - 10 years

Other tangible assets include alterations and renovations on buildings and all remaining tangible assets not specifically attributable to separate categories.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other operating expenses in the income statement.

3.12 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life or technical life expectancy, of which the shortest is applied, and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life of the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss in the expense category consistent with the function of the intangible asset.

Amortization is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- Internally developed software	3 – 5 years
- Trademark	20 years
- Acquired software	4.6 years

- Customer contracts 8.6 years
- Costs to obtain a contract 8.6 years

Internally developed software is capitalized in the development phase, expenditures related to research activities are recognized as an expense in the period in which these are incurred.

3.13 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

Impairment losses on assets other than goodwill recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss on assets other than goodwill is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.14 Employee benefits

Share-based payments

The Group recognizes the goods or services received or acquired in a share-based payment transaction when it obtains the goods or as the services are rendered. A corresponding increase in equity is recognized if the goods or services were received in an equity-settled share-based payment transaction or a liability if the goods or services were acquired in a cash-settled share-based payment transaction.

For equity-settled share-based payment transactions, the Group measures the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If their fair value cannot be estimated reliably, the Group measures their value, and the corresponding increase in equity, by reference to the fair value of the equity instruments granted (intrinsic value).

Pension costs

The Group has defined benefit pension plans in Germany and France. The pension plan in France is managed by the government. The pension plan in Germany is contracted to a (local) pension insurer.

The plans at other entities, when available, qualify as defined contribution plans. The pension plans are financed from payments by employees and the relevant entities.

3.15 Provisions

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be estimated reliably.
The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). Provisions are then determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The discount rate arising on the provision is amortized in future years through interest.

When some or all economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Restructuring provisions are recognized only when the Group has a constructive obligation.

3.16 Financial assets and liabilities

Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortized costs, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Purchases or sales of financial assets require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

Classification and measurement

Assets are subsequently classified as debt instruments, equity or derivatives.

The subsequent valuation of the debt instruments is based on two criteria: whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding; and the Group's business for managing the assets. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets at amortized costs (debt instruments)

The Group measures financial assets at amortized costs if both of the following conditions are met:
- The financial asset is held within the business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest in the principal amount outstanding.

Financial assets at amortized costs are subsequently measured using the effective interest (EIR) method and are subjected to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes trade receivables, included under other non-current financial assets.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within the business model with the objective of holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest in the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subjected to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.
Financial assets at fair value through profit or loss are carried in the statement of the financial position at fair value. Net changes in fair value are recognized in the statement of profit or loss.

This category also includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flow from the assets have expired; or
- The Group has transferred its rights to receive cash from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and neither(a) the Group has transferred substantially all the risk and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risk and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continued involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligation of the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosure of significant assumptions — Note 2.2
- Contract assets — Note 20
- Trade and other receivables — Note 21

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flow will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-months ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life off the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading.

The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR ('Effective Interest Rate') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings. For more information, refer to note 25.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Derivative financial instruments and hedging activities

The group designates certain derivatives as either:
- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedge);
- hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge).

The Group enters into a derivative financial instrument to manage its exposure to interest rate risk, including interest rate swaps. The derivative financial instruments are measured at fair value and classified at fair value through profit or loss. The Group does not apply hedge accounting.

3.17 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.18 Cash flow statement

The consolidated statement of cash flows is prepared using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

Cash flows in foreign currencies are converted at the exchange rate at the dates of the transactions. Currency exchange differences on cash held are separately shown. Payments and receipts of corporate income taxes and interest paid are included as cash flow from financing activities.

4 Financial risk management

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

- credit risk;
- liquidity risk;
- market risk;
- other risks (including currency risk, interest rate risk and other price risk).

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

The Board of Directors has overall responsibility for the oversight of the Group's risk management framework.

The Group continues developing and evaluating the Group's risk management policies with a view to identifying and analyzing the risks it faces, to setting appropriate risk limits and controls, and to monitoring risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees the way management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks the Group faces.

The Group seeks to minimize the effects of certain risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

4.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. A credit risk is run on the financial assets of the Group, which consist of cash and cash equivalents, securities, loans and receivables and certain derivatives, arising from default of the other party, with a maximum risk equal to the carrying amount of these instruments.
As described in section 3.16, an allowance is recognized to reflect the credit risk embedded in the debt instruments not held at fair value through profit or loss, through the application of the expected credit losses model. For further details, refer to the aforementioned note.

Trade and other receivables

Group only trades with reputable, creditworthy counterparties. It is the Group's policy that all customers who wish to pay in instalments are subject to a credit assessment procedure. Moreover, the outstanding balances are continually monitored, so that the Group does not run any unforeseen significant risks in respect to doubtful debtors. Refer to the credit quality disclosure of trade and other receivables in Note 22.

Trade receivables relate to many customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Group's standard terms require contracted services to be paid in advance of these services being delivered. In the event that a customer fails to pay amounts that are due, the Group has a clearly defined escalation policy that can result in a customer's access to their SaaS environment being denied or maintenance and support service being suspended.

The Group does not have significant credit risk exposure to any single counterparty. Concentration of credit risk to any other counterparty did not exceed 10% of gross monetary assets at any time during the year.

Bank counterparties

The credit risk on balances with banks and financial institutions and derivative financial instruments is limited because the counterparties are banks with minimum A- credit-ratings assigned by international credit-rating agencies.

4.2 Liquidity risk

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

A large part of the Group's revenues and operating costs are contracted, which assists it in monitoring cash flow requirements, which is done on a daily and weekly basis. Typically, the Group ensures that it has sufficient cash on demand to meet expected normal operational expenses, including the servicing of financial obligations, for a period of 60 days; this excludes the potential impact of extreme circumstances, such as natural disasters, that cannot reasonably be predicted. The company's revolving credit facility of €100 million is not drawn as at 31 December 2023 (2022: €45.0 million drawn).

All significant expansion and/or M&A projects are subject to formal approval by the Board of Directors, and material expenditure are only made once the management is satisfied that the Group has adequate committed funding to cover the anticipated expenditure.

The Group's objective is to find a balance between continuity and flexibility of financing through the use of bank facilities, cash loans, factoring of trade receivables and lease and rental contracts. The Group monitors its liquidity risk by using a procedure in which the bank balances linked to the electronic banking system are analyzed. The principal daily movements are clarified. In addition, all bank balances are reviewed every month and compared with the monthly estimated cash balances. This monthly cash flow forecast has a forecasting period of 12 months. The table below represents the undiscounted cash flow analysis of the liabilities recognized by the Group as at 31 December 2023.

At 31 December 2023
(in € x 1,000)

	On demand	< 3 months	3-12 months	1-5 years	> 5 years	**Total**
Non-derivative financial liabilities						
PIK Facility	–	–	–	–	502,293	502,293
Senior Facility Agreement	–	12,758	20,625	770,775	–	804,158
Revolving credit facility	–	190	573	–	–	763
Lease Liabilities	–	1,324	3,763	7,964	273	13,324
Trade and other payables	–	21,633	–	–	–	21,633
Other liabilities	–	74,531	–	20	–	74,551
	–	110,436	24,961	778,759	502,566	1,416,722

At 31 December 2022
(in € x 1,000)

	On demand	< 3 months	3-12 months	1-5 years	> 5 years	**Total**
Non-derivative financial liabilities						
PIK Facility	–	–	–	–	480,238	480,238
Senior Facility Agreement	–	8,358	20,625	109,575	688,650	827,208
Revolving credit facility	–	30,378	15,895	1,068	–	47,341
Lease Liabilities	–	1,668	4,376	7,341	765	14,150
Trade and other payables	–	24,469	–	–	–	24,469
Other liabilities	–	79,910	–	556	–	80,466
	–	144,783	40,896	118,540	1,169,653	1,473,872

Guarantees

Certain of our subsidiaries have granted guarantees to our lending banks in relation to our facilities. The Company grants rent guarantees to landlords of certain of the Group's property leases.

4.3 Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The macro-economic developments resulted in an increase of interest rates. To mitigate the interest rate risk and foreign currency risk, the Group enters into derivative financial instruments to manage its exposure, including:

- Interest rate swaps to mitigate the risk of rising interest rates.

