
TARGIT A/S

Gasværksvej 24, 2., DK-9000 Aalborg

Annual Report for 2024

CVR No. 11 56 26 39

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 22/4 2025

Claus Thorsgaard
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of TARGIT A/S for the financial year 1 January - 31 December 2024.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2024.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Aalborg, 22 April 2025

Executive Board

Jakob Holmen Kraglund
CEO

Board of Directors

Claus Thorsgaard
Chairman

Lars Dybkjær

Kim Ibfelt

Johan Olsson

Independent Auditor's report

To the shareholder of TARGIT A/S

Opinion

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 2024 and of the results of the Group's and the Parent Company's operations as well as of the consolidated cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of TARGIT A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

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

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.

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, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management 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.

Independent Auditor's report

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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Independent Auditor's report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements and the Parent Company Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

Hellerup, 22 April 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Søren Ørjan Jensen

State Authorised Public Accountant

mne33226

Henrik Berring Rasmussen

State Authorised Public Accountant

mne34157

Company information

The Company	TARGIT A/S Gasværksvej 24, 2. DK-9000 Aalborg Telephone: 96231900 Email: info@targit.com Website: www.targit.com CVR No: 11 56 26 39 Financial period: 1 January - 31 December Municipality of reg. office: Aalborg
Board of Directors	Claus Thorsgaard, chairman Lars Dybkjær Kim Ibfelt Johan Olsson
Executive Board	Jakob Holmen Kraglund
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Group Chart

<u>Company</u>	<u>Residence</u>	<u>Ownership</u>
TARGIT A/S	Danmark	
TARGIT (US) Inc.	USA	100%
TARGIT BENELUX B.V.	Belgium	100%

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Gross profit	93,684	81,838	70,306	63,180	64,688
Profit/loss of primary operations	9,899	3,641	4,490	10,519	7,633
Profit/loss of financial income and expenses	765	293	2,188	992	-2,516
Net profit/loss for the year	9,717	2,473	2,935	8,844	3,807
Balance sheet					
Balance sheet total	110,847	103,017	104,879	86,450	80,682
Investment in property, plant and equipment	214	879	119	230	202
Equity	36,837	31,842	34,495	25,325	19,508
Cash flows					
Cash flows from:					
- operating activities	25,381	16,850	19,678	12,502	12,232
- investing activities	-9,258	-12,207	-29,296	-9,345	-8,855
- financing activities	-5,077	-5,204	6,155	-4,524	1,968
Change in cash and cash equivalents for the year	11,046	-561	-3,463	-1,367	5,345
Number of employees	72	72	63	57	61
Ratios					
Return on assets	8.9%	3.5%	4.3%	12.2%	9.5%
Solvency ratio	33.2%	30.9%	32.9%	29.3%	24.2%
Return on equity	28.3%	7.5%	9.8%	39.5%	22.9%

Management's review

Key activities

As in previous years, the parent company's and the Group's most significant activities comprise of development and sale of Business Intelligence software as a service.

Development in the year

The income statement of the Group for 2024 shows a profit of DKK 9,717,404, and at 31 December 2024 the balance sheet of the Group shows a positive equity of DKK 36,837,102.

TARGIT continued to invest in expanding its business within strategic growth areas. Recurring revenues have grown overall and particularly within key industries, which has strengthened the company's market position in these areas. Based on this, overall Gross profit grew by 14% in 2024.

TARGIT also continued to progress on its strategic Product roadmap. Major development milestones have been successfully achieved during 2024, which has strengthened the company's market offering and position.

The past year and follow-up on development expectations from last year

TARGIT continued execution of key strategic initiatives in 2024 including:

- Realization of Product Roadmap focusing on Cloud capabilities, end-to-end Business Intelligence as a Service and New Features
- Continued development of industry solutions for key verticals
- Growth within key industries like Heavy Equipment Dealerships, Automotive Dealerships, Retail and Convenience Stores, and Public Sector
- Migration of existing customers to Cloud and subscription

All new customers are acquired on a subscription basis, and many of them prefer to deploy their solution using the Cloud platform.

