Fellowmind Denmark A/S

Rosenørns Alle 1, DK-1970 Frederiksberg C

Annual Report for 2024

CVR No. 25 79 09 36

The Annual Report was presented and adopted at the
Annual General Meeting of the company on
23/06/2025

Martin Norrbom Sams
Chairman of the general meeting

Contents

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Fellowmind Denmark 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 give a true and fair view of the financial position at 31 December 2024 of the Company and of the results of the Company operations 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.

Copenhagen, 23 June 2025

Executive Board

Max Sejbæk CEO	Mikkel Aude

Board of Directors

Martin Norrbom Sams Chairman	Max Sejbæk	Niels Tasior Kodal

Independent Auditor's report

To the shareholder of Fellowmind Denmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company´s operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Fellowmind Denmark 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 ("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 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.

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 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 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 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 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.
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the Financial Statements. We are responsible for the direction, supervision and review of the audit work performed. 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, 23 June 2025
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Niels Henrik B. Mikkelsen
State Authorised Public Accountant
mne16675

Company information

The Company	Fellowmind Denmark A/S Rosenørns Alle 1 DK-1970 Frederiksberg C Telephone: + 45 82 32 32 32 Website: www.fellowmind.com CVR No: 25 79 09 36 Financial period: 1 January - 31 December Incorporated: 29 November 2000 Financial year: 25th financial year Municipality of reg. office: Frederiksberg
Board of Directors	Martin Norrbom Sams, chairman Max Sejbæk Niels Tasior Kodal
Executive Board	Max Sejbæk Mikkel Aude
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

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

(TDKK)	2024	2023	2022	2021	2020
Key figures					
Profit/loss					
Revenue	759,900	691,367	513,618	376,098	328,949
Gross profit	436,523	394,426	309,101	226,312	213,141
EBITDA	58,675	30,800	15,702	31,007	36,898
Profit/loss of primary operations	42,083	18,449	6,716	25,288	31,456
Profit/loss of financial income and expenses	1,409	-311	-334	-167	42
Net profit/loss for the year	33,674	13,948	4,738	19,647	24,431
Balance sheet					
Balance sheet total	280,802	207,549	186,602	121,093	111,283
Investment in property, plant and equipment	803	896	797	653	-356
Equity	64,878	31,205	46,199	35,259	39,613
Number of employees	467	469	381	266	243
Ratios					
Gross margin	57.4%	57.1%	60.2%	60.2%	64.8%
Profit margin	5.5%	2.7%	1.3%	6.7%	9.6%
Return on assets	15.0%	8.9%	3.6%	20.9%	28.3%
Solvency ratio	23.1%	15.0%	24.8%	29.1%	35.6%
Return on equity	70.1%	36.0%	11.6%	52.5%	76.1%

The financial ratios have been calculated as described in Accounting Policies.

Intragroup business combinations in 2022 and 2023 are accounted for using the pooling-of-interests method and comparative figures for 2020 and 2021 have not been restated.

Management's review

Key activities

Business activities and mission

At Fellowmind we aim to create meaningful connections. Making people enjoy working with technology and making technology work for them. That's what we promise our customers.

We help accelerate the digital readiness of customers in various industries by using Microsoft cloud solutions, encouraging agile development, implementing integrated platforms, and assisting end-users to learn and adopt.

Our goal is to make people enjoy working with technology and make technology work for them. The people who work at Fellowmind love to dive deep into the challenges and ambitions that keep customers up at night. They are passionate companions in finding solutions that put people at heart.

Today's digital reality has changed the fundamentals of how business is conducted. We help our customers keep pace with constantly changing customer demands and link to rich networks of possibility by expanding their influence across the entire business. We help them discover their full potential by becoming a connected company.

The group delivers a full-scale offering of services in, among other things, the implementation of business applications, IT for workplaces, infrastructure and application operations, cloud services and digitalization.

We serve our customers based on five key areas, Customer Engagement, Optimize Operations, Cloud & Security, Data & Analytics and Modern Work, and are a leading European Microsoft partner.
Fellowmind Denmark A/S is wholly owned subsidiary of Fellowmind Holding AB in Sweden. The Company's activities consist of supplying the above services to primarily Danish customers.

Development in the year

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

The income statement of the Company for 2024 shows a profit of DKK 33,673,582, and on 31 December 2024 the balance sheet of the Company shows equity of DKK 64,878,313.