There is negligible remaining impact of the war in Ukraine and Israel/Gaza.

Currency risk

Due to the presence of investment activities in the United States, Canada, the United Kingdom, Norway, Sweden, Switzerland, Denmark, Indonesia, South Africa, Poland, Singapore, Malaysia and Australia, the Group income statement and statement of financial position are exposed to changes in the respective exchange rates against the Euro.

The Group operates in an international environment and is exposed to foreign currency exchange risks arising from commercial transactions made by Group companies in other currencies than their functional currency.
To manage this exposure, the Group identifies, assesses and hedges the foreign currency exchange risks relating to these transactions in co-operation with the subsidiaries using a variety of financial derivatives.

In addition, the Group uses currency swaps to optimize the interest charges and interest income.
For the derivatives the Group's Corporate Finance Department enters into contracts with accredited banks. The Group is primarily exposed to changes in GBP, PLN, SEK, and SGD exchange rates. The table below presents the increase or (decrease) of the net result of the period as a result of a 10% strengthening of the Euro against these currencies during 2023. In addition, the increase or (decrease) in the equity balance is shown, including the translation effect of underlying subsidiaries, resulting from a 10% strengthening of the Euro against the following currencies at December 31 This analysis assumes that all other variables remained constant.

	Equity	**Profit or loss**
	(€'000)	**(€'000)**
31 December 2023		
GBP	(6,731)	(671)
PLN	2,981	1,199
SEK	(6,428)	(797)
SGD	918	544

A 10% weakening of the Euro against the above currencies at December 31 would have had the equal, but opposite, effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Group's borrowings are Euro denominated and the Company believes that the Interest on these borrowings will be serviced from the cash flows generated by the underlying operations of the Group, the functional currency of which is the Euro. The Group's investments in subsidiaries are not hedged.

Interest rate risk

The exposure from the Group due to fluctuations in the market interest rates primarily relates to the Group's bank accounts with a floating interest, of which most are based on 1 month. The Group uses derivatives to manage the interest rate risk on the long-term loans.

The Group does not use derivatives or other instruments to manage the interest risk on short-term bank overdrafts, as the interest rate risk is currently estimated to be low. The interest charges and interest income are optimized by centralizing the bank balances in a so-called "cash pool". Excess cash and cash equivalents when available will be put on shorter-term deposits. Need for short term financing is depending on the interest conditions fulfilled by cash loans and exiting working capital facilities.
For more information regarding the interest-bearing loans refer to Note 25. For more information regarding derivative financial instruments refer to Note 5.

The impact on the profit or loss and equity due to changes in the floating interest rate at the reporting date, based on the current net interest-bearing loans (including Cash and Cash equivalents), is presented in the table below:

Interest rate	**Impact on pre-tax profit/ (loss) and equity**	
	2023	**2022**
Increase by 100 basis points	9,692	9,793
Decrease by 100 basis points	(9,692)	(9,793)

The entity has an interest rate cap instrument for a notional amount of EUR 506.25 million till 31 December 2025.

The Group's receivables are carried at amortized cost. They are, therefore, not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Price risk

There is a risk that changes in market circumstances, such as strong unanticipated increases in operational costs, new products from competitors or churn in customer contracts, will negatively affect the Group's income. Customers individually have medium-term contracts that require notice prior to termination. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Capital management

The Group has a capital base comprising its equity, including reserves, loans under the Senior Facility Agreement and PIK Facility, other loans, and committed debt facilities. It monitors its solvency ratio, financial leverage, funds from operations and net debt with reference to multiples of its previous twelve months' Adjusted EBITDA[1] levels. The Company's policy is to maintain a strong capital base and access to capital in order to sustain the future development of the business and maintain shareholders', creditors' and customers' confidence.

In order to maintain or adjust the capital structure, the group may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital based on the leverage ratio as per the Senior Facility Agreement and PIK Facility. This ratio is calculated as net debt divided by Adjusted EBITDA. The Group's policy is to keep the leverage ratio well within the bank covenants. The Group includes within net debt, interest-bearing loans and borrowings (Note 25), less cash and cash equivalents (Note 22).

Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. Cash flows requirements are monitored on a regular basis and management provides for availability of sufficient funds required to fulfil any liabilities when they arise. The

[1] Adjusted EBITDA is defined as Operating result before interest, tax, depreciation and amortization adjusted for restructuring and exceptional expenses and pro-forma adjustments as defined in the Senior Facility Agreement & PIK Facility.

management of the Group believes that any possible fluctuations of future cash flows associated with a monetary financial instrument will not have material impact on the Group's operations.

5 Fair value estimation

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value in the financial statements. The Group has several financial instruments measured at fair value.

The following table presents the group's financial assets and liabilities that are measured at fair value. Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/ financial liabilities	Fair value (in € × 1,000) as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	31/12/23	31/12/22		
Derivative – Interest rate cap instrument	Assets – € 10.896	Assets – € 29,014	Level 2	Discounted cash flow method. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.
Derivative – Interest floor in B Facility	Liabilities – € 2,038	Liabilities – € 1,593	Level 2	Discounted cash flow method. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.
Derivative – Interest floor in PIK Facility	Liabilities – € 1,153	Liabilities – € 900	Level 2	Discounted cash flow method. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties. The valuation is based on the assumption that the first 4 years of interest will be accrued and added to the nominal amount at the end of each interest period and for the last 4 years the interest will be paid at the end of each period, without further increasing the nominal amount.

The Board of Directors consider that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

There have been no transfers between Level 1 and Level 2 during the periods.

The fair value of the derivative instruments is the result of fluctuations in the forward interest rate affecting the future cash flows in combination with the effects of discounting based on the remaining terms of the contracts. The forward interest rate is currently negative, resulting in the liability presented. Once the forward interest rate will be equal or higher than nil, the value of the interest floor instrument will be nil. The value of the interest rate cap instrument will increase in value as the forward interest rate increases, reflecting the higher probability of cash flows being generated from this instrument.

6 Revenue

The Group's revenue from continuing operations from external customers by location of operations are detailed below.

(in € x 1,000)	Revenue 2023	2022
Primary geographical markets		
United Kingdom and Ireland	105,977	93,723
Scandinavia	132,643	131,306
North America	38,320	41,998
Continental Europe and Africa	120,673	111,663
Asia-Pacific	16,086	18,592
Total	**413,699**	**397,282**

The Group derives its revenues from the sale of Software as a Service (SaaS) and subscriptions, the sale of software licenses (Licenses), providing maintenance and support (Maintenance revenue) and professional services and other revenue (Services and other revenues). No single customer contributed 10% or more to the Group's revenue in 2023, which is in accordance with 2022.

(in € x 1,000)	Revenue 2023	2022
Timing of revenue recognition		
Products and services transferred at a point in time	86,017	103,630
Products and services transferred over time	327,682	293,652
Total	**413,699**	**397,282**

7 Cost of sales

(in € x 1,000)	2023	2022
SAAS and Subscriptions	29,491	23,057
Licenses	879	1,889
Maintenance	3,372	4,040
Services and other	16,271	36,389
Total	**50,013**	**65,375**

8 Employee costs

(in € x 1,000)	2023	2022
Wages and salaries	145,127	166,168
Social security costs	32,997	29,682
Pension costs	9,197	9,850
Other Employee share-based payment charge (Note 9)	(695)	4,523
Other employee costs	18,728	25,518
Total	**205,354**	**235,741**

Total R&D employee costs amount to € 39.6 million (2022: €37.7 million).

For the period ended 31 December 2023, the Group employed 2,645 employees (2022: 2,561) (calculated on a full-time equivalent basis), of these employees were 2,528 employed abroad (2022: 2,422).

9 Share-based payments

Management Equity Incentive Plan (MEIP)

In 2021, 2022 and 2023, selected and eligible employees have invested in equity instruments of the direct parent company Bock Capital EU Luxembourg Nature II S.A.R.L. under a new Management Equity Incentive Plan (hereafter: "MEIP").