The transition from a license-based revenue model to a subscription-based model continues to increase predictability and the share of recurring revenue, which grew to more than 78% in 2024.

The progress on strategic initiatives in 2024 was in line with plans and expectations.

The results are better than expected due to higher leverage on the cost base and lower than planned costs for the year.

Special risks - operating risks and financial risks

The group's most significant operating risk is related to the ability to be strongly positioned in the markets where the products are sold and to ensure continuous product development.

Targets and expectations for the year ahead

TARGIT will continue to invest in development of its Core Product, Vertical offerings, market expansion and growth within key industries in 2025.

The result for 2025 is expected to be in the range of DKK 11-14 million.

Management's review

Research and development

The company continued investments in development of the Cloud and BaaS platform as well as in a range of new features, of which some are using AI as enabler. This is to ensure TARGIT's continued value-creation for customers and competitiveness in the market. Particular focus is on being a leading user-friendly BI platform for business users across all levels and roles in an organization enabling companies to take full advantage of BI.

The company also continued investments in its industry solutions offering best practice integrations, data models, reports, dashboards, KPI's and more for key verticals to significantly improve time-to-value and ROI for customers. During the year the company has also invested in a number of proof-of-concept project to enter new markets.

Development costs in the financial year have been capitalized if they relate to significant functional changes to the products whereas continuous maintenance and minor adjustments are charged to the income statement.

Intellectual capital resources

The company's business area entails a special need for access to highly specialized knowledge resources and employees. It is instrumental that the company can recruit and retain employees with a high educational level as well as technical and business expertise. TARGIT continues to have a high level of employee engagement and retention.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 December 2024 of the Group and the results of the activities and cash flows of the Group for the financial year for 2024 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
Gross profit		93,684,425	81,838,311	56,223,610	47,180,862
Staff expenses	1	-70,810,946	-66,704,125	-37,204,170	-35,656,701
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	2	-12,974,645	-11,493,655	-9,597,202	-8,408,388
Profit/loss before financial income and expenses		9,898,834	3,640,531	9,422,238	3,115,773
Income from investments in subsidiaries		0	0	-281,456	-291,898
Financial income	3	989,588	1,075,497	1,155,908	1,039,721
Financial expenses	4	-224,620	-782,888	-122,032	-680,131
Profit/loss before tax		10,663,802	3,933,140	10,174,658	3,183,465
Tax on profit/loss for the year	5	-946,398	-1,460,555	-457,254	-710,880
Net profit/loss for the year	6	9,717,404	2,472,585	9,717,404	2,472,585

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
Completed development projects		27,161,734	27,562,550	25,094,053	26,709,566
Acquired licenses		1,866,411	2,412,923	1,866,411	2,412,923
Acquired other similar rights		5,292,705	6,518,125	0	0
Goodwill		12,081,635	13,691,567	0	0
Development projects in progress		2,966,613	1,179,924	2,966,613	1,179,924
Intangible assets	7	49,369,098	51,365,089	29,927,077	30,302,413
Other fixtures and fittings, tools and equipment		520,160	596,346	242,763	239,498
Leasehold improvements		495,451	540,083	20,789	65,885
Property, plant and equipment	8	1,015,611	1,136,429	263,552	305,383
Investments in subsidiaries	9	0	0	20,603,484	20,486,455
Other investments	10	26,250	26,250	26,250	26,250
Deposits	10	926,265	904,844	776,208	763,153
Fixed asset investments		952,515	931,094	21,405,942	21,275,858
Fixed assets		51,337,224	53,432,612	51,596,571	51,883,654
Trade receivables		7,885,809	8,559,732	611,574	653,747
Receivables from group enterprises		1,349,696	1,307,876	7,491,767	10,114,673
Other receivables		708,558	254,631	457,372	10,569
Deferred tax asset	12	1,249,786	960,607	0	0
Corporation tax		454,034	1,691,829	0	0
Prepayments	11	3,821,000	3,814,289	3,235,004	3,331,743
Receivables		15,468,883	16,588,964	11,795,717	14,110,732
Cash at bank and in hand		44,040,404	32,995,161	35,711,312	26,382,378
Current assets		59,509,287	49,584,125	47,507,029	40,493,110
Assets		110,846,511	103,016,737	99,103,600	92,376,764