The Company realized a growth in turnover to TDKK 759,900 in 2024 from TDKK 691,367 in 2023. The turnover was positively affected by strong organic growth and was in line with expectations stated in the 2023 Annual Report.

The Company realized an EBITDA of TDKK 58,679 and a result after tax of TDKK 33,674. The realized EBITDA and result after tax reflect the growth and the investments made into expanding new business areas, which will prove a solid platform for future development.

Expectations for the future

While the Management and Board of Directors remain cautiously optimistic about the year 2025, we recognize that geopolitical instability and macroeconomic uncertainties may present headwinds to our growth trajectory. Nevertheless, the Company's strong contractual foundation, skilled workforce, and well-developed pipeline provide a degree of resilience. However, we acknowledge that our financial performance may be impacted by factors beyond our control.

Based on our projections, we anticipate achieving a turnover of more than MDKK 825 and an EBITDA in the range of MDKK 60-80.

Research and development

The Company has dedicated significant time and resources towards developing its own proprietary products and services, intended for sale through licensing and subscription models. The Company holds high expectations regarding the future value of this business model, and the user base continues to expand rapidly.

Management's review

Unusual risks

Fellowmind Denmark A/S has undergone assessment, and it has been determined that the c ompany is not exposed to any exceptional risks, including operational and financial risks, beyond those commonly associated with its industry.

Knowledge resources

Based on the assessment conducted, it has been determined that Fellowmind Denmark A/S does not possess any distinctive knowledge resources, beyond the customary resources typically found within its industry.

Statement of corporate social responsibility, cf. section 99a of the Financial Statements Act

For a description of our business model, please refer to the section regarding business activities and mission.

Environment

As a Company, operating within the IT-industry, Fellowmind has an impact on GHG emissions within Scope 1 (from sources that are owned and controlled by Fellowmind, including fuel consumption from leased cars), Scope 2 (resulting from the generation of electricity, heat or steam, purchased by Fellowmind) and Scope 3 (from sources not owned or directly controlled by Fellowmind, but related to our activities). Although the biggest positive impact on GHG emissions we as a Company have is through customers' production and resource efficiency, through customer solutions that help record, report and reduce GHG emissions, we are committed to reducing our own emissions as well. In 2024, we recorded the following categories: Transportation, electric vehicles, electricity, employee commuting and fuel & energy related activities in scope 1,2 and 3. The goal is to be a net zero GHG emission organization by 2030.

Fellowmind Denmark participates in the Fellowmind Group sustainability efforts, and in 2024 we achieved the following:
- Progress on our own decarbonization journey; setting group wide science-based near term 2030 targets; 100% reduction of Scope 1 and 2, Scope 3 -25% in line with SBTi requirements, and net zero across all scopes by 2050 latest. We are committed to the Science Based Target initiative (SBTi), June 2024, to have our science-based target validated (within 2 years period) by the SBTi.
- 2 sustainability related Microsoft Partner of the Year Award recognitions: Global finalist Sustainability Changemaker category and Winner in the ESG category in Netherlands.
- Significantly increased our ESG reporting ambitions by aligning them to the CSRD before they are mandatory (currently on FY25) and despite the Omnibus proposal (delaying it to be on FY27).

Further information about our Group sustainability initiatives can be found in our yearly report:
https://www.fellowmind.com/en/about-us/digital-innovation-for-a-sustainable-future/

Management's review

Social and employee conditions

Our people are central to everything we do. There we want to be the best workplace in the industry by maximizing the engagement of our employees. We believe that by putting people at heart, they can bring their talent to the world. Beyond the day-to-day conversations between manager and employee, an extensive Employee engagement scan is performed once a year including all employees aiming at getting detailed insights on employee engagement on different topics. As a complement to the yearly scan, there is a weekly engagement scan. Other ways of communicating with employees are through our intranet platform, FellowBase, monthly internal broadcasts, a quarterly Employee Shareholder update and monthly European Management meetings. Additionally, we use modern tools like Teams and Yammer to engage in dialogs and discussions across the Company.

In 2024, the yearly employee engagement scan resulted in an eNPS in Denmark that was higher that Group average, which is very satisfactory. As we make people, business and society flourish, we continue to make Fellowmind evermore unique, competitive, and attractive.