The MEIP is accounted for as an equity-settled share-based payment plan since Unit4 and its subsidiaries do not have an obligation to settle awards in cash or to repurchase any equity instruments. As of 31 December 2023, the investments made by employees are related to the B and C shares, which represent 17.5% of the total share capital of Bock Capital EU Luxembourg Nature II S.A.R.L. of which part of the shares are restrictive shares where the restrictions are relieved in case specific vesting conditions are met. The remaining share capital of Bock Capital EU Luxembourg Nature II S.A.R.L. is held by other investors in different share classes. Each of the share classes has different rights and values.

The number of outstanding equity instruments of Bock Capital EU Luxembourg Nature II S.A.R.L. held by participants in the MEIP (in €1). The following table illustrates the number and weighted average exercise prices (WAEP) of, share options during the period:

	2023	**2023 WAEP**	**2022**	**2022 WAEP**
Outstanding at 1 January	**6,322,193**	**1.04**	**6,152,400**	**0.95**
Granted during the year	910,200	3.28	1,027,600	1.58
Forfeited during the year	(1,966,229)	1.11	(857,807)	1.04
Outstanding at 31 December	**5,266,164**	**1.40**	**6,322,193**	**1.04**

In general, the participants will be entitled to the fair market value of the underlying shares only if they stay with a Group company until the completion of an Exit (i.e. an Exit by the investor of its investment in the Group, whether in the form of a Sale or a Listing, or a liquidation following the sale and transfer of the majority of the assets of the Group) or becoming a good leaver. The grant fair value of awards made under the MEIP is expensed in the income statement for 2023 based on the period occurred between the grant date and the estimated vesting date.

The fair value at the grant date of the equity instruments is determined by an independent valuator. For accounting purposes, the fair value of an award is equal to the fair market value of the underlying equity instruments less the acquisition price paid by a participant. The value of the equity instruments as determined on the grant date partly depends on the proceeds realized by the shareholders upon an Exit. As a result, the grant date fair value of the awards made under the MEIP has been measured using a Binomial option pricing model.

The weighted average grant date fair value and the input used in the measurement of the grant date fair values of the equity-settled awards are as follows:

	2023	2022
Fair value at grant date (weighted average)	2.06	1.63
Expected volatility (weighted average)	47.9%	67%
Expected life (weighted average)	1.67	2.67
Expected dividends	0%	0%
Risk-free interest rate (based on government bonds)	2.65%	2.61%

The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations. The volatility is calculated based on the average of listed peer companies.

The share-based payment gain recognized in 2023 for the equity-settled MEIP amounted to €0.7 million (2022: expense of € 4.5 million).

The balance sheet positions at year-end 2023 related to the MEIP are the following:

(in € x 1,000)	Notes	2023	2022
Prepaid MEIP grants (current)	21	1,446	1,714
Prepaid MEIP grants (non-current)	19	1,703	1,435
Loans to employees (current)	19	978	707
Loans to employees (non-current)	19	818	706
Financial liability (current)	26	2,058	1,813
Financial liability (non-current)	26	3,741	4,724

10 Other operating expenses

(in € x 1,000)	2023	2022
Selling costs	5,130	7,441
Accommodation costs	2,139	3,146
Advisory costs	8,670	11,601
Subscription/Maintenance	12,974	14,639
Outsourcing costs	2,587	4,306
Telephone/Internet	924	1,031
Computer/Office supplies	550	838
Provision movement	(2,494)	35,989
Other expenses	7,215	3,026
Total	**37,695**	**82,017**

The largest movement in other operating expenses is mainly driven by the movement in provisions. As per year-end 2022 Unit4 had recognized costs related to onerous contract, legal and restructuring provisions amounting to €37.5 million.

11 Depreciation and amortization

(in € x 1,000)	2023	2022
Amortization of internally developed software	23,378	6,926
Amortization of acquired software	48,355	46,308
Amortization of customer contracts	63,583	68,679
Amortization of other intangible assets	4,995	4,995
Amortization of costs to obtain a contract	1,717	1,125
Depreciation of property, plant and equipment	2,551	3,686
Impairment of intangible assets and property, plant and equipment	4,248	2,842
Depreciation of Right-of-use assets	5,032	6,772
Total	**153,859**	**141,333**

For impairment test of goodwill and cash generating units refer to Note 16.

12 Finance costs

(in € x 1,000)	2023	2022
Interest on loans under Senior Facility Agreement	32,014	25,239
Interest on PIK Facility *(accrued)*	34,744	23,556
Other interest and finance expense	2,225	1,338
Result on valuation of derivative floors	18,816	-
Interest concerning amortization of capitalized finance costs	2,382	2,242
Interest on lease liabilities	388	625
Other finance expense	347	2
Exchange rate loss	1,226	5,443
Total	**92,142**	**58,445**

13 Finance income

(in € x 1,000)	2023	2022
Result on valuation of derivative floors	-	46,397
Interest income	-	382
Finance Income on Net Investment from sublease	67	87
Total	**67**	**46,866**

14 Income taxes

(in € x 1,000)	2023	2022
Current taxes	11,374	(4,203)
Deferred taxes	35,763	13,249
Total	**47,137**	**9,046**

Reconciliation of effective tax rate

A reconciliation between income tax (expense) / benefit calculated at the Dutch statutory tax rate of 25,8% in 2023 (2022: 25,8%) and the actual tax (expense) / benefit with an effective tax rate of 37,7% (2022: (6.6%)) is as follows:

(in € x 1,000)	2023	2022
Profit / (loss) before tax from continuing operations	(124,968)	(137,858)
Income tax benefit calculated at domestic corporation tax rate (25,8%)	32,242	35,717
Effect of different tax rates of subsidiaries operating in other jurisdictions	1,689	1,141
Effect of income that is exempt from taxation	1,355	2,133
Effect of expenses that are not deductible in determining taxable profit *	(3,844)	(3,311)
Effect of tax losses for which no deferred tax asset has been recognized	(4,226)	(27,650)
Effect of change in measurement of deferred tax assets	(583)	(683)
Effect of changes in tax rates	(12)	423
Effect of adjustments in respect of prior years	(810)	933
Other**	21,326	343
Income tax (expense) / benefit recognized in profit or loss	47,137	9,046

* The effect of tax losses and interest carry forward for which no deferred tax asset was recognized € 387,5 million (2022: € 352,1 million) primarily is related to the Dutch fiscal unity for which not all tax losses and interest carry forward have been recognized.

** Based on IAS 12, uncertain tax positions, which in nature are non-current, per year end 2022 an amount of 21.5 million was accounted for under the income tax liabilities. Events and decisions in 2023 favorable to the Group led to a full release of this liability, which is included in other items in the effective tax rate reconciliation.

Corporate income tax - current

(in € x 1,000)	2023	2022
Corporate income tax asset	2,386	3,390
Income tax payable	(9,161)	(25,626)
Total	**(6,775)**	**(22,237)**

Corporate income tax – deferred

The deferred tax assets and liabilities are presented as net amounts as far as the amounts can be offset.

The following tables are the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:

As at 31 December 2023:

(in € x 1,000)	Deferred tax assets	Deferred tax liabilities
Intangible assets	6,510	(162,549)
Property, plant and equipment	247	(52)
Provisions	2,137	-
Receivables	-	(615)
Financial instruments	-	(1,988)
Tax loss carry forwards	44,252	–
Other items	4,993	(1,292)
Deferred tax assets / (liabilities)	58,139	(166,496)
Offset deferred tax liabilities	(51,766)	51,766
Net deferred tax asset / (liabilities)	**6,373**	**(114,730)**

As at 31 December 2022:

(in € x 1,000)	Deferred tax assets	Deferred tax liabilities
Intangible assets	5,493	(182,851)
Property, plant and equipment	261	(67)
Provisions	4,102	
Receivables		(2,705)
Financial instruments	643	(7,486)
Tax losses carried forward	33,419	–
Other items	5,186	(196)
Deferred tax assets / (liabilities)	49,104	(193,305)
Offset deferred tax liabilities	(39,841)	39,841
Net deferred tax asset / (liabilities)	**9,263**	**(153,464)**

The deferred tax assets recognized include carried-forward tax losses and carried forward interest, which are expected to be offset in the future against taxable income and by differences between fiscal and commercial valuations and result determinations. In certain countries the Group has a history of losses. As at 31 December 2023, the Group has an amount of € 172.7 (2022: € 129.6 million) in recognized losses and interest carry forward available for offset. The Group recognized deferred tax assets related to carried-forward losses or tax receivables as long as the respective fiscal unity or legal entity has sufficient taxable temporary differences or when there are reliable estimates that taxable profits will be available for use by the fiscal unity or legal entity. The deferred tax asset to a large extent is of a long-term nature.