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
Share capital		1,931,764	1,931,764	1,931,764	1,931,764
Reserve for net revaluation under the equity method		0	0	3,152,681	3,035,652
Reserve for development costs		0	0	21,887,316	21,753,798
Reserve for exchange rate conversion		505,628	177,959	0	0
Retained earnings		24,534,369	29,732,634	0	0
Proposed dividend for the year		9,865,341	0	9,865,341	5,121,143
Equity		36,837,102	31,842,357	36,837,102	31,842,357
Provision for deferred tax	12	6,373,822	6,296,137	5,209,426	4,862,149
Provisions		6,373,822	6,296,137	5,209,426	4,862,149
Other payables		3,243,206	3,147,274	3,243,206	3,147,274
Long-term debt	13	3,243,206	3,147,274	3,243,206	3,147,274
Trade payables		2,563,412	1,272,627	956,201	1,227,144
Payables to group enterprises		3,315,087	3,229,175	3,315,087	3,229,175
Payables to group enterprises relating to corporation tax		87,362	0	87,362	0
Other payables	13	6,427,521	9,847,312	4,088,990	5,939,648
Deferred income	14	51,998,999	47,381,855	45,366,226	42,129,017
Short-term debt		64,392,381	61,730,969	53,813,866	52,524,984
Debt		67,635,587	64,878,243	57,057,072	55,672,258
Liabilities and equity		110,846,511	103,016,737	99,103,600	92,376,764
Contingent assets, liabilities and other financial obligations	17				
Related parties	18				
Subsequent events	19				
Accounting Policies	20				

Statement of changes in equity

Group

	Share capital	Reserve for exchange rate conversion	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	1,931,764	177,959	29,732,634	0	31,842,357
Exchange adjustments	0	327,669	0	0	327,669
Net profit/loss for the year	0	0	-5,198,265	9,865,341	4,667,076
Equity at 31 December	1,931,764	505,628	24,534,369	9,865,341	36,837,102

Parent company

	Share capital	Reserve for net revaluation under the equity method	Reserve for development costs	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	1,931,764	3,035,652	21,753,798	0	5,121,143	31,842,357
Ordinary dividend paid	0	0	0	0	-5,121,143	-5,121,143
Exchange adjustments relating to foreign entities	0	327,669	0	0	0	327,669
Other equity movements	0	70,815	0	0	0	70,815
Development costs for the year	0	0	7,045,036	-7,045,036	0	0
Depreciation, amortisation and impairment for the year	0	0	-6,911,518	6,911,518	0	0
Net profit/loss for the year	0	-281,455	0	133,518	9,865,341	9,717,404
Equity at 31 December	1,931,764	3,152,681	21,887,316	0	9,865,341	36,837,102

Cash flow statement 1 January - 31 December

	Note	Group	
		2024	2023
		DKK	DKK
Result of the year		9,717,404	2,472,585
Adjustments	15	11,942,847	12,568,762
Change in working capital	16	2,788,183	6,446,497
Cash flow from operations before financial items		24,448,434	21,487,844
Financial income		989,588	1,075,497
Financial expenses		-224,620	-782,888
Cash flows from ordinary activities		25,213,402	21,780,453
Corporation tax paid		167,265	-4,930,371
Cash flows from operating activities		25,380,667	16,850,082
Purchase of intangible assets		-9,032,097	-12,022,831
Purchase of property, plant and equipment		-204,855	-875,239
Fixed asset investments made etc		-21,421	-80,899
Sale of fixed asset investments made etc		0	21,892
Current asset investments made		0	750,000
Cash flows from investing activities		-9,258,373	-12,207,077
Repayment of payables to group enterprises		44,092	-171,202
Other equity entries		0	1,617,603
Dividend paid		-5,121,143	-6,650,000
Cash flows from financing activities		-5,077,051	-5,203,599
Change in cash and cash equivalents		11,045,243	-560,594
Cash and cash equivalents at 1 January		32,995,161	33,555,755
Cash and cash equivalents at 31 December		44,040,404	32,995,161
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		44,040,404	32,995,161
Cash and cash equivalents at 31 December		44,040,404	32,995,161

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
1. Staff expenses				
Wages and salaries	65,340,916	61,792,357	35,043,091	33,489,703
Pensions	2,543,051	2,972,002	1,831,145	1,860,787
Other social security expenses	2,628,409	1,783,754	329,934	306,211
Other staff expenses	298,570	156,012	0	0
	70,810,946	66,704,125	37,204,170	35,656,701
 Including remuneration to the Executive Board and Board of Directors	 3,591,306	 3,423,598	 3,591,306	 3,423,598
 Average number of employees	 72	 72	 43	 41
	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
2. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment				
Amortisation of intangible assets	12,639,800	11,028,931	9,407,433	8,213,840
Depreciation of property, plant and equipment	334,845	464,724	189,769	194,548
	12,974,645	11,493,655	9,597,202	8,408,388
	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
3. Financial income				
Interest received from group enterprises	120,804	65,584	287,124	62,198
Other financial income	587,435	1,009,913	587,435	977,523
Exchange adjustments	281,349	0	281,349	0
	989,588	1,075,497	1,155,908	1,039,721

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
4. Financial expenses				
Interest paid to group enterprises	0	32,390	0	32,390
Other financial expenses	224,620	238,594	122,032	135,837
Exchange adjustments, expenses	0	511,904	0	511,904
	224,620	782,888	122,032	680,131

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
5. Income tax expense				
Current tax for the year	1,135,277	749,675	87,362	0
Deferred tax for the year	-211,494	379,131	347,277	695,489
Adjustment of tax concerning previous years	22,615	331,749	22,615	15,391
	946,398	1,460,555	457,254	710,880

	Parent company	
	2024	2023
	DKK	DKK
6. Profit allocation		
Extraordinary dividend paid	0	6,000,000
Proposed dividend for the year	9,865,341	5,121,143
Reserve for net revaluation under the equity method	-281,455	-294,672
Retained earnings	133,518	-8,353,886
	9,717,404	2,472,585

Notes to the Financial Statements

7. Intangible fixed assets Group

	Completed develop- ment projects	Acquired licenses	Acquired other similar rights	Goodwill	Develop- ment projects in progress
	DKK	DKK	DKK	DKK	DKK
Cost at 1 January	49,166,983	4,303,470	8,564,823	21,642,645	1,179,924
Additions for the year	1,549,441	0	0	0	9,032,097
Transfers for the year	7,245,408	0	0	0	-7,245,408
Cost at 31 December	<u>57,961,832</u>	<u>4,303,470</u>	<u>8,564,823</u>	<u>21,642,645</u>	<u>2,966,613</u>
Impairment losses and amortisation at 1 January	21,604,433	1,890,547	2,046,698	7,951,078	0
Amortisation for the year	<u>9,195,665</u>	<u>546,512</u>	<u>1,225,420</u>	<u>1,609,932</u>	<u>0</u>
Impairment losses and amortisation at 31 December	<u>30,800,098</u>	<u>2,437,059</u>	<u>3,272,118</u>	<u>9,561,010</u>	<u>0</u>
Carrying amount at 31 December	<u>27,161,734</u>	<u>1,866,411</u>	<u>5,292,705</u>	<u>12,081,635</u>	<u>2,966,613</u>

Development projects are related to the continuous enhancement and expansion of the Company's software product. The product roadmap includes parallel development tracks for new features, cloud capabilities and end-to-end business intelligence as a service. Major milestones on the product roadmap have been achieved during the year, and projects are generally progressing according to plan. The product roadmap and allocation of resources is followed up frequently by Management and updated and approved from time to time based on inputs from the product board and development organization. The software under development is expected to be made available and sold to both existing and new customers.

Notes to the Financial Statements

Parent company

	Completed development projects	Acquired licenses	Develop- ment projects in progress
	DKK	DKK	DKK
Cost at 1 January	48,164,835	4,246,454	1,179,924
Additions for the year	0	0	9,032,097
Transfers for the year	7,245,408	0	-7,245,408
Cost at 31 December	55,410,243	4,246,454	2,966,613
Impairment losses and amortisation at 1 January	21,455,269	1,833,531	0
Amortisation for the year	8,860,921	546,512	0
Impairment losses and amortisation at 31 December	30,316,190	2,380,043	0
Carrying amount at 31 December	25,094,053	1,866,411	2,966,613

8. Property, plant and equipment

	Group		Parent company	
	Other fixtures and fittings, tools and equipment	Leasehold improve- ments	Other fixtures and fittings, tools and equipment	Leasehold improve- ments
	DKK	DKK	DKK	DKK
Cost at 1 January	5,401,588	1,061,266	4,096,421	372,519
Additions for the year	204,855	9,172	147,938	0
Cost at 31 December	5,606,443	1,070,438	4,244,359	372,519
Impairment losses and depreciation at 1 January	4,805,242	521,183	3,856,923	306,634
Depreciation for the year	281,041	53,804	144,673	45,096
Impairment losses and depreciation at 31 December	5,086,283	574,987	4,001,596	351,730
Carrying amount at 31 December	520,160	495,451	242,763	20,789

Notes to the Financial Statements

9. Investments in subsidiaries

	Parent company	
	2024	2023
	DKK	DKK
Cost at 1 January	17,450,803	17,450,803
Cost at 31 December	17,450,803	17,450,803
Value adjustments at 1 January	3,035,652	10,425,763
Exchange adjustment	327,669	-92,839
Net profit/loss for the year	1,734,327	1,721,110
Dividend to the Parent Company	0	-7,002,600
Amortisation of goodwill	-2,015,782	-2,015,782
Other adjustments	70,815	0
Value adjustments at 31 December	3,152,681	3,035,652
Carrying amount at 31 December	20,603,484	20,486,455
Positive differences arising on initial measurement of subsidiaries at net asset value	17,117,431	17,117,431
Remaining positive difference included in the above carrying amount at	12,077,975	14,093,757

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Owner-ship	Equity	Net profit/loss for the year
TARGET (US) Inc.	USA	2,105	100%	7,927,674	2,065,680
TARGET BENELUX B.V.	Belgium	557,950	100%	597,834	-331,353
				8,525,508	1,734,327

Notes to the Financial Statements

10. Other fixed asset investments

	Group		Parent company	
	Other investments	Deposits	Other investments	Deposits
	DKK	DKK	DKK	DKK
Cost at 1 January	26,250	904,844	26,250	763,153
Additions for the year	0	21,421	0	13,055
Cost at 31 December	26,250	926,265	26,250	776,208
Carrying amount at 31 December	26,250	926,265	26,250	776,208

11. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
12. Provision for deferred tax				
Deferred tax liabilities at 1 January	5,335,530	4,956,399	4,862,149	4,166,660
Amounts recognised in the income statement for the year	-211,494	379,131	347,277	695,489
Deferred tax liabilities at 31 December	5,124,036	5,335,530	5,209,426	4,862,149
Recognised in the balance sheet as follows:				
Assets	1,249,786	960,607	0	0
Provisions	-6,373,822	-6,296,137	-5,209,426	-4,862,149
	5,124,036	5,335,530	5,209,426	4,862,149

Notes to the Financial Statements

Group		Parent company	
2024	2023	2024	2023
DKK	DKK	DKK	DKK

13. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Other payables

After 5 years	0	0	0	0
Between 1 and 5 years	3,243,206	3,147,274	3,243,206	3,147,274
Long-term part	3,243,206	3,147,274	3,243,206	3,147,274
Other short-term payables	6,427,521	9,847,312	4,088,990	5,939,648
	9,670,727	12,994,586	7,332,196	9,086,922

14. Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

Prepayments and accrued income recognized as liabilities comprise prepayments from customers for services, annual fees and software.