As our people are our most valuable asset, we are committed to continuously attracting top talent within the industry. Encouragingly, 2024 saw a marked increase in applications for our open positions. We are sincerely grateful for this positive development, which we believe is a testament to the effectiveness of our strategic focus on "People at Heart," and reflects Fellowmind's growing reputation as an employer of choice.
We recognize that the competition for skilled professionals is intense, and our ability to meet our commitments to clients is directly linked to our capacity to deploy the right competencies on every engagement. To meet these demands, we actively pursue a range of people-focused initiatives:
-Ensuring a wide-ranging, deep, and overlapping set of competencies across our teams
-Continuing to grow our consultancy workforce to enhance resilience and reduce reliance on individual contributors
-Fostering a people-centric culture that supports individual development and promotes employee retention
-Maintaining a compensation and benefits model that meets or exceeds industry standards

Human rights and Anti-corruption

Being an ethical and reliable business partner is of high priority. We as a Company can make a difference, both by having our own house in order, and by having open discussions on sustainability and ethical dilemmas, internally as well as with our customers. To ensure we live up to our high standards on business ethics, we have several policies in place to manage risks of corruption and bribery in our supply chain, as well as human rights breaches in our value chain.

The Code of Conduct summarizes the fundamental ethical attitudes and integrity standards shared across all companies within the Fellowmind Group. It outlines our key ethical principles and requirements on issues that can have significant business, legal and reputational consequences if handled improperly. It applies to all Fellowmind personnel and includes respecting Human Rights, promoting equality and diversity, safeguarding the environment and prioritizing health and safety of individuals. The Code of Conduct states that Fellowmind perform business in line with basic human rights enshrined in the UN. The Company shall comply with the four conventions of the International Labor Organization (ILO) on the right to free organization, prohibition of child labor, prohibition of forced labor, and prohibition of discrimination. It also states a commitment to only associate with parties that uphold our values and standards, and a strict opposition to all forms of corruption and fraud. As such, the Code of Conduct includes a policy on anti-corruption and bribery.

Management's review

The Whistleblower policy outlines Fellowmind's procedure for reporting and handling of non-conformities. Fellowmind believes that openness and good communication throughout the organization ensures good business practice and promotes a better work culture. This procedure guides employees on how to report concerns about possible illegal actions and violations of Fellowmind's Code of Conduct and other applicable policies or guidelines. The Supplier Code of Conduct was produced in 2020 and has been introduced to suppliers in 2022. There were no known cases of non-compliance in 2024. There were no known cases of corruption in 2024. We expect the current human rights work to continue in the coming years.

It is mandatory for all employees to pass an e-learning course as part of the onboarding process. In the course, employees are asked to answer questions to show you understand the purpose of our policies and what they mean in practice, i.e. questions on how you as an employee would act in a certain situation, related to anti-corruption. Through the e-learning system the number of employees that have finished the training is tracked.

Apart from ensuring that new employees are trained in Fellowmind's Code of Conduct (incl. anti-corruption and bribery), all employees pass an updated e-learning course every second year covering the Code of Conduct and related compliance policies.
To enforce compliance with the Code of Conduct the following processes are currently in place:
-Authorization matrix: To ensure appropriate approvals for contractual liabilities
-Supplier evaluations: To ensure suppliers adhere to the same standards as Fellowmind
-Customer evaluations: Customers need to pass our Sanctions Screening Policy
In Fellowmind, we generally operate under a four-eye principle in line with our Code of Conduct.

Statement on data ethics

Data ethics and privacy It is of highest priority that everyone follows Fellowmind's policies and instructions for the use of our IT systems and processing of personal data. All employees and consultants are subject to strict confidentiality in their individual agreements and are required to pass the Fellowmind Denmark Security Code of Conduct course, within their first month of employment. The Security Code of Conduct contains requirements and guidelines related to the storing and processing of personal and customer data, security, password policies etc.

Our data policies and procedures regarding data security comply with the standards of the ISO27001:2022 framework, and are part of the scope for our ISAE 3402 assurance report, which are audited yearly by PwC. Internally, we mainly process data about our employees and job applicants and always in accordance with applicable laws and for legitimate business purposes only.

Data are stored safely and with a clear legal basis in accordance with fixed procedures for storage, erasure, data subject access requests etc. We do not use artificial intelligence tools, machine learning or algorithms on either employee or customer data.