The deferred tax liabilities recognized are caused by temporary differences and result determinations. The deferred tax liability primarily relates to the revaluation of the intangibles originating from the acquisition of the Unit4-group in 2021. The deferred tax liabilities are largely long-term in nature. The deferred tax assets and liabilities are presented as net amounts as far as the amounts can be offset. Bock Capital Topco B.V. is a Dutch company with subsidiaries spread over the world and subject to income tax in The Netherlands and in the countries where the Group conduct operations.

Corporate income tax – unrecognized tax losses and interest carry forward

The accumulated unrecognized tax losses and interest carry forward expire as follows:

(in € x 1,000)	31/12/23	31/12/22
Within 1 year	-	-
Between 1 and 5 years	-	-
After 5 years	387,539	352,097
	387,539	352,097

As at 31 December 2023, the Group has an amount of € 387.5 million (2022: € 352.1 million) in non-recognized carried-forward losses and interest carry forward available for offset. Separately, for an amount of 4.8 million (2022: € 2.7 million) deferred tax assets for temporary differences are not recognized. Next to the items as mentioned above, the Group has an amount of €0.3 million as temporary difference on outside basis differences for which no deferred tax liability was recognized.
These losses and temporary differences are not recognized on the statement of financial position because of higher uncertainty as to whether sufficient taxable profits can be realized within the foreseeable future.

15 Intangible assets

Cost	Goodwill	Internally developed software	Acquired software	Customer contracts	Costs to obtain a contract	Trademark	Total
Balance at 1 January 2022	**1,142,884**	**16,291**	**200,918**	**546,200**	**3,476**	**99,900**	**2,009,669**
Acquisitions through business combinations	49,572	–	20,651	7,658	–	–	**77,881**
Additions from internal developments	–	29,208	–	–	–	–	**29,208**
Additions	–	–	195	–	6,199	–	**6,394**
Disposals	–	–	(1,078)				**(1,078)**
Impairment	–	–	(2,750)				**(2,750)**
Eliminated on disposal of a subsidiary	–	–	–	–	–	–	–
Effect of foreign currency exchange differences and other movements	–	(195)	59	–	–	–	**(136)**
Balance at 31 December 2022	**1,192,456**	**45,304**	**217,995**	**553,858**	**9,675**	**99,900**	**2,119,188**
Acquisitions through business combinations	–	–	–	–	–	–	–
Additions from internal developments	–	24,058	–	–	–	–	**24,059**
Additions	–	–	348	–	5,087	–	**5,435**
Disposals	–	(166)	–				**(166)**
Impairment	–	(288)	–				**(288)**
Eliminated on disposal of a subsidiary	–	–	–	–	–	–	–
Effect of foreign currency exchange differences and other movements	(161)	(122)	(37)	(4)	–	–	**(324)**
Balance at 31 December 2023	**1,192,295**	**68,786**	**218,306**	**553,854**	**14,762**	**99,900**	**2,147,903**
Accumulated Amortization							
Balance at 1 January 2022	–	**(10)**	**(21,702)**	**(33,986)**	**(202)**	**(2,492)**	**(58,392)**
Amortization expense	–	(6,926)	(46,308)	(68,679)	(1,125)	(4,995)	**(128,033)**
Disposals	–	–	1,072	–	–	–	**1,072**
Eliminated on disposal of a subsidiary	–	–	–	–	–	–	–
Effect of foreign currency exchange differences and other movements	–	–	11	–	–	–	**11**
Balance at 31 December 2022	–	**(6,936)**	**(66,927)**	**(102,665)**	**(1,327)**	**(7,487)**	**(185,342)**
Amortization expense	–	(23,378)	(48,355)	(63,583)	(1,717)	(4,995)	**(142,028)**
Disposals	–	-	-	–	–	–	-
Eliminated on disposal of a subsidiary	–	–	–	–	–	–	–
Effect of foreign currency exchange differences and other movements	–	(74)	5	–	–	–	**(69)**
Balance at 31 December 2023	–	**(30,389)**	**(115,277)**	**(166,248)**	**(3,044)**	**(12,482)**	**(327,439)**
Net carrying value at 31 December 2023	**1,192,295**	**38,398**	**103,029**	**387,606**	**11,718**	**87,418**	**1,820,464**

Costs to obtain a contract

(in € x 1,000)	31/12/23	31/12/22
Additional capitalized costs to obtain a contract	5,087	6,199
Total	**5,087**	**6,199**

Costs to obtain contracts relate to incremental commission fees paid as a result of obtaining sales contracts. These costs to obtain a contract are amortized on a straight-line basis over the period of the related contracts. This reflects the period over which the product and/or service is transferred to the customer.

In 2023, an amortization expense amounting to € 1.7 million (2022: € 1.1 million) was recognized as part of the total amortization expense in the consolidated statement of profit or loss. There was no impairment loss in relation to the costs capitalized.

Applying the practical expedient in paragraph 94 of IFRS 15, Unit4 recognizes the incremental costs of obtaining contract as an expense when incurred if the amortization period of the assets that the Group otherwise would have recognized is one year or less among other bundles of equipment and installation services.

16 Impairment test for goodwill

Goodwill acquired through business combinations has been allocated to the one cash-generating unit (CGU). The following is an overview of the CGU with either a significant carrying amount of goodwill in comparison to the Group's total carrying amount of goodwill and recognized impairment loss.

A summary of the goodwill allocation is presented below:

	Carrying amount goodwill at 31 December 2023	Impairment 2023	Carrying amount goodwill at 31 December 2022	Impairment 2022
Unit4 Global product portfolio	1,192,295	–	1,192,456	–
	1,192,295	**-**	**1,192,456**	**-**

The recoverable amount of the CGU has been determined based on a value in use calculation using post-tax cash flow projections from financial budgets approved by the Board of Directors. These cash flows have been discounted based on pre-tax discount rates derived from the weighted average cost of capital (WACC) for CGU. The pre-tax discount rates used are included in the table below.

	Discount rate 2023	Discount rate 2022
Unit4 Global product portfolio	11,7 %	12,6 %

The period over which management has projected cash flows based on financial budgets/forecasts is 10 years plus a normalization year. In case there are substantial intangible assets amortized over a longer period than 5 years, longer projections are used to achieve a more accurate calculation.

Any terminal value is calculated on the basis of an indefinite cash flow that is determined by means of the projected cash flow in the final year of the projection. The terminal growth rate applied is 2,0%.

The main value drivers of gross profit are revenue growth rates for SAAS.

Management has determined the values assigned to each of the above key assumption as follows:

Key assumption	Approach used to determine values
Sales growth (% annual growth rate)	Average annual growth rate over the ten-year forecast period; based on past performance and management expectations of market development including long term inflation forecast for CGU.
Employee and other expenses growth rate (%)	Based on past performance and management expectations for the future.
Budgeted gross margin (%)	Based on past performance and management expectations for the future.
Annual capital expenditure (€ '000)	Expected cash costs in the CGU. This is based on the historical experience of management and the planned replacement expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as the result of this expenditure.
Long-term growth rate (%)	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.
Pre-tax discount rate (%)	Reflect specific risks relating to the relevant segments and the countries in which they operate.

	Growth rates
Sales growth - SaaS	8% - 14%
Sales growth - license	-20%
Sales growth - maintenance	0% - (6%)
Sales growth - professional services	0% - 28%
Employee and other expenses growth rate (%)	2-3%
Budgeted gross margin (%)	70% - 82%
Annual capital expenditures growth (%)	0%

The discount rates represent the current market assessment of the risks specific to the cash-generating unit, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates.