Group	
2024	2023
DKK	DKK

15. Cash flow statement - Adjustments

Financial income	-989,588	-1,075,497
Financial expenses	224,620	782,888
Depreciation, amortisation and impairment losses, including losses and gains on sales	11,362,933	11,493,655
Tax on profit/loss for the year	946,398	1,460,555
Exchange adjustments	398,484	-92,839
	11,942,847	12,568,762

Notes to the Financial Statements

	Group	
	2024	2023
	DKK	DKK
16. Cash flow statement - Change in working capital		
Change in receivables	213,285	4,417,721
Change in trade payables, etc	2,584,070	1,384,940
Other changes in working capital	-9,172	643,836
	2,788,183	6,446,497

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
17. Contingent assets, liabilities and other financial obligations				
Charges and security				
The following assets have been placed as security with bankers:				
The Group and the parent Company has pledged the assets of the Group and Company as security for debt to financial institution at a nominal value of 3 million DKK.				
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	3,787,560	3,487,585	1,961,180	1,701,763
Between 1 and 5 years	6,073,641	7,025,925	983,286	494,782
	9,861,201	10,513,510	2,944,466	2,196,545

Notes to the Financial Statements

Group		Parent company	
2024	2023	2024	2023
DKK	DKK	DKK	DKK

17. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of GRO Holding V ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

18. Related parties and disclosure of consolidated financial statements

Basis

Controlling interest

Tarok BidCo ApS

Parent company

Other related parties

The company's related parties having a significant influence comprise subsidiaries and associates as well as the companies' Board of Directors, Board of Executives and executive officers and their relatives. Related parties include also companies in which the above group of persons has material interests

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(6) of the Danish Financial Statements Act.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
GRO Holding V ApS	Copenhagen K, Denmark

The Group Annual Report of GRO Holding V ApS may be obtained at the following address:
Grønningen 17, 2.
1270 København K

Notes to the Financial Statements

19. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

20. Accounting policies

The Annual Report of TARGIT A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

In order to give a more fair presentation of the Financial Statements, we have changed the comparative figures in some places. The change has not affected profit or equity. Otherwise, the accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2024 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, TARGIT A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Business acquisitions carried through on or after 1 July 2018

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Notes to the Financial Statements

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

Business acquisitions carried through before 1 July 2018

Subject to some exemptions, acquisitions carried through before 1 July 2018 are accounted for under the same accounting policies as those applying to business combinations carried through on or after 1 July 2018. The most material exemptions are:

- Identifiable assets and liabilities of the entity acquired are recognised only if they are probable.
- Identifiable contingent liabilities of the entity acquired are not recognised in the consolidated balance sheet.
- Where the purchase price allocation is not final, positive and negative differences due to changes to the recognition and measurement of the acquired net assets may be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.
- Transaction costs directly attributable to the acquisition of subsidiaries are included as part of cost.
- After the initial recognition, adjustment of contingent consideration is recognised directly with its counter entry in initial purchase price, thus correcting the value of goodwill or negative goodwill.
- In respect of step acquisitions, the carrying amount of the existing investments is recognised in cost.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, work on own account recognised in assets, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Notes to the Financial Statements

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with wholly owned Danish subsidiaries. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 10 years, determined on the basis of Management's experience with the individual business areas.

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 5 year.

Other intangible fixed assets

Patents and rights are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Patents are amortised over the remaining patent period or a shorter useful life. The amortisation period is 5 years. Rights are amortised over the period of the agreements, which is 3-10 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

Notes to the Financial Statements

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Fixed asset investments

Fixed asset investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of deposit.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

Notes to the Financial Statements

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, the Parent Company has not prepared a cash flow statement for the Company itself but has only prepared a cash flow statement for the Group.

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

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Notes to the Financial Statements

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Return on assets	$\text{Profit/loss of primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$