Data security is monitored continuously, and immediate action is taken if an attack is suspected. Any breaches of data security or leaks of personal data must be reported to the Company's CISO and subsequently to Executive Management, or through our whistleblower system.

Uncertainty relating to recognition and measurement

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

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

(DKK)	Note	2024	2023
Revenue	1	759,900,091	691,366,726
Work on own account recognised in assets		14,279,027	11,058,810
Direct expenses		-250,509,944	-232,969,326
Other external expenses		-87,146,309	-75,029,844
Gross profit		**436,522,865**	**394,426,366**
Staff expenses	2	-377,844,456	-363,626,277
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3	-16,595,667	-12,351,545
Profit/loss before financial income and expenses		**42,082,742**	**18,448,544**
Financial income	4	2,345,129	766,579
Financial expenses		-936,040	-1,077,111
Profit/loss before tax		**43,491,831**	**18,138,012**
Tax on profit/loss for the year	5	-9,818,249	-4,189,773
Net profit/loss for the year	6	**33,673,582**	**13,948,239**

Balance sheet 31 December

Assets

(DKK)	Note	2024	2023
Completed development projects		17,952,969	1,112,646
Acquired licenses		62,730	98,265
Goodwill		4,017,854	4,687,496
Development projects in progress		4,727,418	21,009,199
Intangible assets	7	**26,760,971**	**26,907,606**
Other fixtures and fittings, tools and equipment		2,172,348	3,079,062
Leasehold improvements		833,930	660,592
Property, plant and equipment	8	**3,006,278**	**3,739,654**
Other receivables	9	3,819,803	3,754,642
Fixed asset investments		**3,819,803**	**3,754,642**
Fixed assets		**33,587,052**	**34,401,902**
Finished goods and goods for resale		1,296,819	1,395,760
Inventories		**1,296,819**	**1,395,760**
Trade receivables		156,040,326	142,393,839
Contract work in progress	10	5,698,182	6,813,072
Receivables from group enterprises		19,638,094	1,804,909
Other receivables		139,547	258,643
Prepayments	11	15,768,830	3,604,982
Receivables		**197,284,979**	**154,875,445**
Cash at bank and in hand		**48,633,286**	**16,876,132**
Current assets		**247,215,084**	**173,147,337**
Assets		**280,802,136**	**207,549,239**

Balance sheet 31 December

Liabilities and equity

(DKK)	Note	2024	2023
Share capital		3,741,558	3,741,558
Reserve for development costs		17,690,701	17,255,038
Retained earnings		34,946,054	10,208,135
Proposed dividend for the year		8,500,000	0
Equity		**64,878,313**	**31,204,731**
Provision for deferred tax	12	4,867,832	4,790,435
Other provisions	13	277,795	3,583,625
Provisions		**5,145,627**	**8,374,060**
Lease obligations		227,887	271,431
Other payables		22,756,186	22,124,891
Long-term debt	14	**22,984,073**	**22,396,322**
Lease obligations	14	43,593	119,633
Prepayments received from customers		24,159,824	3,792,437
Trade payables		97,409,414	75,788,716
Contract work in progress	10	13,797,887	16,985,088
Payables to group enterprises		6,705,660	3,412,418
Corporation tax		9,740,852	3,972,474
Deposits		399,252	389,972
Other payables	14	35,537,641	41,113,388
Short-term debt		**187,794,123**	**145,574,126**
Debt		**210,778,196**	**167,970,448**
Liabilities and equity		**280,802,136**	**207,549,239**
Contingent assets, liabilities and other financial obligations	15		
Related parties	16		
Fee to auditors appointed at the general meeting	17		
Subsequent events	18		
Accounting Policies	19		

Statement of changes in equity

(DKK)	Share capital	Reserve for development costs	Retained earnings	Proposed dividend for the year	Total
Equity at 1 January	3,741,558	17,255,038	10,208,135	0	31,204,731
Development costs for the year	0	9,454,371	-9,454,371	0	0
Depreciation, amortisation and impairment for the year	0	-9,018,708	9,018,708	0	0
Net profit/loss for the year	0	0	25,173,582	8,500,000	33,673,582
Equity at 31 December	**3,741,558**	**17,690,701**	**34,946,054**	**8,500,000**	**64,878,313**