The discount rate calculation is based on the specific circumstances of the Group and is derived from the weighted average cost of capital WACC. Specific risk is incorporated by applying a beta factor. The beta factor is evaluated annually based on publicly available market data. Management is confident that these assumptions are realistic and achievable and are supported by underlying business initiatives.

In the reported period no impairment charge was recognized.

Impact of possible changes in key assumptions

The management performed a sensitivity analysis by adjusting the WACC with an adverse impact of 100 basis points, which did not result in a negative headroom. Any reasonable adjustments of the key assumptions would result neither in an impairment of goodwill.

17 Property, plant and equipment

	Land and Buildings	Technological equipment	Other tangible assets	Total
Cost or valuation				
Balance at 1 January 2022	**6,514**	**4,263**	**4,689**	**15,466**
Acquisitions through business combinations	-		918	**918**
Additions	-	2,036	1,133	**3,169**
Disposals	-	(188)	-	**(188)**
Transfers	-	24	(24)	**-**
Effect of foreign currency exchange differences and other movements	(288)	(152)	(117)	**(557)**
Balance at 31 December 2022	**6,226**	**5,983**	**6,599**	**18,808**
Acquisitions through business combinations	-	-	-	**-**
Additions	178	1,496	615	**2,288**
Disposals	(5,533)	(823)	(1,097)	**(7,454)**
Transfers	-	3,926	(3,926)	**-**
Impairment	-	(3,962)	-	**(3,962)**
Effect of foreign currency exchange differences and other movements	369	246	(216)	**399**
Balance at 31 December 2023	**1,240**	**6,865**	**1,974**	**10,079**

Accumulated depreciation and impairment	Land and Buildings	Technological equipment	Other tangible assets	Total
Balance at 1 January 2022	**(192)**	**(1,023)**	**(517)**	**(1,732)**
Depreciation expense	(567)	(1,848)	(1,271)	**(3,686)**
Disposals	-	103	-	**103**
Effect of foreign currency exchange differences and other movements	8	47	34	**89**
Balance at 31 December 2022	**(751)**	**(2,721)**	**(1,754)**	**(5,226)**
Depreciation expense	(496)	(1,762)	(297)	**(2,555)**
Disposals	549	828	603	**1,980**
Effect of foreign currency exchange differences and other movements	(163)	(69)	64	**(168)**
Balance at 31 December 2023	**(861)**	**(3,724)**	**(1,384)**	**(5,969)**
Net carrying value at 31 December 2023	**379**	**3,141**	**590**	**4,110**

As at 31 December 2023, Land and Buildings were not pledged. There were no borrowing costs capitalized during the period ended 31 December 2023 (2022: nil).

18 Right-of-use Assets and Lease Liabilities

Group as a lessee
The Group has lease contracts for various items of buildings, lease cars and other assets used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options.
The Group also has certain leases with lease terms of 12 months or less and leases of low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases therefore not disclosed.
Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

(in € x 1,000)	**Buildings**	**Lease cars**	**Total**
Balance at 1 January 2022	**9,623**	**2,711**	**12,334**
Acquisitions through business combinations	-	61	**61**
Additions	2,982	1,602	**4,584**
Change in contracts	89	(150)	**(61)**
Impairment RoU	(276)	-	**(276)**
Depreciation expense	(5,046)	(1,539)	**(6,585)**
Effect of foreign currency exchange differences	(65)	(36)	**(101)**
Balance at 31 December 2022	**7,307**	**2,649**	**9,956**
Acquisitions through business combinations	-	-	-
Additions	2,015	604	**2,619**
Change in contracts	(889)	(5)	**(894)**
Impairment RoU	-	-	-
Depreciation expense	(3,655)	(1,377)	**(5,032)**
Effect of foreign currency exchange differences	(53)	120	**67**
Balance at 31 December 2023	**4,725**	**1,991**	**6,716**

The following table provides information on the Lease liabilities movements during the fiscal period.

(in € x 1,000)	2023	2022
Opening balance	**13,906**	16,702
Acquisitions through business combinations	-	61
Additions	2,618	4,584
Disposals	-	-
Change in contracts	(894)	127
Eliminated on disposal of a subsidiary	-	-
Accretion of interest	380	618
Payments	(6,530)	(7,974)
Effect of foreign currency exchange differences	21	(212)
Balance at 31 December	**9,501**	**13,906**
Current	4,226	6,216
Non-current	5,275	7,690

Profit or loss

Group as a lessee

The following are the amounts recognized in profit or loss:

(in € x 1,000)	2023	2022
Depreciation expense of right-of-use assets	5,032	6,771
Interest expense on lease liabilities	434	625
Interest income on subleases	67	87
Total expense recognized in profit or loss	5,533	7,483

The Group had total cash outflows for leases of € 6.5 million in 2023 (2022: € 8.0 million)

Group as a lessor

The Group has entered into operating leases (sublease) of certain buildings. These leases have terms of 7 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The lessee is also required to provide a residual value guarantee on the properties. Rental income recognized by the Group during the period is € 0.4 million (2022: € 0.7 million).

Future minimum rentals receivable under non-cancellable finance leases as at 31 December are as follows:

(in € x 1,000)	2023	2022
Within one year	371	371
After one year but not more than five years	780	1,131
More than five years	-	21
	1,151	**1,523**

19 Other financial assets

(in € x 1,000)	31/12/23	31/12/22
Derivative – Interest rate cap instrument	10,896	30,529
Net Investment on subleases	1,179	1,558
Loans to employees	1,796	1,413
Non-Current – Prepaid MEIP grants	1,703	1,435
Non-current – Loans and receivables	5,825	5,033
Total	**21,399**	**39,968**
Current	2,925	1,158
Non-current	18,474	38,810
Total	**21,399**	**39,968**

The non-current loans and receivables primarily relate to loans provided as part of sales transactions in the former Unit4 Group. The loans to employees were provided in relation to the share-based payment scheme. For further details on the share-based payment schemes, please refer to Note 9.

20 Contract assets

The following table provides information about contract assets from contracts with customers.

(in € x 1,000)	31/12/23	31/12/22
Contract assets	12,424	28,382
Total	**12,424**	**28,382**

Payment for installation of software services is not due from the customer until the installation services are complete and therefore a contract asset is recognized over the period in which the installation services are performed to represent the entity's right to consideration for the services transferred to date.

There were no impairment losses recognized on any contract asset in the reporting period (2022: nil).

21 Trade and other receivables

(in € x 1,000)	31/12/23	31/12/22
Trade receivables	80,699	83,809
Provision for expected credit losses	(11,925)	(10,060)
	68,774	**73,749**
Prepayments and accrued income	6,985	7,522
Prepaid MEIP grants	1,446	1,714
Receivable from related party	3,598	3,598
Receivables employees	359	379
Other assets	1,363	844
VAT receivable, other taxes and social securities	3,716	3,527
	17,467	**17,584**
Total	**86,241**	**91,333**

Age of receivables that are past due but not impaired:

(in € x 1,000)	31/12/23	31/12/22
Not due	16,692	24,941
>1 – 60 days	28,333	30,106
61 – 180 days	9,280	10,959
>181 days	14,470	7,743
Total	**68,774**	**73,749**

Movement in provision for expected credit losses:

(in € x 1,000)	31/12/23	31/12/22
Balance at beginning of the period	**10,060**	**6,019**
Addition	3,439	5,457
Amounts written off during the period as uncollectible	(162)	(849)
Amounts recovered during the period	(1,247)	(611)
Foreign exchange translation gains and losses	(165)	44
Balance at end of the period	**11,925**	**10,060**

Trade receivables are non-interest bearing and are generally on 30–90-day payment terms. The Group has considered the following criteria for the provision for expected credit losses analysis:

- Ageing: All receivables over 365 days, due to historical experience, are not considered to be recoverable, except where specific considerations apply to support the collectability.
- Customer Credit Rating: In addition, the remaining overdue balances are assessed based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Through the IFRS 9 standard, for non-due balances (< 30 days payment term), that do not contain significant financing components, a lifetime expected credit loss (ECL) percentage is also included.

Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which the Group has not recognized an provision for expected credit losses because there has not been a significant change in credit quality and the amounts are still considered recoverable.

