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MINDWORKING A/S
VÆRKMESTERGADE 11, 2. FLOOR, 8000 AARHUS C
ANNUAL REPORT
1 JUNE 2023 - 31 MAY 2024

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 2 September 2024**

Sally Fredensborg Lund

CVR NO. 27 48 99 74

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COMPANY DETAILS

Company	MINDWORKING A/S Værkmestergade 11, 2. sal 8000 Aarhus C
	CVR No.: 27 48 99 74 Established: 26 November 2003 Municipality: Aarhus Financial Year: 1 June 2023 - 31 May 2024
Board of Directors	Mark Alan Robert Armstrong, chairman Sally Fredensborg Lund Hans Michael Vogelberg
Executive Board	Sally Fredensborg Lund
Auditor	BDO Statsautoriseret revisionsaktieselskab Vestre Ringgade 28 8000 Aarhus C

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of MINDWORKING A/S for the financial year 1 June 2023 - 31 May 2024.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 May 2024 and of the results of the Company's operations for the financial year 1 June 2023 - 31 May 2024.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Aarhus, 2 September 2024

Executive Board

Sally Fredensborg Lund

Board of Directors

Mark Alan Robert Armstrong
Chairman

Sally Fredensborg Lund

Hans Michael Vogelberg

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of MINDWORKING A/S

Opinion

We have audited the Financial Statements of MINDWORKING A/S for the financial year 1 June 2023 - 31 May 2024, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 May 2024 and of the results of the Company's operations for the financial year 1 June 2023 - 31 May 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

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

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance 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 and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.

INDEPENDENT AUDITOR'S REPORT

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

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

Statement on Management Commentary

Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, 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 Management Commentary and, in doing so, consider whether Management Commentary 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 Management Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Commentary 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 Management Commentary.

Aarhus, 2 September 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Thomas Nørgaard Christensen
State Authorised Public Accountant
MNE no. mne40048

MANAGEMENT COMMENTARY

Principal activities

Mindworking develops property, sales and marketing software for real estate agents, banks, and financial institutions. We strive to deliver software that strengthens our customers' business through customer focused and holistic digital solutions.

Recognition and measurement uncertainty

The management is not aware of any unusual uncertainties regarding the recognition or measurement of activities that may affect the result.

Development in activities and financial and economic position

In 2023/24 Mindworking focused on strengthening the profitability of existing partnerships and customer relationships leading to a positive impact on our results. Additionally, to ensure we can offer our customers new products that focus on digital transformation, we entered new partnerships. However, we do not expect these new partnerships to affect the results significantly until next financial year. Extensive investments and allocation have been initiated to ensure that Mindworking can continue to comply with the increasing demands for data security.

Overall, we experienced a stabilization of the housing market during the financial year. Initially steady interest rates with the prospect of a downward trend, a high employment rate, and a completed legislative change are contributing factors to a higher than expected supply of properties in the market. All this, had a positive impact on the year's result.

The company's income statement for the financial year shows a profit of DKK 5,983,144 compared to a loss of DKK 14,297,624 last year, and the company's balance sheet as of 31 May 2024 shows an equity of DKK 147,017.

Significant events after the end of the financial year

There have been no significant events since the reporting period has ended.

INCOME STATEMENT 1 JUNE - 31 MAY

	Note	2023/24 DKK	2022/23 DKK
GROSS PROFIT		44.647.183	24.916.742
Staff costs.....	1	-36.343.586	-33.823.810
Depreciation, amortisation and impairment losses for tangible and intangible assets.....		-3.487.334	-3.034.608
OPERATING PROFIT		4.816.263	-11.941.676
Other financial income.....	2	587.000	18.811
Other financial expenses.....	3	-530.923	-900.442
PROFIT BEFORE TAX		4.872.340	-12.823.307
Tax on profit/loss for the year.....	4	1.110.804	-1.474.317
PROFIT FOR THE YEAR		5.983.144	-14.297.624
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		5.983.144	-14.297.624
TOTAL		5.983.144	-14.297.624

BALANCE SHEET AT 31 MAY

ASSETS	Note	2024 DKK	2023 DKK
Development projects completed, including patents and similar rights originating from development projects.....		6.609.592	7.693.144
Acquired concessions, patents, licences, trademarks and similar rights.....		2.700.000	3.100.000
Goodwill.....		3.060.099	3.340.533
Intangible assets.....	5	12.369.691	14.133.677
Other plant, fixtures and equipment.....		2.376.020	2.927.971
Leasehold improvements.....		239.070	343.236
Property, plant and equipment.....	6	2.615.090	3.271.207
Rent deposit and other receivables.....		581.594	567.443
Financial non-current assets.....	7	581.594	567.443
NON-CURRENT ASSETS.....		15.566.375	17.972.327
Trade receivables.....		7.820.825	6.097.671
Corporation tax receivable.....		1.100.000	0
Prepayments.....		532.414	675.373
Receivables.....		9.453.239	6.773.044
Cash and cash equivalents.....		4.537.247	2.889.471
CURRENT ASSETS.....		13.990.486	9.662.515
ASSETS.....		29.556.861	27.634.842

BALANCE SHEET AT 31 MAY

EQUITY AND LIABILITIES	Note	2024 DKK	2023 DKK
Share Capital.....		5.527.500	5.527.500
Reserve for development costs.....		5.155.487	6.000.655
Retained earnings.....		-10.535.970	-17.364.282
EQUITY.....		147.017	-5.836.127
Provisions for deferred tax.....		753.899	1.864.703
PROVISIONS.....		753.899	1.864.703
Frozen holiday pay.....		2.323.131	2.256.131
Non-current liabilities.....	8	2.323.131	2.256.131
Trade payables.....		2.747.942	4.737.127
Debt to Group companies.....		15.017.303	14.060.601
Other liabilities.....		6.196.153	8.319.413
Deferred income.....		2.371.416	2.232.994
Current liabilities.....		26.332.814	29.350.135
LIABILITIES.....		28.655.945	31.606.266
EQUITY AND LIABILITIES.....		29.556.861	27.634.842
 Contingencies etc.	 9		
Information on uncertainty with respect to going concern	10		

EQUITY

DKK	Share Capital	Reserve for development costs	Retained earnings	Total
Equity at 1 June 2023.....	5.527.500	6.000.655	-17.364.282	-5.836.127
Proposed profit allocation.....			5.983.144	5.983.144
Other legal bindings				
Revaluations in the year.....		-845.168	845.168	0
Equity at 31 May 2024.....	5.527.500	5.155.487	-10.535.970	147.017

NOTES

	2023/24 DKK	2022/23 DKK	Note
Staff costs			1
Average number of full time employees	55	52	
Wages and salaries.....	32.014.027	29.567.000	
Pensions.....	2.624.087	2.445.276	
Social security costs.....	387.457	401.652	
Other staff costs.....	1.318.015	1.409.882	
	36.343.586	33.823.810	
Other financial income			2
Other interest income.....	587.000	18.811	
	587.000	18.811	
Other financial expenses			3
Interest expenses to group enterprises.....	527.765	727.813	
Other interest expenses.....	3.158	172.629	
	530.923	900.442	
Tax on profit/loss for the year			4
Adjustment of deferred tax.....	-1.110.804	1.474.317	
	-1.110.804	1.474.317	

NOTES

				Note
Intangible assets				5
DKK	Development projects completed, including patents and similar rights originating from development projects	Acquired concessions, patents, licences, trademarks and similar rights	Goodwill	
Cost at 1 June 2023.....	10.835.516	4.040.000	3.983.848	
Additions.....	0	0	454.516	
Disposals.....	0	-40.000	0	
Cost at 31 May 2024.....	10.835.516	4.000.000	4.438.364	
Amortisation at 1 June 2023.....	3.142.372	940.000	643.310	
Reversal of amortisation of assets disposed of ..	0	-40.000	0	
Amortisation for the year.....	1.083.552	400.000	734.955	
Amortisation at 31 May 2024.....	4.225.924	1.300.000	1.378.265	
Carrying amount at 31 May 2024.....	6.609.592	2.700.000	3.060.099	

The development projects completed is an automated handling system for real estate agents. Currently there is a big demand in the market for this product, and also there is only few providers in the market.

Property, plant and equipment			6
DKK	Other plant, fixtures and equipment	Leasehold improvements	
Cost at 1 June 2023.....	6.488.746	1.392.709	
Additions.....	612.714	0	
Disposals.....	-84.000	0	
Cost at 31 May 2024.....	7.017.460	1.392.709	
Depreciation and impairment losses at 1 June 2023.....	3.560.775	1.049.473	
Depreciation for the year.....	1.080.665	104.166	
Depreciation and impairment losses at 31 May 2024.....	4.641.440	1.153.639	
Carrying amount at 31 May 2024.....	2.376.020	239.070	

NOTES

	Note
Financial non-current assets	7
DKK	Rent deposit and other receivables
Cost at 1 June 2023.....	581.594
Cost at 31 May 2024.....	581.594
Carrying amount at 31 May 2024.....	581.594

Long-term liabilities					8
DKK	31/5 2024 total liabilities	Repayment next year	Debt outstanding after 5 years	31/5 2023 total liabilities	
Frozen holiday pay.....	2.323.131	0	2.323.131	2.256.131	
	2.323.131	0	2.323.131	2.256.131	

Contingencies etc. **9**
Contingent assets

The Company is part in initial litigations, and at the moment the outcome of this is very uncertain. The outcome of the cases is uncertain in terms of both time and amount and also uncertain whether the outcome if positive or negative.

The Company has not recognised it's tax asset due to uncertainty in terms of when it is expected to be utilised. The tax asset has a value of DKK 2.1 million.

Contingent liabilities

The Company has entered into non-terminable rent agreements with a total liability per 31 May 2024 of DKK 0.5 million.

The Company has entered into lease agreements with a remaining expiry time of 36 months with a total liability per 31 May 2024 of DKK 0.1 million.

Information on uncertainty with respect to going concern **10**

The company has recieved a letter of support from it's owner and therefore are the financial terms and business operation secured for upcoming year.

ACCOUNTING POLICIES

The Annual Report of MINDWORKING A/S for 2023/24 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Where products with a high degree of individual adjustment are delivered, recognition in net revenue is made as and when the production progresses, the net revenue being equal to the sales value of the work performed for the year (the production method). This method is applied when the total income and expenses regarding the contract and the degree of completion at the Balance Sheet date can be reliably assessed, and it is likely that the financial benefits will flow to the Company.

When the result of contract work cannot be assessed reliably, revenue is only recognised corresponding to the related costs and only to the extent that it is likely that they will be recovered.

Sale of services is generally recognised on the basis of a measurable degree of completion, using straight-line recognition of services delivered over time in a regular pattern. Where the degree of completion is not measurable or the sales value or the total costs of completion are uncertain, revenue is recognised by the amount that the enterprise as a maximum believes to have a right to claim and is expected to be received for services delivered at the Balance Sheet date.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs.

Other operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict- and salary compensations are included. Compensations are recognised when the income is deemed to be realisable.

Other external expenses

Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

ACCOUNTING POLICIES

BALANCE SHEET

Intangible fixed assets

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 5-10 years. The period of amortisation is determined based on an assessment of the acquired company’s position in the market and earnings profile, and the industry-specific conditions.

Rights are measured at the lower of cost less accumulated amortisation and the recoverable amount. Rights are amortised over the period of 10 years.

Development projects comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the Company’s development activities and which fulfil the criteria for recognition in the Balance Sheet.

The accounting item is measured at the lower of the capitalised costs less accumulated amortisation and recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. The amortisation period is normally 10 years.

Intangible fixed assets are generally written down to the recoverable amount if this is lower than the carrying amount.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

Tangible fixed assets

Other plant, fixtures and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	<i>Useful life</i>	<i>Residual value</i>
Other plant, fixtures and equipment.....	3-5 years	0%
Leasehold improvements.....	5-20 years	0%

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

ACCOUNTING POLICIES

Financial non-current assets

Deposits include rental deposits which are recognised and measured at cost. Deposits are not depreciated.

Impairment of fixed assets

The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value,, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

Accruals, liabilities

Accruals recognised as liabilities include payments received regarding income in subsequent years.