Notes to the Financial Statements

1. Revenue

(DKK)	2024	2023
Geographical segments		
Revenue, Denmark	731,264,607	637,343,443
Revenue, exports	28,635,484	54,023,283
	759,900,091	**691,366,726**
Business segments		
Consulting services	338,226,911	332,259,358
Licenses and software	251,820,597	205,118,464
Managed Services, Support & Operations	132,629,968	97,533,593
Hardware	23,106,370	19,355,089
Other services	14,116,245	37,100,222
	759,900,091	**691,366,726**

2. Staff expenses

(DKK)	2024	2023
Wages and salaries	352,700,719	338,690,850
Pensions	21,723,852	21,341,767
Other social security expenses	3,419,885	3,593,660
	377,844,456	**363,626,277**
Including remuneration to the Executive Board:		
Executive board	3,916,335	3,988,916
	3,916,335	**3,988,916**
Average number of employees	**467**	**469**

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

(DKK)	2024	2023
Amortisation of intangible assets	13,021,735	10,688,922
Depreciation of property, plant and equipment	1,498,835	1,662,623
Impairment of intangible assets	2,075,097	0
	16,595,667	**12,351,545**

Notes to the Financial Statements

4. Financial income

(DKK)	2024	2023
Interest from group enterprises	398,213	134,171
Other financial income	1,887,828	628,516
Exchange adjustments	59,088	3,892
	2,345,129	**766,579**

5. Income tax expense

(DKK)	2024	2023
Current tax for the year	9,740,852	3,972,474
Deferred tax for the year	77,397	217,299
	9,818,249	**4,189,773**

6. Profit allocation

(DKK)	2024	2023
Extraordinary dividend paid	0	32,500,000
Proposed dividend for the year	8,500,000	0
Retained earnings	25,173,582	-18,551,761
	33,673,582	**13,948,239**

Notes to the Financial Statements

7. Intangible fixed assets

(DKK)	Completed development projects	Acquired licenses	Goodwill	Development projects in progress
Cost at 1 January	2,239,289	655,213	7,183,095	64,405,244
Additions for the year	0	0	0	14,940,364
Disposals for the year	0	0	0	-2,813,133
Transfers for the year	71,798,814	29,362	0	-71,805,057
Cost at 31 December	74,038,103	684,575	7,183,095	4,727,418
Impairment losses and amortisation at 1 January	1,126,643	556,948	2,495,599	43,396,045
Amortisation for the year	12,317,840	34,253	669,642	0
Impairment and amortisation of sold assets for the year	0	0	0	-738,036
Transfers for the year	42,640,651	30,644	0	-42,658,009
Impairment losses and amortisation at 31 December	56,085,134	621,845	3,165,241	0
Carrying amount at 31 December	**17,952,969**	**62,730**	**4,017,854**	**4,727,418**

The Company's development projects relate to continued development, improvements and upgrading of the Company's existing software platform. The development, improvements and upgrading are completed on an ongoing basis and are ready for use upon completion. The software platform forms the basis of a large part of the Company's existing business, hence, there are markets and customers for the software. The improvements and upgrading is expected to have lives of three years which are considered to reflect the useful lives. The projects are progressing according to plan through the use of the resources allocated by Management to the development.

Notes to the Financial Statements

8. Property, plant and equipment

(DKK)	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 January	9,045,257	2,905,650
Additions for the year	385,628	417,630
Disposals for the year	-107,309	0
Transfers for the year	-13,163	0
Cost at 31 December	9,310,413	3,323,280
Impairment losses and depreciation at 1 January	5,966,195	2,245,058
Depreciation for the year	1,254,543	244,292
Reversal of impairment and depreciation of sold assets	-77,309	0
Transfers for the year	-5,364	0
Impairment losses and depreciation at 31 December	7,138,065	2,489,350
Carrying amount at 31 December	**2,172,348**	**833,930**
Including assets under finance leases amounting to	271,480	0

9. Other fixed asset investments

(DKK)	Other receivables
Cost at 1 January	3,754,642
Additions for the year	65,161
Cost at 31 December	3,819,803
Carrying amount at 31 December	**3,819,803**

Notes to the Financial Statements

10. Contract work in progress

(DKK)	2024	2023
Selling price of work in progress	80,213,530	89,896,493
Payments received on account	-88,313,235	-100,068,509
	-8,099,705	**-10,172,016**
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	5,698,182	6,813,072
Prepayments received recognised in debt	-13,797,887	-16,985,088
	-8,099,705	**-10,172,016**

11. Prepayments

Prepayments consist of prepaid expenses concerning, insurance premiums, leasing, software and other administration costs.