The receivable from the related party is related to the contribution of the subscription price into the MEIP on behalf of Bock Capital EU Luxembourg Nature II S.A.R.L., which will be withheld by this entity from future distributions to the participants.

22 Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position.

(in € x 1,000)	31/12/23	31/12/22
Cash and bank balances	66,286	54,178
Balance at end of the period	**66,286**	**54,178**

Cash and cash equivalents include restricted cash amounting to €1.9 million (2022: €4.6 million). The restricted cash is related to legal restrictions and guarantees.

23 Issued capital and share premium

The shares of Bock Capital Topco have a nominal value of €0.01. There is no "authorized share capital".

At the reporting date 100 ordinary shares were issued and paid up in full. The changes in the share capital are presented in the following table:

Fully paid ordinary shares:

	Number of shares	Share capital (in € x 1)	Share premium (in € x 1,000)
Balance at 1 January 2022	100	1	988,408
Issuance of shares	-	-	-
Balance at 31 December 2022	100	**1**	**988,408**
Issuance of shares	-	-	-
Balance at 31 December 2023	100	**1**	**988,408**

The share premium of € 988,408 is not restricted for dividend distribution purposes.

24 Foreign currency translation reserve

The foreign currency translation reserve encompasses all exchange differences, relating to foreign currency differences arising from the translation of the net investment in entities (including goodwill) with another functional currency than the Euro, and from the translation of liabilities (loans and other financial instruments). The foreign currency translation reserve is qualified as a legal reserve in compliance with Dutch law requirements and cannot be distributed freely to shareholders of Bock Capital Topco B.V. For other legal reserves please refer to the Company financial statements.

25 Borrowings

(in € x 1,000)	31/12/23	31/12/22
Non-current		
Senior Facility Agreement – Facility B	666,327	664,618
PIK Facility	289,038	253,622
Nature II	7,000	-
Total non-current	**962,365**	**918,240**
Revolving credit facility	-	45,025
Total current:	**-**	**45,025**
Total borrowings	**962,365**	**963,265**

Changes in borrowings

(in € x 1,000)	01/01/22	Cash flows	Accrued interest	Other	31/12/22
Senior Facility Agreement – Facility B	662,980	-	-	1,637	664,618
PIK Facility	229,462	-	23,556	605	253,622
Revolving credit facility	-	45,000	25	-	45,025
Total borrowings	**892,442**	**45,000**	**23,581**	**2,242**	**963,265**

(in € x 1,000)	01/01/23	Cash flows	Accrued interest	Other	31/12/23
Senior Facility Agreement – Facility B	664,618	-	-	1,709	666,327
PIK Facility	253,622	-	34,744	673	289,038
Revolving credit facility	45,025	(45,025)	-	-	-
Nature II	-	7,000	-	-	7,000
Total borrowings	**963,265**	**(38,025)**	**34,744**	**2,382**	**962,365**

In June 2021, the Company entered into a Senior Facilities Agreement. As part of this agreement, it obtained a € 675 million loan under the Senior Facilities Agreement, Facility B. Facility B has a duration of 7 years, repayable in June 2028 with a monthly interest payable at a rate of 6-month Euribor plus a spread of 400 basis points.
The Company obtained a revolving facility ("RCF") under the Senior Facility Agreement of €100.0 million. The facility will mature in December 2027. The revolving credit facility of €100.0 million is not drawn as at period-end 2023 (2022: €45.0 million).

The company has been granted by ING bank the € 8 million overdraft facility and a € 4.0 million guarantee facility of which as at 31 December 2023 €1.4 million (2022: €2.9 million) was used.

The Senior Facilities Agreement includes an interest floor (€ 2.038 million). This derivative is reported as a financial liability (Note 26).

In June 2021, the Company entered into a PIK Facility agreement. Under this Facility, it obtained a € 225 million loan. The PIK Facility has a duration of 8 years and will mature in June 2029. The interest on the outstanding loan shall accrue at a rate of 1-month Euribor plus a spread of 950 basis points, subject to an E&S ratchet. The E&S ratchet offers the possibility to lower the margin in case certain environmental and social objectives relating to the business and operations of the Group are met. Interest on this loan is added to (and forms part of) the outstanding principal amount on the last day of each interest period.

The E&S Target 1 was complied with on the test date of 30 June 2023. From 3 July 2023 the margin has been reduced by 0.025% and amounts to 9.475%

In case of a change of Control, a Sale or a Listing which results in a change of Control, amongst others the Facilities will be cancelled and all amounts under the SFA and PIK Facility will become due and payable immediately in full cash.

Covenants

The Senior Facility Agreement and PIK Facility contain customary restrictive covenants, including but not limited to limitations or restrictions on our ability to incur debt, grant liens, make restricted payments and sell assets. A covenant is also in place if more than 40% of the revolving credit facility is drawn, after deducting the cash and cash equivalents from the drawn revolving credit facility. The covenants only need to be tested upon the occurrence of such an event rather than on an ongoing basis. The restrictive covenants are subject to customary exceptions and are governed by a leverage ratio. This leverage ratio is calculated as a ratio of outstanding net debt of the Group, to the Pro Forma adjusted EBITDA. The Pro Forma EBITDA is the Group's EBITDA and adjusted for Exceptional and Restructuring items as if the restructuring would have taken place with effect on the last 12 months (run rate EBITDA).

The Company remained in full compliance with its Senior Facility Agreement and PIK Facility covenants and no events occurred which triggered the requirement for an incurrence test.

The obligations under the Senior Facility Agreement are guaranteed by certain of the Company's subsidiaries.

26 Other financial liabilities

	31/12/23	31/12/22
(in € x 1,000)		
Derivative – Interest floor B Facility	2,038	1,593
Derivative – PIK Facility	1,153	900
Financial liability – MEIP (Note 9)	5,799	6,537
Other financial liabilities	370	370
Total	**9,360**	**9,400**
Current	5,249	4,306
Non-current	4,111	5,094
Total	**9,360**	**9,400**

The B Facility and PIK Facility, both drawn in 2021, included an interest floor, which at the time of entering into the agreement was in the money. In 2023 the interest floor was valued (€2.0 million and €1.2 million respectively). The decrease of the Euribor, have resulted in an increase in the value of both derivatives. The related result is presented in finance costs (Note 12).

27 Provisions

(in € x 1,000)	Restructuring provision	Legal provisions	Onerous contract provision	Other provisions	Total
Balance at 1 January 2023	**4,426**	**10,554**	**24,002**	**3,345**	**42,327**
Additions arising during the period	853	2,569	125	178	3,725
Reductions arising from settlements	(5,233)	(3,967)	(13,715)	(509)	(23,424)
Reductions resulting from re-measurement or settlement without cost	-	(1,993)	(1,412)	(817)	(4,222)
Transfer between categories	-	8,083	(8,083)	-	-
Effect of foreign currency exchange differences	(46)	94	440	47	535
Balance at 31 December 2023	**-**	**15,340**	**1,357**	**2,244**	**18,941**
Current	-	7,003	15	467	7,485
Non-current	-	8,337	1,341	1,778	11,456
	-	**15,340**	**1,357**	**2,244**	**18,941**

(in € x 1,000)	Restructuring provision	Legal provisions	Onerous contract provision	Other provisions	Total
Balance at 1 January 2022	**2,694**	**2,288**	**1,413**	**2,034**	**8,429**
Additions arising during the period	3,861	9,667	22,643	1,341	37,512
Reductions arising from settlements	(1,875)	(1,113)	-	-	(2,988)
Reductions resulting from re-measurement or settlement without cost	(234)	(310)	-	(11)	(555)
Effect of foreign currency exchange differences	(20)	22	(54)	(19)	(71)
Balance at 31 December 2022	**4,426**	**10,554**	**24,002**	**3,345**	**42,327**
Current	3,981	10,409	173	1,500	16,063
Non-current	445	145	23,829	1,845	26,264
	4,426	**10,554**	**24,002**	**3,345**	**42,327**

Restructuring provision

The restructuring provision relates to the reorganization process of relocating certain activities from high cost to low cost countries, centralizing and outsourcing certain back office activities such as accounting , HR and IT, and certain senior management changes. This has led to the dismissal of groups of employees. The provision is for the salary payments during gardening leave and the severance payment at the end of the gardening leave.

Legal provisions

The entity is involved in disputes with several customers, who alleged that the entity has breached its contract.

Onerous contracts

A provision is recognized for certain contracts with customers for which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received. The information usually required by IAS 37 is not disclosed on the grounds that it can be expected to materially prejudice the outcome of the relevant contracts.

Other provisions

Other provisions mainly includes provisions for deferred benefits (jubilee provision). This jubilee provision relates to the payments connected with the years of service (12.5 and 25 years and right before retirement), which is applied by a number of subsidiaries within the Group.

28 Contract liabilities

The following table provides information about contract liabilities from contracts with customers.

(in € x 1,000)	31/12/23	31/12/22
Maintenance	56,635	59,327
SaaS	69,144	54,548
Services and other	63	59
Total	**125,842**	**113,934**

Revenue relating to maintenance is recognized over time although the customer pays up-front in full for these services. A contract liability is recognized for revenue relating to the maintenance services at the time of the initial sales transaction and is released over the service period.

Revenue relating to SaaS is recognized over time although the customer pays up-front in full for these services. A contract liability is recognized for revenue relating to the services at the time of the initial sales transaction and is released over the service period.

Contract liabilities relating to services and other are balances due to customers under construction contracts. These arise if a particular milestone payment exceeds the revenue recognized to date under the cost-to-cost method.

29 Trade and other payables

The trade payables and other payables consist of:

(in € x 1,000)	31/12/23	31/12/22
Trade payables	18,723	19,271
Supplier invoices to be received	2,910	5,198
Total	**21,633**	**24,469**

30 Other liabilities

(in € x 1,000)	31/12/23	31/12/22
VAT payables	21,074	24,520
Wage taxes	3,005	3,440
Other taxes and social securities	7,724	6,443
Holiday pay, salaries and bonuses to be paid	28,019	31,790
Pensions - current	732	312
Accrued interest	4,630	3,175
Other accruals	9,367	10,786
Total	**74,551**	**80,466**
Current	74,531	79,910
Non-current	20	556
Total	**74,551**	**80,466**

Other liabilities - non-current

(in € x 1,000)	31/12/23	31/12/22
Other non-current liabilities	20	556
Total	**20**	**556**

31 Contingencies

Guarantee statement

Bock Capital Topco B.V. has issued statements in accordance with the provisions of Article 403 of Book 2 Title 9 of the Dutch Civil Code with regard to all the Dutch companies mentioned under Note 3.2. These companies are therefore exempted from the regulations that apply to the preparation and publication of financial statements.

Furthermore, most of the Dutch companies are included in the Dutch fiscal unity for corporation and VAT are wholly and severally liable for taxation payable to the tax authorities.

Legal procedures

Following the normal course of business, the Group is involved in several legal proceedings. In the opinion of the Board of Directors this will not be of any material significance to the Group's financial position.

32 Key management compensation

The remuneration of the Board of Directors and other active and inactive members of key management personnel during the period was as follows:

(in € x 1,000)	2023	2022
Short-term benefits (salaries and bonuses)	5,325	8,450
Post-employment benefits	268	577
Termination benefits	-	1,325
Share based payment	1,264	2,704
Total	**6,857**	**13,056**

The remuneration of the Executive and Non-executive members of the Board of Directors was, respectively € 2.5 million and € 0.2 million.

33 Related party transactions

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also, entities which can control the Company are considered a related party. In addition, statutory and supervisory directors and close relatives are regarded as related parties.

The following transactions were carried out with related parties:
- Key management compensation (refer to Note 32);
- Loans were granted to key management personnel in relation to share-based payments in amount of €1.8 million (refer to Note 9).
- Funds amounting to €7.2 million were provided from Bock Capital EU Luxembourg Nature II S.A.R.L. in relation to the subscription price of the MEIP, resulting in a receivable due from this entity (refer to Note 21). These funds are transferred to Bock Capital with a loan agreement.

There are no other material transactions with related parties, other than disclosed above, and all transactions are conducted at arm's length.

34 Events after the reporting period

No subsequent events noted with a significant impact on the consolidated financial statements 2023.

Company Financial Statements

Company Balance Sheet as at 31 December

(before proposed profit appropriation)

(in € x 1,000)

	Note	2023	2022
Assets			
Non-current assets			
Investments in group companies	3	683,521	759,699
Current assets			
Intercompany receivables	4	7,179	–
Total assets		**690,700**	**759,699**
Equity and liabilities			
Equity	5		
Issued capital		–	–
Share premium		988,408	988,408
Share-based payments reserve		3,736	3,311
Legal reserves		44,818	43.751
Retained Earnings		(275,984)	(146,561)
Result for the period		(77,831)	(129,393)
		683,147	**759,516**
Non-current liabilities			
Borrowings	6	7,000	–
Current liabilities			
Other liabilities and accruals	7	553	183
Total equity and liabilities		**690,700**	**759,699**

Company Statement of Profit or Loss for the period ended 31 December

(in € x 1,000)	2023	2022
Company result for the period	(191)	(183)
Group companies result for the period	(77,640)	(129,210)
Result for the period	(77,831)	(129,393)

As permitted pursuant to Article 402, Title 9, Book 2 of the Dutch Civil Code Bock Capital Topco B.V.'s company income statement is presented in a condensed form.

Notes to the Company Financial Statements

1 Basis of preparation

The company financial statements of Bock Capital Topco B.V. (hereafter "the Company") have been prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. In accordance with sub article 8 of article 362, Book 2 of the Dutch Civil Code, the Company's financial statements are prepared based on the accounting principles of recognition, measurement and determination of profit, as applied in the consolidated financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities.

As the financial data of the Company are included in the consolidated financial statements, the income statement in the company financial statements is presented in its condensed form (in accordance with article 402, Book 2 of the Dutch Civil Code).

In case no other policies are mentioned, refer to the accounting policies as described in the accounting policies in the consolidated financial statements. For an appropriate interpretation, the Company financial statements should be read together with the consolidated financial statements. All amounts are presented in Euros (€ x 1,000), unless stated otherwise. The balance sheet and income statement references have been included. These refer to the notes.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("EU-IFRS"), effective as at 31 December 2023.

2 Financial fixed assets

Investments in group companies
Group companies are all entities (including intermediate subsidiaries) over which the Company has control. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. Subsidiaries are recognized from the date on which control is transferred to the Company or its intermediate holding entities. They are de-recognized from the date that control ceases.

The Company applies the acquisition method to account for acquiring subsidiaries, consistent with the approach identified in the consolidated financial statements. The consideration transferred for the acquisition of a subsidiary is the fair value of assets transferred by the Company, liabilities incurred to the former owners of the acquiree and the equity interests issued by the company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in an acquisition are measured initially at their fair values at the acquisition date and are subsumed in the net asset value of the investment in subsidiaries. Acquisition-related costs are expensed as incurred.

Investments in group companies are measured at net asset value. Net asset value is based on the measurement of assets, provisions and liabilities and determination of profit based on the principles applied in the consolidated financial statements. If the net asset value is negative such amount is presented in the company financial statements as provision, when the company has the obligation to provide additional fundings or has issued guarantees.

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3 Investments in group companies

(in € x 1,000)	2023	2022
Opening balance	759,699	880,623
Capital contribution	–	–
Investments share-based compensation	425	3,307
Result from group companies	(77,640)	(129,210)
Foreign currency translation differences	1,037	4,979
Total	**683.521**	**759,699**

List of group companies
Bock Capital Topco B.V. has (in)direct interests in subsidiaries listed in Note 3.2 (Notes to the consolidated financial statements).

4 Intercompany receivables

(in € x 1,000)	31/12/23	31/12/22
Intercompany accounts	7,179	-
Total	**7,179**	**-**

The fair value of the current receivables approximates the book value due to their short-term character. All current receivables fall due in less than one year.

5 Equity

In 2023, the movements in shareholders' equity are as follows:

(in € x 1,000)	Share capital premium	Share-based payments reserve	Legal Reserves: Foreign currency translation reserves	Legal Reserves: Software development costs	Retained earnings	Profit/ (loss) for the period	Total
At 1 January 2023	**988,408**	**3,311**	**5,383**	**38,368**	**(146,561)**	**(129,393)**	**759,516**
Capitalized development costs in Group companies	–	–	–	30	(30)	–	–
Foreign currency translation differences	–	–	1,037	–	–	–	1,037
Net result for the period	–	–	–	–	–	(77,831)	(77,831)
Total income and expenses for the period	–	–	1,037	30	(30)	(77,831)	(76,794)
Capital contribution	–	–	–	–	–	–	–
Share-based payments	–	425	–	–	–	–	425
Appropriation of result	–	–	–	–	(129,393)	129,393	–
At 31 December 2023	**988,408**	**3,736**	**6,420**	**38,398**	**(275,984)**	**(77,831)**	**683,147**

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(in € x 1,000)	Share capital premium	Share-based payments reserve	Legal Reserves: Foreign currency translation reserves	Legal Reserves: Software development costs	Retained earnings	Profit/ (loss) for the period	Total
At 1 January 2022	**988,408**	**4**	**404**	**16,267**	**(16,267)**	**(108,193)**	**880,623**
Capitalized development costs in Group companies	–	–	–	22,101	(22,101)	–	–
Foreign currency translation differences	–	–	4,979	–	–	–	4,979
Net result for the period	–	–	–	–	–	(129,393)	(129,393)
Total income and expenses for the period	–	–	4,979	22,101	(22,101)	(129,393)	(124,414)
Capital contribution	–	–	–	–	–	–	–
Share-based payments	–	3,307	–	–	–	–	3,307
Appropriation of result	–	–	–	–	(108,193)	108,193	–
At 31 December 2022	**988,408**	**3,311**	**5,383**	**38,368**	**(146,561)**	**(129,393)**	**759,516**

Called up share capital
The authorized, paid-up and called share capital of Bock Capital Topco B.V. of € 1.00 is divided into 100 ordinary shares with a par value of € 0.01.

The share premium of € 988,408 has been paid upon the issuance of 1 share during 2021 and through a separate capital contribution in 2021. The share premium of € 988,408 is not restricted for dividend purposes.

Share-based premium reserve
The share-based premium reserve relates to shares issued in connection with the Management Equity Incentive Plan (MEIP).

Legal reserve
Legal reserves consist of the reserve for translation differences and the reserve for the capitalized costs relating to internally developed software. The foreign currency translation reserve concerns all exchange rate differences arising from the translation of the net investment in foreign entities.

6 Borrowings

(in € x 1,000)	31/12/23	31/12/22
Non-current		
Nature II	7,000	-
Total non-current	7,000	-

(in € x 1,000)	01/01/23	Cash flows	Other	31/12/23
Nature II	-	7,000	-	7,000
Total borrowings	-	**7,000**	-	**7,000**

The group entered into a intercompany loan agreement with a related party, Bock Capital EU Luxemburg Nature II Sàrl. The group received a €7.0 million loan with an interest rate of 5.643% per annum. The loan is expected to be repaid as per June 2028, at the same date as the Senior Facilities Agreement.

7 Other liabilities and accruals

(in € x 1,000)	31/12/23	31/12/22
Other liabilities	381	115
Intercompany accounts	172	68
Total	**553**	**183**

The fair value of the current liabilities approximates the book value due to their short-term character. All current liabilities fall due in less than one year.

8 Contingencies and commitments

Tax group liability

The Company forms a fiscal unity with some of its Dutch subsidiaries for corporate income tax purposes. In accordance with standard conditions, the Company, along with the subsidiaries that are part of the fiscal unity, is wholly and severally liable for taxation payable by the fiscal unity.

Guarantee statement

Bock Capital Topco B.V. has issued statements in accordance with the provisions of Article 403 of Book 2 Title 9 of the Dutch Civil Code with regard to all of the Dutch companies mentioned under Note 3.2. These companies are therefore exempted from the regulations that apply to the preparation and publication of financial statements.

9 Average number of employees

During the reported period, the Company employed nil employees (2022: nil).

10 Directors' remuneration

Reference is made to Note 32 in the consolidated financial statements.

11 Audit fees

In accordance with the provision of Article 382a, Book 2 of the Dutch Civil Code, the Group discloses the auditors charged (audit) fees to Bock Capital Topco B.V. and its subsidiaries. The fees stated below for the audit of the financial statements are based on the total fees for the audit of the financial statements 2023 (and comparative year), regardless of whether the procedures were already performed in the financial year. Expenses for services provided by the Company's current independent auditor, Ernst & Young Accountants LLP (EY) and its foreign member firms to the Group are specified as follows:

(in € x 1,000)	2023	2022
Audit of financial statements	1,315	1,554
Other non-assurance procedures	480	-
Tax services	-	-
Total	**1,795**	**1,554**

12 Proposed profit appropriation

The Board of Directors proposes to the Annual General Meeting of Shareholders that the loss of € 77.8 million for the period should be fully charged against the other reserves. This proposal has not yet been incorporated into the financial statements.

13 Events after the reporting period

No subsequent events noted with a significant impact on the financial statements 2023.

Other information

14 Other information

Provision in the Articles of Association relating to profit appropriation
In accordance with Article 17.1 of the Company's Articles of Association, the profit for the year shall be at the disposal of the Annual General Meeting of Shareholders.

15 Independent Auditor's report

We refer to page 75 for the Independent Auditor's report.

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16 Authorization of the financial statements

March 29th, 2024

Bock Capital Topco B.V.
The Board of Directors

[redacted]
De handtekening
is door KVK
onleesbaar gemaakt

[redacted]
De handtekening
is door KVK
onleesbaar gemaakt

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[redacted]
De handtekening
is door KVK
onleesbaar gemaakt

D. Dunnam

Independent auditor's report

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Independent auditor's report

To: the shareholder of Bock Capital Topco B.V.

Report on the audit of the financial statements 2023 included in the annual report

Our opinion

We have audited the financial statements for the financial year ended 31 December 2023 of Bock Capital Topco B.V. based in Sliedrecht.

The financial statements comprise the consolidated and company financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of Bock Capital Topco B.V. as at 31 December 2023 and of its result and its cash flows for 2023 in accordance with International Financial Reporting Standards as adopted in the European Union (EU-IFRSs) and with Part 9 of Book 2 of the Dutch Civil Code
- The accompanying company financial statements give a true and fair view of the financial position of Bock Capital Topco B.V. as at 31 December 2023 and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:

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

The company financial statements comprise:

- The company balance sheet as at 31 December 2023
- The company statement of profit or loss for 2023
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

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

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

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

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control as well as the outcomes. We refer to section risk management, part fraud assessment of the report from the board of directors for management's (fraud) risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as, amongst others, the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets, including theft of intellectual property, and bribery and corruption, in close cooperation with our forensic specialists. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all companies. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Note 2.2 Use of judgements and estimates in section Notes to the Consolidated Financial Statements to the financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

Additionally, in order to respond to the identified risks of management override of controls, we specifically designed and performed audit procedures to address the risk group management making top-side manual journal entries to increase revenues, leading to an overstatement of revenues.

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When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition. We considered among other things the company's revenue targets and their realization. We designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk.

We considered available information and made enquiries of relevant executives, directors, directors, legal, compliance, human resources and the board of directors.

The fraud risk we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations
We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the board of directors, reading minutes, inspection of reports and performing substantive tests of details of classes of transactions. account balances or disclosures.

We also inspected lawyers' letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern
As disclosed in Note 2, Section Going Concern to the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, management made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with management exercising professional judgment and maintaining professional skepticism. We considered whether management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant 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.

Based on our procedures performed, we did not identify material uncertainties about going concern. 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 a company to cease to continue as a going concern.

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Report on other information included in the annual report

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

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

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the report from the board of directors and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the report from the board of directors in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of the board of directors for the financial statements

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

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

Our responsibilities for the audit of the financial statements

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

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

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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.
  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

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

Utrecht, 29 March 2024

Ernst & Young Accountants LLP

signed by J-L Geutjes