Umbraco A/S

Buchwaldsgade 35, 2., 5000 Odense C

Annual report

2023

Company reg. no. 35 86 65 82

The annual report was submitted and approved by the general meeting on the 20 March 2024.

Martin Henricson
Chairman of the meeting

Contents

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Umbraco A/S for the financial year 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a true and 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 C, 20 March 2024

Managing Director

Kim Sneum Madsen

Board of directors

Martin Henricson Chair	Torben Frigaard Rasmussen	Gustav Wilhelm Lagercrantz
Per Ivansson	Youtse Sung	

Independent auditor's report

To the Shareholders of Umbraco A/S

Opinion

We have audited the financial statements of Umbraco A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations 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 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 (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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Independent auditor's report

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.

- 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’s Review

Management is responsible for Management’s Review.

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

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management’s Review and, in doing so, consider whether 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 Management’s Review provides the information required under the Danish Financial Statements Act.

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

Kolding, 20 March 2024

Martinsen
State Authorised Public Accountants
Company reg. no. 32 28 52 01

Andy Philipp Gøttig
State Authorised Public Accountant
mne36186

Company information

The company	Umbraco A/S Buchwaldsgade 35, 2. 5000 Odense C	
	Company reg. no.	35 86 65 82
	Financial year:	1 January - 31 December
Board of directors	Martin Henricson, Chair Torben Frigaard Rasmussen Gustav Wilhelm Lagercrantz Per Ivansson Youtse Sung	
Managing Director	Kim Sneum Madsen	
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Jupitervej 2 6000 Kolding	
Subsidiaries	Umbraco LLC, USA Umbraco UK Ltd., England Umbraco NL B.V., The Netherlands Umbraco Vietnam, Vietnam Outfield Digital, England	

Management´s review

Business review
The Company’s purpose is to help customers deliver delightful digital solutions to their audience by making Umbraco friendly, simpler and social.

The purpose includes running the Umbraco Open Source CMS project. Further, the company offers products and services around the open-source software like:

- Umbraco Cloud which is the Umbraco CMS with a convenience layer including hosting
- Partnerships with web agencies in the ecosystem
- Service and support contracts with enterprise customers
- Add-on products and services complementing the open-source software.

In 2023 the company continued to invest in building solid organizations in key markets - Nordics, United Kingdom, Benelux and the United States of America. Futher the company has invested in product development including building data centers in the United Kingdom as well as Oceania, as we saw high demands from these areas.

During 2023 we successfully launched our new Partner Program enabling agencies to gain further flexibility in partnering with Umbraco. We introduced a credit system in which partners can use Umbraco products and services. As credits have a lifetime of two years, compared to the yearly partnership in the previous program, it has in 2023 and will in 2024 result in a significant increase in the deferred revenue, resulting in a lower booked revenue on approx. 1.600 tEUR in 2023 and estimated to 1.100 tEUR in 2024.

Financial review
The Company experienced a very satisfying growth in sales of 41 % compared to 2022. Our sales growth was mainly driven by our Umbraco Cloud offerings, but also bye new partnerships with agencies and support agreements with enterprise clients that have contributed to making the overall business more solid and sustainable.

The income statement for 2023 shows a net loss for the year of 2.152 tEUR compared to a loss of 940 tEUR last year, and the balance sheet from December 31, 2023 shows an equity of 2.131 tEUR. As mentioned above, our new Partner Program with 2 years of deferrals instead of 1 year has had a significant impact and reduced the booked revenue for 2023, however we will see that revenue in the 2024 books.

Management considers the Company's financial performance in 2023 to be satisfactory.

For 2024, we will continue to invest further in growth. As for 2023 this means product development, community activities and increased sales and marketing costs in key markets. We continue to expect a 25% average YOY sales growth across markets and products resulting in a positive EBITDA of minimum 500 tEUR.

Management´s review

Organization, Staff and diversity and inclusion

Umbraco has staff and offices covering the UK, the USA, the Netherlands, and the Nordics. However, Umbraco has customers worldwide and trades with customers in more than 100 countries.

By the end of December 2023, there are more than 130 employees with the Company. Mirroring the global reach of the company, Umbraco employs 27 different nationalities across the world.

In 2023 Umbraco hired 41 new employees. Staff can be located anywhere following our introduction of a “work from anywhere” policy in late 2020.