12. Provision for deferred tax

(DKK)	2024	2023
Deferred tax liabilities at 1 January	4,790,435	3,959,504
Net effect from merger and acquisition	0	613,632
Amounts recognised in the income statement for the year	77,397	217,299
Deferred tax liabilities at 31 December	**4,867,832**	**4,790,435**

13. Other provisions

(DKK)	2024	2023
Other provisions consist of provisions for loss on fixed-price construction contracts.		
Provisions for loss on construction contracts	277,795	3,583,625
	277,795	**3,583,625**
The provisions are expected to mature as follows:		
Within 1 year	277,795	3,583,625
After 5 years	0	0
	277,795	**3,583,625**

Notes to the Financial Statements

14. Long-term debt

(DKK)	2024	2023
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:		
Lease obligations		
After 5 years	0	0
Between 1 and 5 years	227,887	271,431
Long-term part	227,887	271,431
Within 1 year	43,593	119,633
	271,480	**391,064**
Other payables		
After 5 years	22,756,186	22,124,891
Long-term part	22,756,186	22,124,891
Other short-term payables	35,537,641	41,113,388
	58,293,827	**63,238,279**

15. Contingent assets, liabilities and other financial obligations

(DKK)	2024	2023
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	8,454,931	3,826,051
Between 1 and 5 years	8,034,003	2,006,756
	16,488,934	**5,832,807**

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the Group's jointly taxed income.

Notes to the Financial Statements

16. Related parties and disclosure of consolidated financial statements

	Basis
Controlling interest	
FSN Capital GP V Limited	Legal Global Ultimate Parent
Fellowmind Denmark Holding ApS	Immediate Parent

Transactions

Rented consulting services to group enterprises TDKK 18,483
Rented consulting services from group enterprises TDKK 1,869
Interest income from group enterprises TDKK 398
Receivables from group enterprises TDKK 19,638
Payables to group enterprises TDKK 6,706

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
Fellowmind Holding AB	211 35 Malmö

The Group Annual Report of Fellowmind Holding AB may be obtained at the following address:

Kungsbron 2,
111 22 Stockholm

17. Fee to auditors appointed at the general meeting

With reference to the exemption in section 96(3) of the Danish Financial Statements Act and to the notes regarding fee to auditors appointed at the general meeting included in the Consolidated Financial Statements of Fellowmind Company AB, the Company has excluded the information in the financial Statement.

18. Subsequent events

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

Notes to the Financial Statements

19. Accounting policies

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

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024 are presented in DKK.

Adjustment of comparative figures

Certain reclassifications have been made in the balance sheet for the Company. Comparative and key figures have been adjusted accordingly.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Fellowmind Holding AB, the Company has not prepared a cash flow statement.

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.

Business combinations

Pooling of interests

Intragroup business combinations are accounted for under the pooling-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied as if the two enterprises had always been combined by restating comparative figures.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Notes to the Financial Statements

19. Accounting policies (continued)

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences 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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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 transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

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

Segment information on revenue

Information on business segments and geographical segments is based on the Company´s risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

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 Company.

Contract work in progress is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract 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 Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

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

Direct expenses

Direct expenses are project related cost which comprise external services rendered, raw materials, and consumables consumed to achieve revenue for the year.

Other external expenses

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

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.

Notes to the Financial Statements

19. Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

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

The Company is jointly taxed with all affiliated companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

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 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 3 year.

Other intangible fixed assets

Other intangible fixed assets are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Software licences are amortised over the period of the agreements, which is 3-5 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.

Notes to the Financial Statements

19. Accounting policies (continued)

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	5-7 years
Leasehold improvements	5 years
Computers	3 years

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.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale equals landed cost.

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.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning insurance premiums, leasing and other administration costs.

Dividend

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

Notes to the Financial Statements

19. Accounting policies (continued)

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

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 liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

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

Financial Highlights

Explanation of financial ratios

Gross margin	Gross profit x 100 / Revenue
Profit margin	Profit/loss of primary operations x 100 / Revenue
Return on assets	Profit/loss of primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity