ANNUAL REPORT
2023

Approved at the annual general meeting on May 3, 2024

Chair of the meeting

Esoft Systems A/S
Scandiagade 8, 6th floor, 2450 København SV
CVR no. 25 36 21 95

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STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Esoft Systems A/S for the financial year 1 January - 31 December 2023.

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

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

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

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

Odense,

Executive Board:

....

Ian Holmgaard

Board of directors:

....	....	....
Allan Krogsgaard Jakobsen - Chairman	René Dines Hermand	Rune Lillie Gornitzka
	....	....
	Sten Dyrmose	Thomas Weikop

TO THE SHAREHOLDERS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Esoft Systems A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Independence

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Independent auditor's report

→ 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 Group's and the Parent 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 in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.

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

→ Obtain sufficient appropriate audit evidence regarding the financial information of the entities

or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Independent auditor's report

Management is responsible for the Management's review.

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

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

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

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

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

Søren Smedegaard Hvid
State Authorised Public Accountant
mne31450

MANAGEMENT'S REVIEW

ESOFT GROUP AT A GLANCE

Esoft Group (Esoft Systems A/S) is a leading player in the global real estate marketing sector, known for our innovative solutions and high standards. We operate through two main divisions:

In the Nordic region, our Retail division, known as EFKT, provides top-notch marketing assets and strategies for real estate agents. We help them boost their market presence and engagement through effective tools and insights, enabling them to thrive in a competitive environment.

Our Wholesale & Production arm, branded as Esoft, caters to real estate photography companies worldwide. We specialize in post-production services, ensuring meticulous attention to detail and top-quality outputs. With a strong presence in key markets like the US, Europe, and Australia, we're the preferred choice for companies looking to enhance their services and efficiency.

Esoft Systems A/S

Scandiagade 8, 6th floor, 2450 Copenhagen SV

www.esoft.group

CVR no.

25 36 21 95

Established

May 1, 2000

Registered office

Copenhagen, Denmark

Financial Year

1 January - 31 December

Executive Board

Ian Holmgaard

Auditor

EY Godkendt Revisionspartner-selskab Cortex Park Vest 3 5230 Odense M

Board of directors

Allan Krogsgaard Jakobsen
René Dines Hermand
Rune Lillie Gornitzka
Sten Dyrmose
Thomas Weikop

Our brands

Locations

FINANCIAL HIGHLIGHTS FOR THE GROUP

DKK'000	2023	2022	2021	2020	2019
Key figures					
Revenue	303,205	226,785	187,125	162,365	162,590
Gross profit	130,469	117,235	110,015	96,514	92,032
Earnings before interest, taxes, depreciation and amortisation(EBITDA)	17,541	6,881	15,449	10,252	4.233
Operating profit/loss	2,536	-892	11,626	2,537	4,111
Profit before interest and tax (EBIT)	2,624	-894	11,682	-11,526	-12,435
Net financials	-5,752	-446	-387	-1.570	-570
Profit/loss for the year	-4,976	-3,950	12,328	1,175	4,557
Fixed assets	105,449	109,186	11,348	9,953	12,575
Non-fixed assets	49,189	49,328	41,788	46,374	32,976
Total assets	154,638	158,514	53,136	56,327	45,551
Investments in property, plant and equipment	-894	11.682	-11.526	-12.435	-8,526
Equity	62,912	83,293	23,044	9,697	15,701
Cash flows from operating activities	-19,664	20,531	-166	19,975	2,303
Net cash flows from investing activities	-13,862	-101,399	-4,930	-5,140	-4,666
Cash flows from financing activities	29,695	89,520	-4,214	-3,896	-9,092
Total cash flows	-3,831	8,652	-9,310	10,939	-11,455
Financial ratios					
Operating margin	0.9%	-0.4%	6.2%	-7.1 %	-5.0 %
Gross margin	43.0%	51.7%	58.8%	59.4%	56.6%
Equity ratio	40.7%	52.5%	43.4%	17.2%	34.5%
Return on equity	-6.8%	-7.4%	75.3%	9.3%	18.8%

Esoft Systems A/S and its subsidiaries represent one of the leading players in real estate marketing. The principal activities of the Group are to market real estate, primarily for realtors and photographers. The Group also offers a full-service concept based on a tech platform that handles photography, film and text production, AI-based digital marketing, and other related business in most of the world.

The Group has been headquartered in Odense throughout 2023. However, in Q2 2024, the headquarters will move from Odense to Copenhagen. The retail operations are in Denmark, Sweden, and Norway; wholesale operations are based in Denmark, and production is in Hanoi, Vietnam.

To adhere to our commitment to transparency and compliance, Esoft Systems A/S ensures that all reporting practices, including those concerning our group structure and operations, are conducted with clarity and are accessible for review. This commitment aligns with our efforts to maintain the highest standards of corporate governance.

Report on corporate social responsibility according to the Danish Financial Statements Act (ÅRL) §99a (and §99b) is published in Esoft Systems A/S' Sustainability Report, which can be accessed via the following link: ESG LINK

The Retail business is a commercial entity that focuses on delivering end-to-end digital marketing solutions for real estate agents in Denmark, Sweden, and Norway. This includes the entire value chain with regards to real estate marketing:

Photography, film, floorplans, and copywriting for real estate (listings); editing and refining of raw materials, seamless integration to real estate agents' case systems, activation of content via an automated data management platform (called "Shine"), and tailored branding and media activation in digital channels.

The Nordic footprint have been strengthened throughout 2023 partly due to organic growth and acquisitions. In September 2023 all existing and acquired businesses where rebranded into the new pan-Nordic brand "EFKT. The new name emphasizes and underpins our license to operate; "To create measurable and documented effect via marketing solutions for realtors" enabling our customers to:

Get invited to more valuation of properties.

Win more commissions.

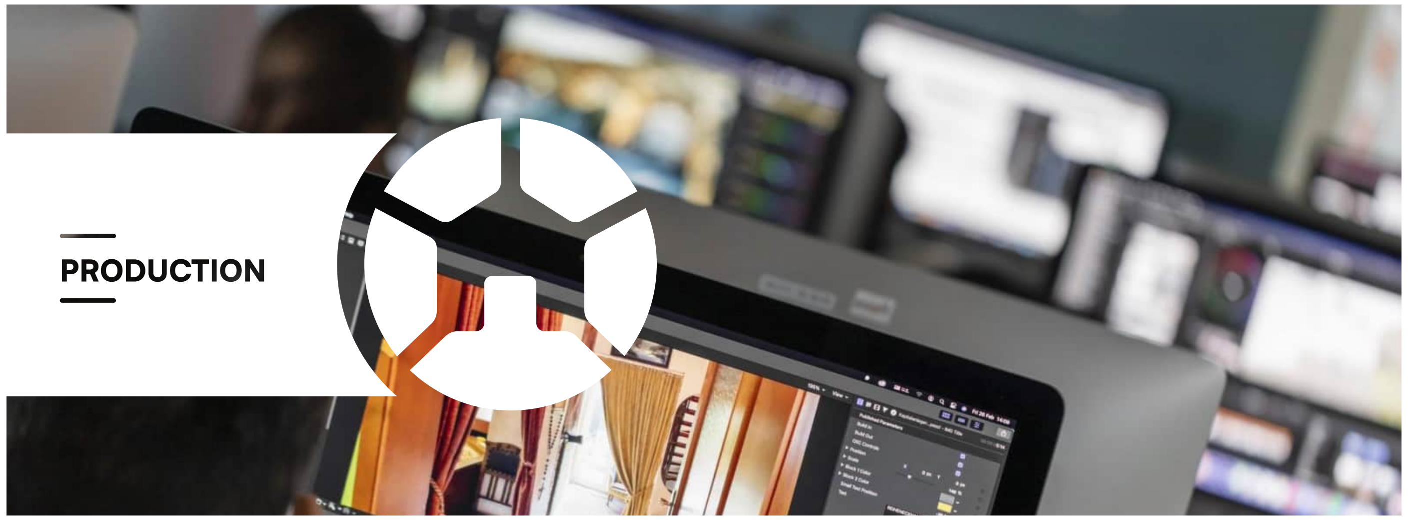
Increase turnover time of commissioned properties.

The revised value proposition and the rebranding was well received amongst exiting customers and prospects.

WHOLESALE

The Wholesale business is a commercial entity and focuses on real estate photographer networks and independent photographers around the world (outside the Nordics). The Wholesale business sells products and solutions that offer efficiency, seamlessness, quality, and consistency to customers. The business unit functions as "one-stop-shop" for Wholesale customers and can support them in scaling their businesses. In the Wholesale business unit, inspiration for new product development is taken from the Group's own Retail business; learning from the most digitally mature real estate markets in the world.

In 2023, focus has been on creating and growing several key partnerships with leading stakeholders in the vertical. Also, the focus has been on supporting Esoft's current Wholesale customers to remain competitive in their segment by product and solution development. The work of diversifying the business model continues with the first implementations expected to take place in 2024.



PRODUCTION

The Production business unit continues to be the backbone of the Group's Retail and Wholesale business and focuses on the refinement of content delivered by the Retail business and Wholesale customers. The Production unit delivers seamless, high quality, high consistency and on time content.

2023 was a strong year for production recording a significant improvement in contribution margin because of further automation and streamlining of production processes and resources.

We started the implementation of an ambitious but much needed production execution plan to transition our production set-up from a human-based model supported by tech to a tech driven model supported by human.

The plan focuses on 5 key initiatives.

1 **Transition into a product focused organization. To ensure that right focus on development and optimization, production has been split into 4 production lines covering 4 main product categories. Each production line is led by a production line manager reporting to our VP of Production.**

2 **Harvest real efficiency gains from optimized workforce configuration. In 2023, we saw a steady reduction in full time head count in production partly due to an increase in workload outsourced. Furthermore, we have strengthened our scalability by extending our pool of freelance resources and have embarked on a vendor strategy, establishing partnerships with several post-production companies in Vietnam and India so far. As a result, we are in a better position to handle seasonality and optimize the utilization of in-house resources.**

3 **Strengthen AI/automation model and convert progress into efficiency gains. New AI solutions in our photo production has allowed for most (76%) photo content to touched by our AI technology, and we expect to increase the percentage in 2024. An AI excellence team has been established and is pushing for the most optimal way of working with our AI output — this to document and train both in-house and external production resources to reduce our unit cost.**

4 **Build cloud-based production platform and online editor's portal. The scoping of a new cloud-based production platform tailored to the processes that still require human intervention has begun. Discussions around the future production resource structure including compensation model were initiated.**

5 **Scale use of external technology and production vendors. To further enhance our efficiency and quality, we are also looking into relevant external technologies. Our floor plan production is shifting to new and more automated solutions while we are researching the right technology to support the transformation of our video and 3D production.**

FINANCIAL HIGHLIGHTS

The Group's revenue amounted to DKKt 303,205, representing an increase of 33.7% over the Group's revenue of DKKt 226,785 in 2022.

EBITDA amounted to DKKt 17,541 (2022: DKK 6.881), corresponding to a increase of 154,9%.

In 2023, a focus has been on the anticipated integration of the Norwegian player, originally planned for execution in 2023. Although the full integration has been postponed.

The Group incurred significant costs related to integration and reorganization. Normalized for costs related to acquisitions and other special items Normalized EBITDA was DKKt 32,852 equal to a decline of 9,6% compared to the previous year.

Shareholders' equity amounted to DKKt 62,912 (31 December 2022: DKKt 83,293), and consolidated assets to DKKt 154,638 (31 December 2022: DKKt 158.514).

MARKET OUTLOOK

2023 once again proved to be a turbulent year for real estate markets worldwide. The trend of declining activity in the housing markets continued in 2024. The war in Ukraine and the global economic uncertainty combined with high energy prices, high inflation and high interest rates, the market maintained on a negative trend. The expectations of a stabilization did not materialize.

Economists expect, after 2 years of headwinds, that real estate markets around the world will recover modestly in 2024. Many sellers and buyers have been hesitant in the last few years and therefore a saved volume is expected to be released when interest rates find a more attractive level.

Expectations for interest rate trends in our main markets for 2024 indicate that they will decline, contrary to the recent development. We therefore foresee a stabilization of the markets and perhaps a minor recovery.

In 2024, as in 2023, the focus will still be on harvesting synergies from the acquired targets in the Retail business and growing the Nordic business further. In the Wholesale industry, the focus will be on continuing to win new customers and offer products and solutions that help clients to develop and grow their business. Strengthening the strategic partnerships with industry leading players is also an area that has our focus. In Production, we will continue to work to improve quality and harvest efficiency gains from our self-developed AI-services and -solutions.

Due to the potentially improved conditions globally and a macroeconomic environment that provides some tailwind for the housing market, the group expects a double-digit growth in revenue in 2023.

As part of the strategy, the group is continuously in dialogue with potential acquisition targets, which will also be a focus area in 2024.

COMPLIANCE

The Group prioritizes offering customers the highest level of security and contingency, as well as the proper and ethical usage of data, to protect customers, vendors, and the Group itself. In recent years, several organizational changes have been implemented to ensure compliance, including relocating the Wholesale business to the HQ location in Denmark.

To further strengthen the Group's focus on quality, security and compliance, the Group has obtained ISO 27001 and ISO 9001 in Production business unit in 2023 and ISO 27001 is planned for Retail business unit in 2024.

FINANCIAL RESOURCES

At year-end 2023, cash and non-utilized credit facilities amounted to approx. 17.217k.

Number of employees

At year-end 2023, the Group had 801 employees. We entered the year with 952 employees in the Group. The 2023 average for the Group ended at 869 employees.

RISKS

Market Risks

As stated under the Market Outlook section above, the Group is vulnerable in uncertain market conditions and low activity on real estate markets around the world. Should interest rates increase to even higher levels and consumer confidence further plummet in its core markets, resulting in significantly fewer real estate listing than expected, the financial results of the Group are potentially affected.

Currency Risks

Foreign activities mean that profit, cash flow and equity are affected by the exchange rate development between DKK, SEK, NOK, USD, VND, and EUR. Exchange rate fluctuations related to the translation of the result and inter Group balance of foreign subsidiaries at the balance sheet date constitute a risk. No hedging is performed to meet fluctuations unless the risk is considered substantial.

Interest Rate Risks

For the year 2023, there was significant development in short term interest rates around the world. Currently no hedging is performed, however, Management will continuously assess the risk and to the extent of the assessed risk perform relevant hedging.

Credit Risks

The Group's credit risks related to trade receivables are included in the balance sheet. Management has at year-end assessed the risks related to trade receivables and has made relevant provision for losses.

Employee Risks

Having the right competencies with adequate experience is vital. Therefore, it is important that the Group continues to attract, retain, and develop skilled employees. Failure to do so has the potential to negatively impact the expected development of the Group.

Supplier Risks

The Group is not dependent on individual suppliers, and the supplier risk is assessed as limited.

IT Risks

The Group depends on Information Technology to manage critical business processes, ranging from sales, production, to administrative and financial functions. The Group uses IT systems for internal purposes and externally for its customers. Extensive disruption of IT systems could have a negative effect on the Group.

Matters affecting the Financial Statement

There have been no unusual circumstances which should be referred to in relation to the accounts.

R&D ACTIVITIES

Research and development activities primarily include own software development with focus on AI and state-of-the-art infrastructure. In the financial year, software development corresponding to DKK 10.1 million is capitalized. The Group continuously invests in the development of its central IT infrastructure and AI, which is a key lever in the continued successful development of the Group.

SUBSEQUENT EVENTS

Subsequent to the reporting period, the Group has acquired 100% of Zigna ApS in Q1 2024. Some non-recurring expenses related to this acquisition is recorded in the annual report of 2023 anticipated to impact the financial results in a minor degree. We believe this acquisition, despite its short-term financial impacts, aligns with our long-term strategic goals and will contribute positively to our future growth and market positioning.

OUR COMMITMENT

The Group's commitment to corporate social responsibility is founded on respect for internationally recognized principles for sustainable development, human rights (including labor rights), the environment, business ethics and the UN Global Compact principles as expressed in the UNGPs/OECD Guidelines. This commitment is integrated into the Group's strategy and business operations.

The Group has conducted an impact assessment (risk assessment) and accordingly updated its ESG Strategy. This process included the formulation of a Sustainability Statement, as well as the selection of ESG and sustainability KPIs relevant to the Group, both of which have received approval from the Board of Directors.

For the 2023 financial year, there is a separate ESG report: LINK ESG

SUSTAINABILITY STATEMENT

In Esoft, we are a passionate, action-oriented team that purposefully help real estate agents to market and sell properties. With over 20 years of experience delivering media solutions and effective marketing tools to brokers around the world, we know what we are talking about. We are working diligently to set tomorrow's global standards for how we conduct our business including IT security, system reliability and customer service. We live our values of quality, credibility, openness, innovation, care, and passion every day, in our engagement with our customers, suppliers, and most importantly, with each other.

Our presence in the Nordics and Vietnam influence how we perceive our responsibility towards our employees and communities.

For Esoft, sustainability means:

Ensuring that we have a diverse and skilled workforce: Our strong focus on always delivering high and consistent quality means that we prioritize development of the right competences. We have a strong focus on training and upskilling of our employees and ensuring that we have a diverse organization in terms of gender and people with determination.

Ensuring a good work environment for our employees: A good work environment and strong sense of community is an important value proposition across our organization. Across the entire organization, we build on our Nordic values and tradition for employee benefits (such as private health insurance and subsidized canteen), and thereby provide above standard work environment for our employees outside the Nordics. The main risk that Esoft faces when trying to secure a healthy and safe working environment while ensuring our employee´s well-being is their physical and mental well-being.

To strengthen our work environment, especially in Vietnam, we have had several workshops focusing on how to improve this. In 2024 we will continue doing workshops focusing on work environment and employee conditions.

Reducing the environmental impact of our operations: The environmental footprint of our operations is mainly related to emissions from our car fleet when driving out to customers, our IT hardware setup and our business travel. The Group's CO2 baseline is established, and we are continuously working on reducing the footprint from our operations. Our overall ambition is to run operations as environmentally friendly as possible.

In 2024, we are going to invest money in electrical vehicles and energy efficient technology.

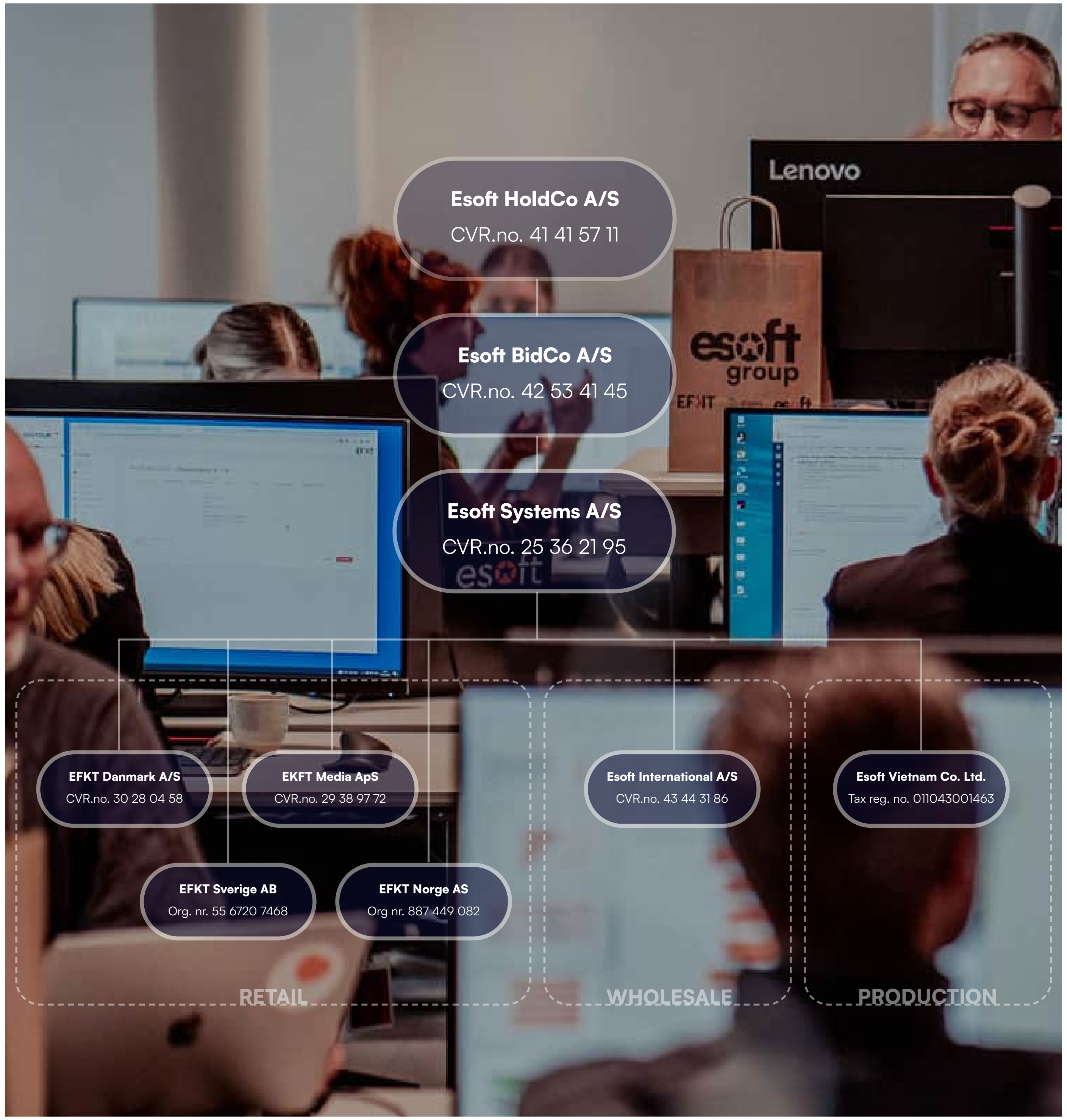
Ensuring that we have good governance in place: We have a strong focus on running our business responsibly and ensuring that we have good governance in place and respect human rights. The main risk in terms of respecting human rights is first and foremost data privacy and security due to our business handling large amounts of data on behalf of our customers. As a large part of our operation is in Vietnam, which generally ranks low on Transparency International's Corruption Perception Index, this has been of specific importance throughout Esoft's history.

In 2023, the Group held several sessions regarding data privacy and security to strengthen the focus on human rights. No human rights violations have been registered in 2023. For 2024 the Group will continue to train regarding data privacy and other human rights aspects.

In 2023, we have informed all our current and in-scope business partners about our anti-corruption policy. In 2023, there has not been identified any cases of corruption or bribery. In the future, we will communicate our guidelines and expectations regarding anticorruption to employees and business relations through of our code of conducts.
Support local community in Vietnam: Over the past 15 years we have built a sustainable model around training and employing disadvantaged people in the community here under people with determination. We do this in collaboration with local NGOs and educational institutions in our community. We are satisfied with our efforts regarding our work with social and employee condition in 2023.

ESOFT LEGAL STRUCTURE, PER 31.12.2023

At the end of 2023, the Group consists of the following companies.



Polaris Private Equity V K/S, a Nordic private equity fund, is the ultimate majority shareholder of Esoft Systems A/S (the Group) with approx. 83.5% ownership. The remaining shares are directly or indirectly owned by Management and Board members.

The following additional ultimate shareholders own more than 5% of the share capital

- Hermand Holding ApS, CVR no. 26 39 37 44

The Group's equity consists of one class of shares. Management regularly assesses whether the group has a capital structure that corresponds to the Company's need for the financing of working capital. Together with the Group's owners and Board of Directors, the Executive Board assesses the combination of equity and loans from shareholders and external financing on a recurring basis.

Management finds the current capital structure to be appropriate and to provide the necessary financial flexibility in the Group to support the strategy.

Polaris is a member of Active Owners Denmark and is thus obliged to ensure that its portfolio companies operate in compliance with the Active Owners Denmark guidelines. Please see https://aktiveejere.dk/. As a private equity-owned Group, the Group's practices and policies are in accordance with these recommendations.

GOVERNANCE

The Board of Directors and the Executive Board work constantly to ensure that appropriate and sufficient control systems are in place, managed by a robust management team structure. The Board of Directors and the Executive Board have a number of duties that are defined by the Companies Act, the Danish Financial Statements Act and the Articles of Association and Rules of Procedure for the Board of Directors, among other regulations and policies. On this basis, the necessary internal procedures are continually being developed, refined, and maintained to ensure active, reliable and profitable management of the Group.

The Board of Directors ensures that the Executive Board complies with the approved objectives, strategies, business procedures and rules of procedure for the Executive Board. The information presented to the Board of Directors is provided systematically before and during meetings, as well as in written and verbal reports.

The topics of these reports include market development and the Group's development and profitability. The Board of Directors and the Executive Management have overall responsibility for risk management and internal controls related to financial reporting.

The Board of Directors of the Group meet at least six times a year. Furthermore, information about the Group, results and financial position is shared with the Board of Directors on a regular basis (monthly). If relevant, extraordinary meetings are held.

AUDIT AND RISK COMMITTEE

The board and management have discussed the need for an audit and risk committee and have assessed that it is not relevant at this time given the size of the company.

BOARD OF DIRECTORS AND EXECUTIVE BOARD

The Board of Directors is comprised of the following members:

Chairman	Allan Jakobsen	(Appointed in Oct '23, appointed by Polaris Private Equity V K/S, independent)
Member	René Dines Hermand	(Appointed in May '22, appointed by and representing Hermand Holding ApS)
Member	Rune Lillie Gornitzka	(Appointed in May '22, appointed by and representing Polaris Private Equity V K/S)
Member	Sten Dyremose	(Appointed in Oct '22, appointed by Polaris Private Equity V K/S, independent)
Member	Thomas Weikop	(Appointed in May '22, appointed by Polaris Private Equity V K/S, independent)

The Executive Board is comprised of the following member:

CEO	Ian Holmgaard	(Appointed in June 2022)

The Board of Directors and the Executive Board are the ultimate owners of approx. 98,16% of the shares.

REMUNERATION TO MANAGEMENT AND THE BOARD OF DIRECTORS

To attract and retain the Group's management competencies, the remuneration of Management, senior employees and the Board of Directors is based on tasks, value creation and conditions in comparable companies. An incentive program has been implemented in the form of bonus schemes and share and warrant-based incentive programs for key employees.

REPORTING ON GENDER DISTRIBUTION IN MANAGEMENT

The underrepresented gender, Board of Directors

In the current financial year, we made concerted efforts to identify potential candidates for the Board of Directors, actively seeking qualified individuals, including those from underrepresented gender, to enhance diversity. We expect

		2023	2024	2025	2026	2027
Supreme governing body	Total number of members	5	5	6	6	6
	Percentage of underre-presented gender	0%	0%	17%	33%	33%
	Target figures in percen-tages	15%	15%	40%	40%	40%
	Year of achievement of target figures	2024	2024	2028	2028	2028
Other levels of management	Total number of members	27	27	27	27	27
	Percentage of underre-presented gender	21,5%	26%	30%	33%	37%
	Target figures in percen-tages	30%	30%	40%	40%	40%
	Year of achievement of target figures	2026	2026	2028	2028	2028

to expand the Board of Directors from 5 to 6 members by 2025 actively seeking a candidate from the underrepresented gender.

The underrepresented gender, Management

The Group's overall policy is to employ and promote the most qualified people, regardless of gender, and to give equal access to leadership positions to all qualified candidates. To facilitate this, at least one female applicant must be invited to all job interviews, assuming qualified female applicants are available. In the current financial year, the company actively implemented targeted recruitment strategies to enhance gender diversity in management positions. Efforts were made to source diverse candidates, including those of the underrepresented gender, for managerial roles. Despite these initiatives, there were limited applications or suitable candidates from the underrepresented gender for the available management positions.

In 2023, the Board of Directors had 0% representation of the underrepresented gender. The supreme governing body is committed to changing this by increasing the presence of the underrepresented gender to 15% in 2025, and further to 33% from 2026 to 2027, with the goal of achieving 40% by 2028.

The representation of women in leadership positions and with personnel management responsibility was 21,5% by the end of 2023. The Group is dedicated to improving this percentage and has set a target of 30%, expected to be achieved by 2026. Our commitment to promoting gender diversity in leadership will extend beyond this target as we aim to reach 40% by 2028.

Allan Jakobsen

Esoft Systems A/S & related Esoft Group Companies	Chairman
Swipbox A/S	Board member
Fastspeed A/S	Board member
Investcorp ApS	Owner
Crayon A/S	CEO

Rune Lillie Gornitzka

Hans Jensen Lubricators A/S	Board member
G & O BidCo A/S, & related G & O companies	Board member
Esoft Systems A/S & related Esoft Group Companies	Board member
Stella Invest ApS	CEO

Thomas Weikop

Cogo ApS	Chairman
Esoft Systems A/S & related Esoft Group Companies	Board member
Vertigo.ai ApS	Chairman
Weikop Project	Director

Sten Dyrmose

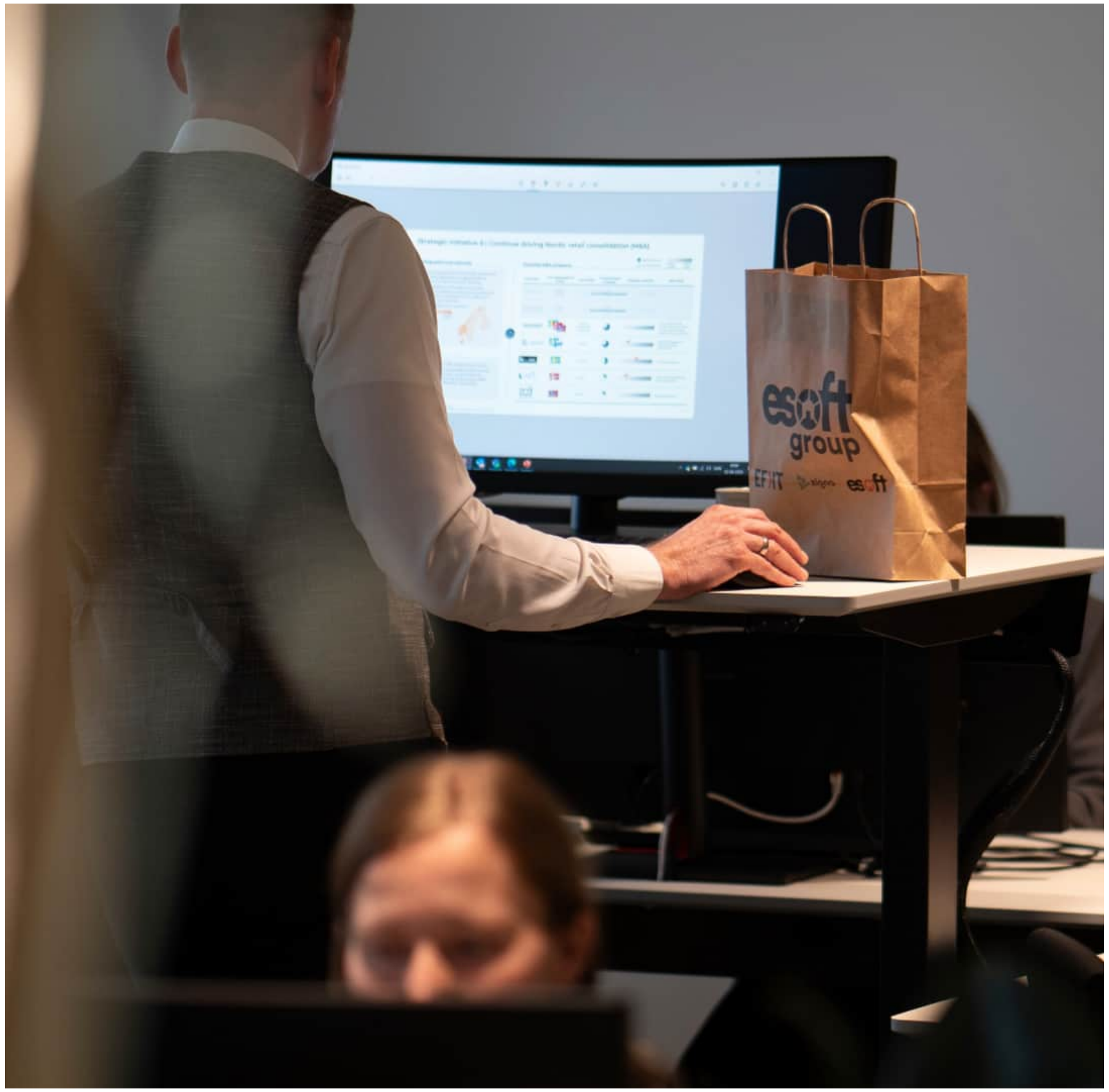
Esoft Systems A/S & related Esoft Group Companies	Board member
Harco Heavy Lifting A/S	CEO
Smith Dyrmose Holding ApS	CEO

René Dines

Esoft Systems A/S & related Esoft Group Companies	Board member
Hermand Holding A/S	Owner

Ian Holmgaard

Esoft Systems A/S & related Esoft Group Companies	CEO & Board member
Axelerator Holding ApS	CEO



CONSOLIDATED FINANCIAL STATEMENTS AND PARENT COMPANY FINANCIAL STATEMENTS 1 JANUARY — 31 DECEMBER

INCOME STATEMENT

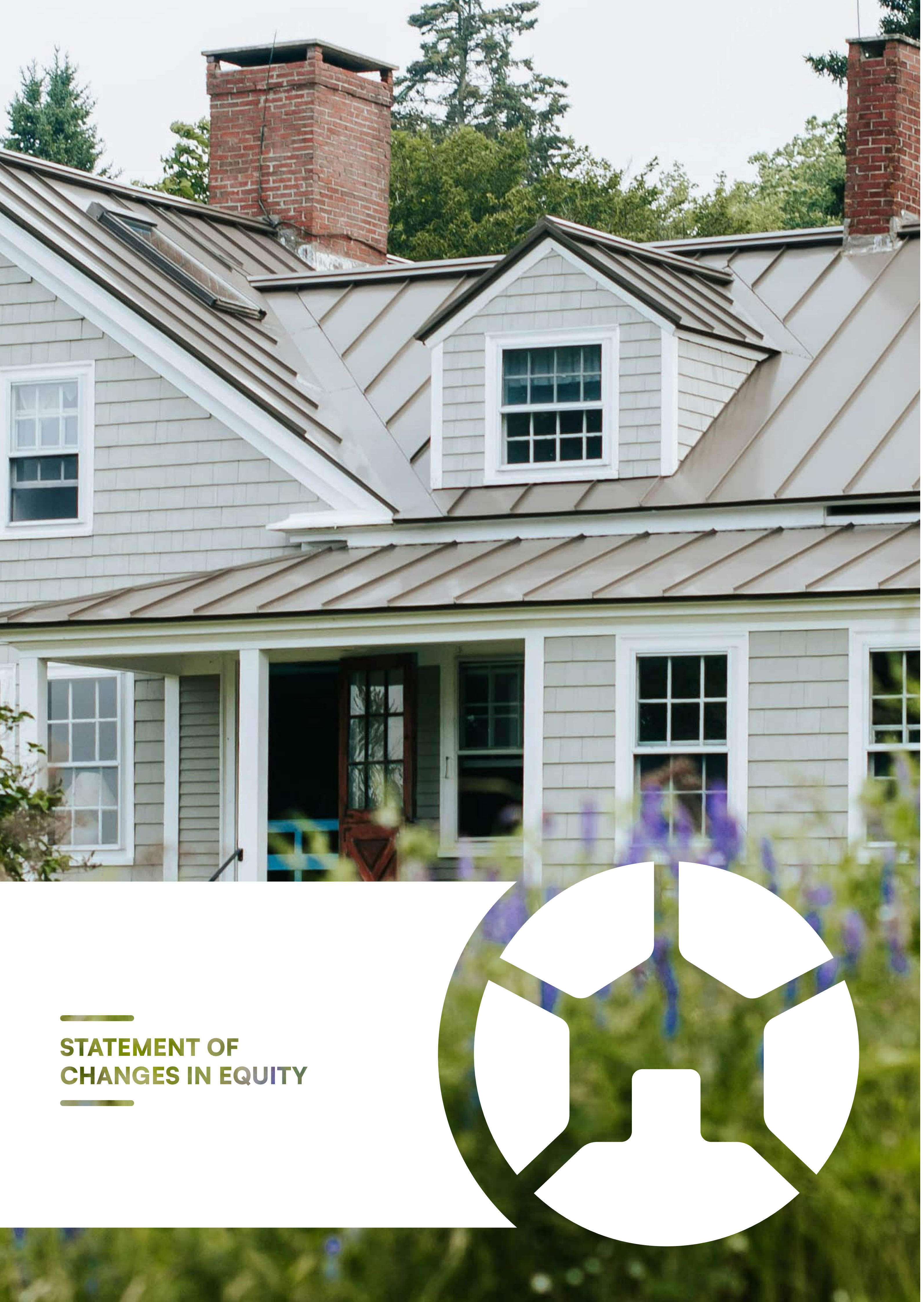
		Group		Parent	
Note	DKK'000	2023	2022	2023	2022
	Revenue	303,205	226,785	24,609	20,112
	Cost of sales	-97,528	-63,788	0	0
	Other operating income	88	0	0	0
	Other external expenses	-85,039	-48,208	-22,814	-19,201
	Gross profit	120,726	114,789	1,795	911
3	Staff costs	-103,185	-107,908	-7,430	-7,436
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-14,916	-7,773	-10,285	-3,158
	Profit/loss before net financials	2,625	-892	-15,920	-9,683
	Income from investments in subsidiaries	0	0	12,637	4,674
4	Financial income	2,126	4,811	660	3,392
5	Financial expenses	-7,878	-5,257	-5,668	-2,735
	Profit before tax	-3,127	-1,338	-8,291	-4,352
6	Tax for the year	-1,849	-2,612	3,315	402
	Profit/loss for the year	**-4,976**	**-3,950**	**-4,976**	**-3,950**

BALANCE SHEET

		Group		Parent	
Note	DKK'000	2023	2022	2023	2022
	ASSETS				
	Non-current assets				
8	Intangible assets				
	Completed development projects	14,948	8,443	9,251	5,315
	Customer relationsships	43,366	48,308	40,366	44,939
	Goodwill	38,477	44,294	35,631	41,138
		96,791	101,045	85,248	91,392
9	**Property, plant and equipment**				
	Fixtures and fittings, tools and equipment	5,610	5,626	142	250
	Leasehold improvements	56	277	57	125
		5,666	5,903	199	375
10	**Investments**				
	Investments in Group enterprises	0	0	33,868	26,569
	Other receivables	1,286	1,115	0	0
	Deposit, investments	1,706	1,123	334	231
		2,992	2,238	34,202	26,800
	Total fixed assets	105,449	109,186	119,649	118,567
	Non-fixed assets				
	Receivables				
	Trade receivables	21,873	17,611	0	0
	Receivables from group entreprises	0	0	23,852	20,715
12	Deferred tax assets	5,301	3,918	0	0
	Other receivables	4,132	6,397	518	494
	Prepayments	1,665	1,353	545	854
		32,971	29,279	24,915	22,063
	Cash	16,218	20,049	253	847
	Total non-fixed assets	49,189	49,328	25,168	22,910
	TOTAL ASSETS	154,638	158,514	144,817	141,477

		Group		Parent	
Note	DKK'000	2023	2022	2023	2022
	EQUITY AND LIABILITIES				
	Equity				
11	Share capital	3,507	3,507	3,507	3,507
	Reserve for net revaluation under the equity	0	0	10,846	4,963
	Reserve for development costs	0	0	7,216	4,146
	Translation reserve	-1,329	76	0	0
	Retained earnings	60,734	79,710	41,343	70,677
	Total equity	62,912	83,293	62,912	83,293
	Provisions				
12	Deferred tax	0	0	195	3,510
	Total provisions	0	0	195	3,510
	Liabilities other than provisions				
	Current liabilities other than provisions				
	Bank debt	43,501	13,687	43,501	13,687
	Trade payables	8,210	4,838	2,243	1,054
	Payables to group enterprises	13,924	21,386	33,723	27,083
	Corporation tax payable	575	451	0	0
	Joint taxation contribution payable	1,730	1,009	0	0
13	Other payables	22,487	32,355	2,243	12,850
	Deferred income	1,299	1,495	0	0
		91,726	75,221	81,710	54,674
	Total liabilities other than provisions	91,726	75,221	81,710	54,674
	TOTAL EQUITY AND LIABILITIES	154,638	158,514	144,817	141,477

1	Accounting policies
2	Events after the balance sheet date
7	Appropriation of profit/loss
14	Contractual obligations and contingencies, etc.
15	Security and collateral
16	Related parties



STATEMENT OF CHANGES IN EQUITY

Note	DKK'000	Group			
		Share capital	Translation reserve	Retained earnings	Total
	Equity at 1 January 2022	3,507	226	19,311	23,044
	Transfer through appropriation of profit	0	0	-3,950	-3,950
	Adjustment of investments through foreign exchange adjustments	0	-150	0	-150
	Sale of treasury shares	0	0	17,491	17,491
	Contribution from group	0	0	46,858	46,858
	Equity at 1 January 2023	3,507	76	79,710	83,293
	Transfer through appropriation of loss	0	0	-4,976	-4,976
	Adjustment of investments through foreign exchange adjustments	0	-1,405	0	-1,405
	Proposed extraordinary dividend recognised under equity	0	0	-14,000	-14,000
	Equity at 31 December 2022	3,507	-1,329	60,734	62,912

Note	DKK'000	Parent				
		Share capital	Net revaluation reserve according to the equity method	Reserve for development costs	Retained earnings	Total
	Equity at 1 January 2022	3,507	397	3,464	15,676	23,044
7	Transferred; see distribution of profit/loss	0	4,716	682	-9,348	-3,950
	Adjustment of investments through forreign exchange adjustments	0	-150	0	0	-150
	Sale of treasury shares	0	0	0	17,491	17,491
	Contribution from group	0	0	0	46,858	46,858
	Equity at 1 January 2023	3,507	4,963	4,146	70,677	83,293
7	Transferred; see distribution of profit/loss	0	7,288	3,070	-15,334	-4,976
	Adjustment of investments through forreign exchange adjustments	0	-1,405	0	0	-1,405
	Contribution from group	0	0	0	-14,000	-14,000
	Equity at 31 December 2022	3,507	10,846	7,216	41,343	62,912

CASH FLOW STATEMENT

Note	DKK'000	Group 2023	Group 2022
	Profit/lost for the year	-4,976	-3,950
17	Adjustments	16,108	10,459
	Cash generated from operations (operating activities)	11,132	6,509
18	Changes in working capital	-30,796	14,611
	Income taxes paid	0	-589
	Cash flows from operating activities	-19,664	20,531
	Additions of intangible assets	-10,068	-5,395
19	Additions of property, plant and equipment	-5,694	-2,243
	Disposals of property, plant and equipment	2,654	0
20	Acquisition of companies and activities	0	-94,180
	Other cash flows from investing activities	-754	419
	Cash flows to investing activities	-13,862	-101,399
	Dividends paid	-14,000	0
	Changes in debt to credit institutions	29,771	2,308
	Change in receivables/debt, group enterprises	13,924	22,863
	Sale of treasury shares	0	17,491
	Group contribution	0	46,858
	Cash flows from financing activities	29,695	89,520
	Net cash flow	-3,831	8,652
	Cash and cash equivalents at 1 January	20,049	11,397
21	Cash and cash equivalents at 31 December	16,218	20,049

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The annual report of Esoft Systems A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

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

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and group entities controlled by the Parent Company.

Control means a parent company's power to direct a group entity's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Preparation of consolidated financial statements

the individual group entities' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of group entities are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of group entities which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates and joint ventures are recognised in the consolidated financial statements using the equity method.

The group's activities in joint operations are recognised on a line-by-line basis.

Foreign currency translation

Foreign group entities and associates are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates.

Foreign exchange differences arising on translation of the opening equity of foreign group entities to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity. Foreign exchange adjustments of balances with separate foreign group entities, which are considered part of the aggregate investment in the group entity, are taken directly to equity, and foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign group entities are recognised directly in equity.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2020.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating income

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

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

ncluding expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

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

Amortisation/depreciation

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

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is between 5 and 20 years. The amortisation period is based on the strategical importance of the acquired subsidiary.

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

Completed development projects	5 years
Customer relationships	5-15 years
Goodwill	5-20 years
Fixtures and fittings, other plant and equipment	3-5 years
Leasehold improvements	5 years

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

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Profit/loss from investments in group entities

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

The proportionate share of the individual group entities' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

Financial income and expenses

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

Tax

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

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

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

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period.

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

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

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

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 5 years

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Property, plant and equipment

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

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

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

All leases are considered operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed under contingencies, etc.

Investments in group entities

Equity investments in group entities are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

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

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

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

Dividend received is deduced from the carrying amount.

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

Gains and losses on disposal of group entities and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

Impairment of fixed assets

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

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

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

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

Receivables

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

Receivables are measured at amortised cost.

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

Receivables in respect of which there is no objective evidence of individual impairment are tested for

objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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

Prepayments

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

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Reserve for development costs

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

Translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in group entities and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Proposed dividends

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

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.
Deferred tax is measured according to the liability method on all temporary differences between the

carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.
Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

2 Events after the balance sheet

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

3 Staff costs

	Group		Parent	
DKK'000	**2023**	**2022**	**2023**	**2022**
Wages/salaries	95,767	97,613	12,122	9,348
Pensions	2,114	1,653	247	180
Other social security costs	9,408	8,078	78	80
Other staff costs	4,038	4,004	357	242
Staff costs transferred to development costs	-8,142	-3,440	-5,374	-2,414
	103,185	107,908	7,430	7,436
Average number of full-time				
Employees	760	959	15	11

Group
Total remuneration to Management in the Company: DKK 4.196 thousand (2022: DKK 2,423 thousand)
Part of the remuneration to the group's Executive Board is paid by the parent Company.

4 Financial income

	Group		Parent	
DKK'000	**2023**	**2022**	**2023**	**2022**
Interest income, group entities	0	0	12	111
Other financial income	2,126	4,811	648	3,281
	2,126	4,811	660	3,392

5 Financial expenses

	Group		Parent	
DKK'000	**2023**	**2022**	**2023**	**2022**
Interest expenses, group entities	0	0	124	426
Other financial expenses	7,878	5,257	5,544	2,309
	7,878	5,257	5,668	2,735

6 Tax for the year

DKK'000	Group 2023	Group 2022	Parent 2023	Parent 2022
Estimated tax charge for the year	4,465	2,598	0	0
Deferred tax adjustments in the year	2,616	539	-3,315	123
Refund in joint taxation	0	-525	0	-525
	1,849	2,612	-3,315	402

7 Appropriation of profit/loss

DKK'000	Parent 2023	Parent 2022
Recommended appropriation of profit/loss		
Extraordinary dividend distributed in the year	14,000	0
Net revaluation reserve according to the equity method	7,288	4,716
Transferred to reserve for development costs	3,070	682
Retained earnings/accumulated loss	-29,334	-9,348
	-4,976	-3,950

8 Intangible assets

Group

DKK'000	Completed development projec ts	Customer relationships	Goodwill	Total
Cost at 1 January 2023	55,714	49,256	44,946	149,916
Forreign exchange adjustments	-1,760	-215	-200	-2,175
Additions	10,068	0	0	10,068
Disposals	0	0	-2,107	-2,107
Cost at 31 December 2023	64,022	49,041	42,639	155,702
Impairment losses and amortisation at 1 January 2023	47,271	948	652	48,871
Foreign exchange adjustments	-1,710	-1	-1	-1,712
Amortisation for the year	3,513	4,728	3,511	11,752
Impairment losses and amortisation at 31 December 2023	49,074	5,675	4,162	58,911
Carrying amount at 31 December 2023	14,948	43,366	38,477	96,791
Amortised over	5 years	5-15 years	5-20 years	

The depreciation period for customer relations and goodwill is between 5-20 years. The depreciation is usually 5 years except for acquistions which has strategic importance for the future development of the business.

Completed development projects

Development projects is primarily related to the development of artificial intelligence solutions. Management has assessed that there are substantial savings potentials associated with the AI solutions and that the projects proceed as planned.

The relating expenses primarily consist of internal expenses in the form of payroll costs. The depreciation period on completed development projects is usually 5 years. Depreciation on completed projects is started, when the project is considered completed and revenue or savings can be recognised reliably.

Management has assessed that there are no indications of impairment in relation to the carrying amount.

Parent

DKK'000	Completed development projec ts	Customer relationships	Goodwill	Total
Cost at 1 January 2023	24,839	45,831	41,750	112,420
Additions	6,031	0	0	6,031
Disposals	0	0	-2,107	-2,107
Cost at 31 December 2023	30,870	45,831	39,643	116,344
Impairment losses and amortisation at 1 January 2023	19,524	892	612	21,028
Amortisation for the year	2,095	4,573	3,400	10,068
Impairment losses and amortisation at 31 December 2023	21,619	5,465	4,012	31,096
Carrying amount at 31 December 2023	9,251	40,366	35,631	85,248
Amortised over	5 years	5-15 years	5-20 years	

9 Property, plant and equipment

DKK'000	Group		
	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 January 2023	28,783	374	29,157
Forreign exchange adjustments	-1,086	-13	-1,099
Additions	5,694	0	5,694
Disposals on demerger and sale of other enterprise	-2,367	-158	-2,525
Disposals	-1,529	0	-1,529
Cost at 31 December 2023	29,495	203	29,698
Impairment losses and amortisation at 1 January 2023	23,157	97	23,254
Foreign exchange adjustments	-962	-1	-963
Depreciation	3,073	68	3,141
Reversal of accumulated depre-ciation and impairment of assets disposed	1,383	-17	-1,400
Impairment losses and amortisation at 31 December 2023	23,885	147	24,032
Carrying amount at 31 December 2023	5,610	56	5,666

DKK'000	Parent		
	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 January 2023	710	203	913
Additions	41	0	41
Cost at 31 December 2023	751	203	954
Impairment losses and depreciation at 1 January 2023	460	78	538
Impairment losses and depreciation at 31 December 2023	149	68	217
Impairment losses and depreciation at 31 December 2023	609	146	755
Carrying amount at 31 December 2023	142	57	199

10 Investments

DKK'000	Group		
	Other receivables	Deposits, investments	Total
Cost at 1 January 2023	1,115	1,123	2,238
Foreign exchange adjustments	-41	-25	-66
Additions	212	615	827
Disposals	0	-7	-7
Cost at 31 December 2023	1,286	1,706	2,992
Carrying amount at 31 December 2023	1,286	1,706	2,992

Group entities

Name	Domicile	Interest
EFKT Danmark A/S	Denmark	100.00%
EFKT Media ApS	Denmark	100.00%
Esoft International A/S	Denmark	100.00%
EFKT Sverige AB	Sweden	100.00%
EFKT Norge AS	Norway	100.00%
Esoft Vietnam Co., Ltd.	Vietnam	100.00%

DKK'000	Group		
	Investments in group enterprises	Deposits, investments	Total
Cost at 1 January 2023	23,944	231	24,175
Additions	0	103	103
Disposals	-922	0	-922
Cost at 31 December 2023	23,022	334	23,356
Value adjustments at 1 January 2023	2,625	0	2,625
Foreign exchange adjustments	-1,405	0	-1,405
Dividend received	-3,011	0	-3,011
Profit/loss for the year	12,637	0	12,637
Value adjustments at 31 December 2023	10,846	0	10,846
Carrying amount at 31 December 2023	33,868	334	34,202

11 Share capital

The share capital consists of 3.506.688 shares of a nominal value of 1 DKK each. No shares carry any special rights.

The parent's share capital has remained DKK 3,507 thousand over the past 5 years.

12 Deferred tax

	Group		Parent	
DKK'000	**2023**	**2022**	**2023**	**2022**
Deferred tax at 1 January	-3,918	-6,584	3,510	-6,170
Changes during the year	-2,616	2,666	-3,315	10,205
Other deferred tax	1,233	0	0	-525
Deferred tax at 31 December	-5,301	-3,918	195	3,510
Deferred tax relates to:				
Intangible assets	12,040	9,609	10,105	10,800
Property, plant and equipment	-125	-290	-125	-117
Tax loss	-17,216	-13,237	-9,785	-7,173
	-5,301	-3,918	195	3,510
Analysis of the deferred tax				
Deferred tax assets	-5,301	-3,918	0	0
Deferred tax liabililties	0	0	195	3,510
	-5,301	-3,918	195	3,510

The Group has recognized net tax assets of a total of DKK 5,301 thousand at 31 December 2023. The tax assets consist of recognized tax loss carryforwards of DKK 17,216 thousand and time differences of DKK 11,915 thousand. The total tax loss carryforwards can be attributed to the Danish and Norwegian group entities.'

Management considers it likely that there will be future taxable income against which tax deductions can be offset on the basis of expected future results.

13 Other payables

Other payables, recognized under liabilities, primarily comprise items related to payroll and payable VAT.

14 Contractual obligations and contingencies, etc.

Contingent liabilities

Group
The Danish entities of Esoft Systems A/S Group is jointly taxed with the ultimate Parent Company PEsoft 2022 A/S (P-Esoft 2022 A/S acts as the administration company in the joint taxation group).
The Danish entities of Esoft Systems A/S Group has unlimited joint and several liability, together with P-Esoft 2022 A/S, for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group.

The Danish entities of Esoft Systems A/S Group are jointly and severally liable for joint VAT registration.

Other financial obligations

Group

The Group has entered into operating leases with a total remaining nominal lease commitment of DKK 1.505 thousand as of 31 December 2023.

The group has entered rent agreements which can be terminated within 3-87 months and the total obligation as of 31 December 2023 amounts to DKK 15,607 thousand.

15 Security and collateral

Group

As security for the Company's debt to the Danish bank Nykredit A/S a receivables charge of DKK 500 thousand has been issued.

The loan agreement with Nykredit A/S is furthermore based on a negative pledge that prohibits the Group from creating a security interest on a number of the Danish entities' assets (goodwill, intellectual property rights, motor vehicles, other plant, fixtures and fittings, tools and equipment, inventories and trade receivables).

The Danish entities of Esoft Systems A/S are jointly and severally liable for the Group's net debt to Nykredit A/S which amounts to DKK 141.900 thousand including debt in parent company Esoft Bidco A/S.

Parent company

As security for the Company's debt to the Danish bank Nykredit A/S a receivables charge of DKK 500 thousand has been issued.

The loan agreement with Nykredit A/S is furthermore based on a negative pledge that prohibits the Group from creating a security interest on a number of the Danish entities' assets (goodwill, intellectual property rights, motor vehicles, other plant, fixtures and fittings, tools and equipment, inventories and trade receivables).

Esoft Systems A/S are jointly with group entities liable for the Group's net debt to Nykredit A/S which amounts to DKK 141.900 thousand including debt in parent company Esoft Bidco A/S.

16 Related parties

Group

Esoft Systems A/S' related parties comprise the following:

Parties exercising control

	Group	
Related party	**Domicile**	**Basis for control**
Esoft BidCo A/S	Scandiagade 8, 6., 2450 København V	Participating interest

Information about consolidated financial statements

	Group	
Parent	**Domicile**	**Requisitioning of the parent company's consolidated financial statements**
Esoft HoldCo A/S	Scandiagade 8, 6., 2450 København V	www.cvr.dk
P-Esoft 2022 A/S	Scandiagade 8, 6., 2450 København V	www.cvr.dk

Information about consolidated financial statements

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

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

Remuneration of the Parent Company's Executive Board and the Board of Directors is disclosed in note 3.

17 Adjustments

	Group	
DKK'000	**2023**	**2022**
Amortisation/depreciation and impairment losses	14,916	7,773
Tax for the year	1,849	2,616
Other adjustments	-657	70
	16,108	10,459

18 Changes in working capital

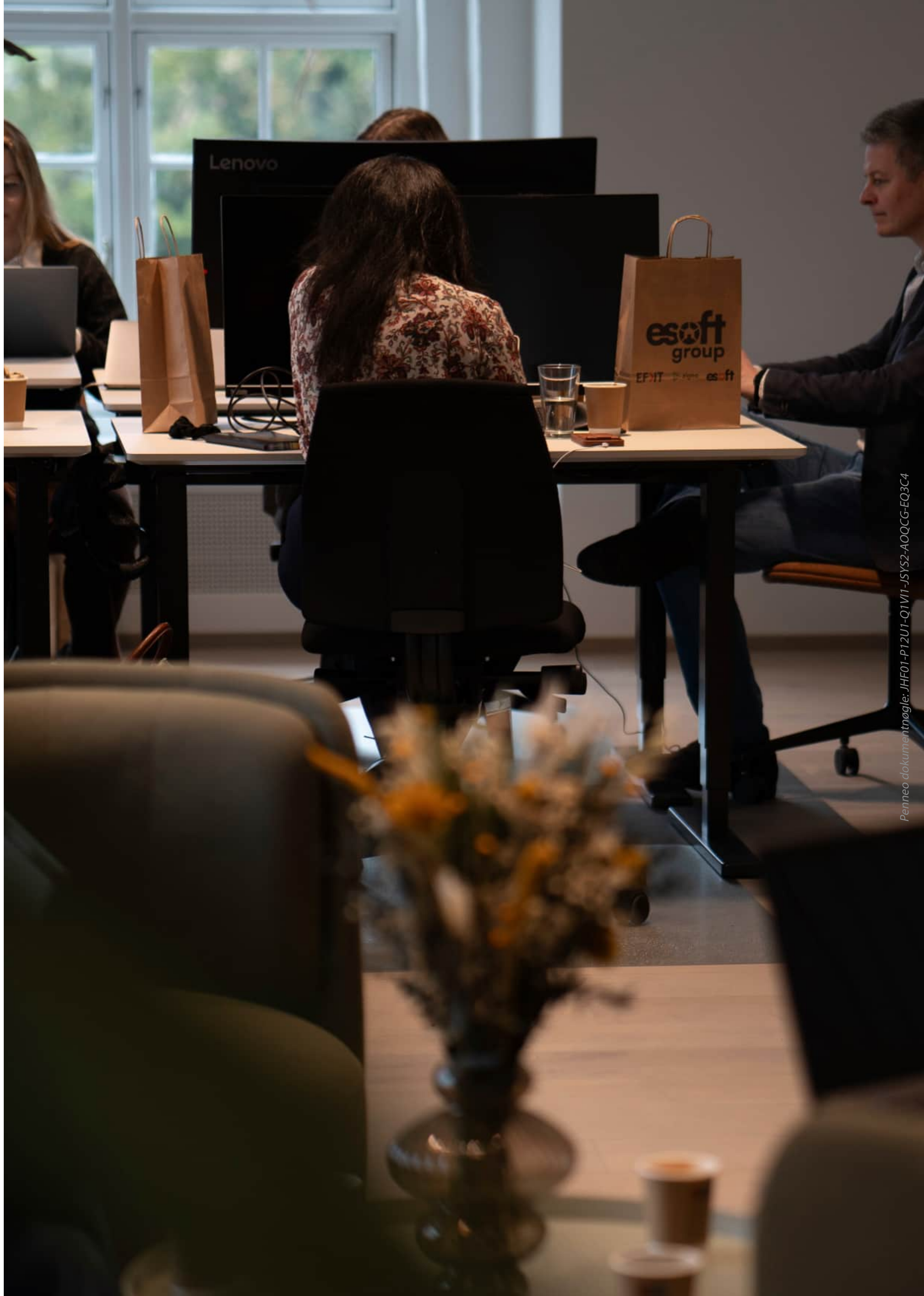
	Group	
DKK'000	**2023**	**2022**
Change in receivables	-5,175	12,657
Change in trade and other payables	-25,621	1,954
	-30,796	14,611

19 Acquisition of enterprises and activities

	Group	
DKK'000	2023	2022
Property, plant and equipment	0	1,581
Development projects	0	2,168
Receivables	0	15,791
Cash	0	19,407
Deferred tax	0	-11,923
Trade payables	0	-24,301
Other payables	0	2,616
	0	-104
Goodwill and customer relations	0	94,284
Cost of acquisition paid in cash	0	94,180

20 Cash and cash equivalents at year-end

	Group	
DKK'000	2023	2022
Cash according to the balance sheet	16,218	20,049
	16,218	20,049



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Esoft Vietnam

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