Umbraco has invited staff to join as shareholders. Around 45% of the eligible staff members have become shareholders in the company since the introduction of the program in 2021. The ambition is to invite staff to become shareholders on a regular basis e.g. on a 12-18 months frequency.

Diversity and Inclusion

We want to be good at what we do. We believe that working actively with diversity and inclusion helps us understand customers and markets better thus making us better at what we do.

In general we strive to create a diverse environment in and around Umbraco, where everyone feels welcomed and included.

Within IT/Tech it is commonly known that women are underrepresented both as employees and among the talent pools that we are recruiting from e.g. developers. That is why we as a company have set the goal to be above the Danish IT-industry average on the underrepresented gender. We are currently on par with the Danish IT industry gender breakdown of approximately 30% female and 70% male. In order to improve on this we have initiated the following initiatives in recruiting in 2023:

- Gender neutral job ads and bias free recruitment
- Encouraging everybody from different backgrounds to apply
- Always present a diverse line-up of candidates to hiring managers
- Hiring the candidate that brings the most value - not necessarily the one with the best traditional skill set.
- 40% of new hires in 2023 have been females

We have continued to facilitate representation of the underrepresented gender through:

- Ensuring that we are diverse and inclusive in all our activities e.g. developer community activities, marketing, communication
- Insisting on a diverse speaker lineup at all Umbraco events
- Only participating in, and supporting diverse events
- Offering equal opportunities for staff through onboarding, internal career paths and other supporting activities on the individual level
- Actively supporting activities outside the company facilitating diversity and inclusion in our local communities e.g. Hack your future, coding classes, mentor program for female students at colleges etc.

Management´s review

Gender composition in 2023

- Gender composition of the company is approximately 30% non male hence on par with the Danish IT-industry
- Board of directors: 20% female (13% female board member in the Danish IT industry)
- 1st level: CEO - 100% male
- 2nd level: C-Suite - 22% female
- 3rd level: Team leads and Group leads - 28% female
- New hires in 2023: 40% female

Knowledge resources

In 2023 we shipped two major versions - Umbraco 12 and Umbraco 13, with the latter being a LTS (Long Term Support)-version. This is on .NET 8 which is also LTS. Both versions were released on time and brought new features with them - including, but not limited to, full headless capabilities, webhooks, EF-core support, dynamic root and blocks in the RTE. The Open source nature of our core product lets us be user-centric in our product development, through community involvement via our External Product-Stakeholder-groups (think: advisory boards for all of our products).
Furthermore, we shipped more releases of our other products than ever before:

- 45 Umbraco CMS releases
- 36 Umbraco Forms releases
- 45 Umbraco Deploy releases
- 36 Umbraco Workflow releases

For our Cloud platform, we finalized:

- CI-CD flow, to let you work with your code how you want to
- We added a UK and an AUS region to the mix
- Automatic Minor-upgrades
- Shared secrets
- Availability and Performance dashboards
- Our cloud platform continues to evolve and mature with rock solid operations and high availability, and we are looking at a rich roadmap adding functionalities and flexibility that will open doors to more customers in new segments.

Management´s review

Aqusitions

In 2023 Umbraco also acquired “Vendr” - which adds an ecommerce product to Umbraco. It was rebranded under the name “Umbraco Commerce” and is sold on a recurring subscription basis. We have continued the development of the product throughout the year. Along with Vendr, also the product “Konstrukt” was acquired - this is now known as “Umbraco UI builder”. Both products are add-ons to our core CMS.

Our marketplace, the hub for discovering and promoting Umbraco Integrations, continues to grow. At the end of 2023, we had more than 300 integrations available, thus reducing transaction time for clients and partners.

For more information, see our Product Roadmap history on:
https://umbraco.com/products/roadmap/roadmap-history/

Customers including service and support

With an overall NPS of 75 over the year among customers using Umbraco Support, we are very satisfied to comfortably be able to claim that we are among the top SaaS companies using NPS to gauge their customer satisfaction.

We maintain a decent ticket response time which without doubt has been contributing to the NPS score.

Umbraco Support at a glance

- NPS: 75
- Opening hours: 8 am to 11 pm CET (Mon-Fri)
- Channels: phone, chat and email
- Responding to 90% of all tickets within opening hours: 91%
- Resolving 94.5% of all tickets in 1st line support

*Net Promoter Score can range from negative 100 to 100 (-100 to +100).The industry standard is on average 45-50 according to general publicly available surveys.

Other noteworthy achievements in 2023 are:

- Launch of a new training platform with four on-demand training courses available since the release in May 2023.

Management´s review

Sustainability

In 2023 our efforts remained as focused as ever to reduce our carbon footprint. All of the initiatives that were launched in 2022 remained active and a few new ones saw the light of day.

The road towards carbon neutrality

2023 is the second year for which we will have been calculating and offsetting the CO2 impact of the entire company. We will be releasing a report of our CO2 emissions, in the Umbraco Impact Report 2023 which will be available ultimo March 2023.

Further in 2023 we introduced “carbon neutral workforce” meaning that we offset all employees' individual carbon footprint, based upon the national per capita average in our main markets.

Offsetting is done through the supplier Ecologi (ecologi.com/umbraco), focusing primarily on funding CO2 avoidance projects such as funding of renewable energy projects and other projects that remove or reduce carbon emissions equal to our emissions.

It is important to note that offsetting is not our primary or ideal solution to minimizing our climate impact. Reducing our own emissions and those of our suppliers as much as possible will always be option 1. We will continue this effort year by year as more information and opportunities for choosing the carbon friendly alternative are becoming available.

Vetting of new suppliers and more information from existing suppliers

As we have identified that a lot of our total emissions originate from our suppliers, we have since 2022 been going over all new suppliers investigating their sustainability efforts before we start working with them. This effort continued in 2023 to ensure that we are selecting the right suppliers not only from a price/delivery point but also looking at sustainability.

As part of obtaining an overview of all emissions related to running Umbraco as a company, we are in touch with our existing suppliers requesting information about their CO2 emissions, in order to make the most precise calculations of the full impact of Umbraco and to encourage them to reduce their emissions.

Reduce average co2 emissions per employee with 10 percent in 2024

As a growth company with customers in 100 countries our need for e.g. business travel is also growing. Despite this we have set a goal of reducing the average carbon emission per employee with 10% in 2024. This is done through e.g. replacing business flights with more carbon friendly alternatives when meeting with clients/partners/customers.

This is an example of how we want to reduce our emissions first, and offset secondly. Regardless, we still offset the travel that we can’t avoid.

Management´s review

Sustainability using our software

In May 2023 we launched our community sustainability team with the purpose of highlighting best practices on building digital solutions from a sustainability point of view - enabling users of Umbraco to evaluate an implementation not only from a technical perspective but also a sustainability perspective. The team has received significant recognition during the year for its initiatives aimed at fostering sustainability within the Umbraco ecosystem. Umbraco was highly commended in the 'Best Value Chain Initiative' category at the Sustainability in Tech Awards 2024, highlighting Umbraco's commitment to sustainability.

Advocacy

Over the year we have been advocating for reducing carbon emission through consciously using implementation methods and code practices that reduce carbon emissions. This is done at colleges and universities in our key markets as well as industry organizations.

The Umbraco Community

In 2023, the Umbraco community continued to uphold its reputation as the friendliest open-source community worldwide, emphasizing collaboration and support. Members remained dedicated to enhancing Umbraco, not only through code contributions but also by addressing critical issues such as diversity, sustainability, and accessibility. The community's commitment to listening and fostering collaboration remained unwavering.

Community Champions and MVPs

Umbraco MVPs continued to emerge as influential advocates, both for Umbraco itself and for their fellow community members. In 2023, the MVP program welcomed 17 new MVPs and reinstated 2, expanding its roster of dedicated individuals to 83.

Additionally, the introduction of a Champions Program empowered MVPs to extend their impact further. This initiative enabled Umbraco HQ to support various community-driven initiatives, including efforts focused on diversity, equity, and inclusion (DEI), as well as facilitating workshops for students within their respective communities.

Connecting Through Events - Umbraco Festivals and Meetups

Umbraco Festivals and meetups served as vital hubs for connection and knowledge sharing in 2023. These events transcended geographical boundaries, fostering inclusivity, and facilitating meaningful interactions among community members.

The year witnessed an expansion of Umbraco meetups across various regions, with new meetups organized in India, Turkey, and a restarted one in Norway. The community's global reach was further underscored by the attendance of 1750+ individuals at 111 community-run and organized meetups.

Events after the balance sheet date

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

Income statement 1 January - 31 December

All amounts in EUR.

Note		2023	2022
	Revenue	11.233.997	10.136.281
	Other operating income	130.371	62.594
	Cost of sales	-4.115.952	-3.008.423
	Other external expenses	-3.164.023	-2.869.151
	Gross profit	**4.084.393**	**4.321.301**
1	Staff costs	-5.334.476	-4.391.936
	Depreciation, amortisation, and impairment	-1.495.245	-1.094.978
	Operating profit	**-2.745.328**	**-1.165.613**
	Income from investments in subsidiaries	-9.620	240
	Other financial income from group enterprises	17.900	14.587
	Other financial income	37.493	0
	Other financial expenses	-88.649	-11.216
	Pre-tax net profit or loss	**-2.788.204**	**-1.162.002**
2	Tax on net profit or loss for the year	615.301	222.450
	Net profit or loss for the year	**-2.172.903**	**-939.552**
	Proposed distribution of net profit:		
	Reserves for net revaluation according to the equity method	-4.622	1.452
	Transferred to other reserves	793.000	994.000
	Allocated from retained earnings	-2.961.281	-1.935.004
	Total allocations and transfers	**-2.172.903**	**-939.552**

Balance sheet at 31 December

All amounts in EUR.

Note	Assets	2023	2022
	Non-current assets		
3	Completed development projects, including patents and similar rights arising from development projects	6.193.241	5.164.168
4	Goodwill	0	18.715
	Total intangible assets	6.193.241	5.182.883
5	Other fixtures, fittings, tools and equipment	217.831	211.131
6	Leasehold improvements	167.237	185.315
	Total property, plant, and equipment	385.068	396.446
7	Investments in group enterprises	357.980	4.622
8	Deposits	94.489	91.891
	Total investments	452.469	96.513
	Total non-current assets	**7.030.778**	**5.675.842**
	Current assets		
	Finished goods	22.231	42.451
	Total inventories	22.231	42.451
	Trade receivables	1.877.101	1.019.520
	Receivables from group enterprises	43.328	87.985
	Receivable corporate tax	527.082	492.689
	Other receivables	20.762	0
	Prepayments	133.438	80.598
	Total receivables	2.601.711	1.680.792
	Cash and cash equivalents	968.744	701.015
	Total current assets	**3.592.686**	**2.424.258**
	Total assets	**10.623.464**	**8.100.100**

Balance sheet at 31 December

All amounts in EUR.

Note	Equity and liabilities	2023	2022
	Equity		
	Share capital	111.604	111.604
	Reserves for net revaluation as per the equity method	0	4.622
	Reserve for development expenditure	4.811.000	4.018.000
	Retained earnings	-2.812.382	-244.118
	Total equity	**2.110.222**	**3.890.108**
	Provisions		
	Provisions for deferred tax	1.003.293	1.094.140
	Total provisions	**1.003.293**	**1.094.140**
	Liabilities other than provisions		
	Other payables	391.053	298.156
9	Total long term liabilities other than provisions	391.053	298.156
	Bank loans	2.649	0
	Prepayments received from customers	6.004.573	2.156.435
	Trade payables	387.342	278.467
	Payables to subsidiaries	124.236	2.400
	Other payables	600.096	380.394
	Total short term liabilities other than provisions	7.118.896	2.817.696
	Total liabilities other than provisions	**7.509.949**	**3.115.852**
	Total equity and liabilities	**10.623.464**	**8.100.100**

10 Charges and security

11 Contingencies

12 Related parties

Statement of changes in equity

All amounts in EUR.

	Contributed capital	Reserve for net revaluation according to the equity method	Reserve for development costs	Retained earnings	Total
Equity 1 January 2022	111.627	3.170	3.024.000	-1.050.252	2.088.545
Share of results	0	1.452	0	-1.935.004	-1.933.552
Transferred from results brought forward	0	0	994.000	0	994.000
Cash capital reduction	-23	0	0	-423	-446
Contribution from group	0	0	0	2.741.561	2.741.561
Equity 1 January 2023	111.604	4.622	4.018.000	-244.118	3.890.108
Share of results	0	-4.622	0	-2.568.264	-2.572.886
Transferred from results brought forward	0	0	793.000	0	793.000
	111.604	**0**	**4.811.000**	**-2.812.382**	**2.110.222**

Notes

All amounts in EUR.

		2023	2022
1.	**Staff costs**		
	Salaries and wages	6.107.676	5.349.596
	Pension costs	878.764	698.395
	Other costs for social security	108.071	100.216
	Capitalised development costs	-1.760.035	-1.756.271
		5.334.476	**4.391.936**
	Average number of employees	97	89
2.	**Tax on net profit or loss for the year**		
	Tax of the results for the year, parent company	-527.082	-492.689
	Adjustment for the year of deferred tax	-88.219	243.168
	Adjustment of tax for previous years	0	27.071
		-615.301	**-222.450**
3.	**Completed development projects, including patents and similar rights arising from development projects**		
	Cost 1 January 2023	9.348.622	7.096.950
	Additions during the year	2.394.610	2.251.672
	Cost 31 December 2023	**11.743.232**	**9.348.622**
	Amortisation and write-down 1 January 2023	-4.184.454	-3.220.027
	Amortisation for the year	-1.365.537	-964.427
	Amortisation and write-down 31 December 2023	**-5.549.991**	**-4.184.454**
	Carrying amount, 31 December 2023	**6.193.241**	**5.164.168**

Based on the current development projects the company expects a significant increase in activitites and profits during the comming years.

Management has not identified and evidence of impairment relative to the carrying amount. The amortisation period is set a 5 years.

Notes

All amounts in EUR.

		31/12 2023	31/12 2022
4.	**Goodwill**		
	Cost 1 January 2023	328.515	328.515
	Cost 31 December 2023	**328.515**	**328.515**
	Amortisation and write-down 1 January 2023	-309.800	-276.873
	Amortisation for the year	-18.715	-32.927
	Amortisation and write-down 31 December 2023	**-328.515**	**-309.800**
	Carrying amount, 31 December 2023	**0**	**18.715**

		31/12 2023	31/12 2022
5.	**Other fixtures, fittings, tools and equipment**		
	Cost 1 January 2023	539.631	413.456
	Additions during the year	100.406	126.175
	Cost 31 December 2023	**640.037**	**539.631**
	Amortisation and write-down 1 January 2023	-328.500	-256.584
	Depreciation for the year	-93.706	-71.916
	Amortisation and write-down 31 December 2023	**-422.206**	**-328.500**
	Carrying amount, 31 December 2023	**217.831**	**211.131**

		31/12 2023	31/12 2022
6.	**Leasehold improvements**		
	Cost 1 January 2023	279.896	203.810
	Additions during the year	12.554	76.086
	Cost 31 December 2023	**292.450**	**279.896**
	Depreciation and write-down 1 January 2023	-94.581	-69.351
	Depreciation for the year	-30.632	-25.230
	Depreciation and write-down 31 December 2023	**-125.213**	**-94.581**
	Carrying amount, 31 December 2023	**167.237**	**185.315**

Notes

All amounts in EUR.

		31/12 2023	31/12 2022
7.	**Investments in group enterprises**		
	Acquisition sum, opening balance 1 January 2023	5.954	4.891
	Additions during the year	362.979	1.063
	Cost 31 December 2023	**368.933**	**5.954**
	Writedown, opening balance 1 January 2023	-1.332	-2.784
	Results for the year before goodwill amortisation	36.254	1.452
	Writedown 31 December 2023	**34.922**	**-1.332**
	Amortisation of goodwill for the year	-45.875	0
	Depreciation on goodwill 31 December 2023	**-45.875**	**0**
	Carrying amount, 31 December 2023	**357.980**	**4.622**
	The item includes goodwill with an amount of	259.955	0
	Goodwill is recognised under the item "Additions during the year" with an amount of	305.830	0

Group enterprises:

	Domicile	Equity interest
Umbraco LLC	USA	100 %
Umbraco UK Ltd.	England	100 %
Umbraco NL B.V.	The Netherlands	100 %
Umbraco Vietnam	Vietnam	100 %
Outfield Digital	England	100 %

		31/12 2023	31/12 2022
8.	**Deposits**		
	Cost 1 January 2023	94.489	40.601
	Additions during the year	0	51.290
	Cost 31 December 2023	**94.489**	**91.891**
	Carrying amount, 31 December 2023	**94.489**	**91.891**

Notes

All amounts in EUR.

9. Long term labilities other than provisions

Of the long-term liabilities, EUR 0,- falls due to payment after more than 5 years after the balance sheet date.

10. Charges and security

As security for the Company's debt to banks and other suppliers the Company has provided security or other collateral in its assets for at total amount of EUR 2.305.163.

11. Contingencies

Other rent and lease liabilities

	EUR
Rent and lease liabilities	600.114
Total contingent liabilities	**600.114**

Rent liabilities include interminable rent obligations on 3-30 months.

Joint taxation

With Umbraco Intressenter ApS, Denmark, as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The total tax payable under the joint taxation scheme appears in the annual report of the administration company.

12. Related parties

Ownership

The following shareholder are registered ind the Company's register of shareholders as holding minimum 50% of the votes or minimum 50% of the share capital.

Umbraco Intressenter ApS, Buchwaldsgade 35, 2., 5000 Odense C

Accounting policies

The annual report for Umbraco A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from the previous year, and the annual report is presented in euro (EUR).

Income statement

Revenue

Licence and royalty income is recognised over the term of the agreement in accordance with the contents of the agreement.

Revenue from time limited software licences is accrued and recognised on a straight line basis over the term of the licence according to the terms of the licence agreement.

Sale of indefinite software licences is recognised as sale of goods whereby revenue is recognised when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

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.

Cost of sales

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

Other operating income

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external expenses

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Accounting policies

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in subsidiaries

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual entities are recognised in the income statement as a proportional share of the entities' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Development projects

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year. Completed development projects are amortised on a straightline basis over the expected useful life, the amortisation period is set at 5 years

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Equipment

Equipment are measured at cost less accrued depreciation and write-down for impairment.

Accounting policies

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

Accounting policies

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Leasehold improvements

Leasehold improvements are measured at cost less accrued depreciations. Depreciation is done on a straightline basis over the estimated useful life of the asset, which is set at 10 years.

Investments

Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a measurement method.

Investments in subsidiaries are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 5-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterpriseswith a strong market position and a long-term earnings profile.

In relation to material assets and liabilities recognised in subsidiaries but are not represented in the parent, the following accounting policies have been applied.

Investments in subsidiaries with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

Accounting policies

To the extent the equity exceeds the cost, the net revaluation of equity investments in subsidiaries transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiaries.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Inventories

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, impairment takes place at the net realisable value.

Prepayments

Prepaymentsrecognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Accounting policies

Reserve for development costs
The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

Income tax and deferred tax
Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Umbraco A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions
Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Kim Sneum Madsen

Navnet returneret af dansk MitID var:
Kim Sneum Madsen
Direktør
ID: 0a92df63-6fec-4681-ad4c-d0aa2d563c53
Tidspunkt for underskrift: 20-03-2024 kl.: 07:48:30
Underskrevet med MitID

Martin Henricson

Navnet returneret af svensk BankID (SE) var:
MARTIN HENRICSON
Bestyrelsesformand
Tidspunkt for underskrift: 20-03-2024 kl.: 07:12:33
Underskrevet med BankID (SE)

Martin Henricson

Navnet returneret af svensk BankID (SE) var:
MARTIN HENRICSON
Dirigent
Tidspunkt for underskrift: 20-03-2024 kl.: 07:12:33
Underskrevet med BankID (SE)

Torben Frigaard Rasmussen

Navnet returneret af dansk MitID var:
Torben Frigaard Rasmussen
Bestyrelsesmedlem
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Underskrevet med MitID

Gustav Wilhelm Lagercrantz

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Gustav Wilhelm Lagercrantz
Bestyrelsesmedlem
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Underskrevet med BankID (SE)

Per Ivansson

Navnet returneret af svensk BankID (SE) var:
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Bestyrelsesmedlem
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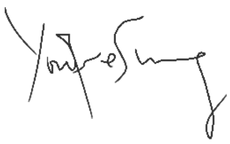

Youtse Sung
Bestyrelsesmedlem
IP-adresse: 86.16.58.232:63206
Tidspunkt for underskrift: 20-03-2024 kl.: 21:07:21
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Andy Philipp Gøttig

Navnet returneret af dansk MitID var:
Andy Philipp Gøttig
Revisor
På vegne af Martinsen Statsautoriseret Revisionspartnersel...
ID: 238cca09-25dd-48df-8e33-c5c8444fb4d5
CVR-match med dansk MitID
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