Keepit A/S

Per Henrik Lings Allé 4, 7., DK-2100 Copenhagen

Annual Report for 1 October 2023 - 30 September 2024

CVR No. 30 80 68 83

The Annual Report was presented and adopted at the Annual General Meeting of the company on 19/12 2024

Mikkel Bansholt Oxfeldt
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 Keepit A/S for the financial year 1 October 2023 - 30 September 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 30 September 2024 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023/24.

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, 19 December 2024

Executive Board

Morten Felsvang CEO	Frederik Schouboe Executive officer

Board of Directors

Niels Anderskouv Chairman	Jesper Tranholm Frederiksen	Nikolaj Hviid
David Klein	Francois Pierre-Marie Delmas	

Independent Auditor's report

To the shareholders of Keepit 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 30 September 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 October 2023 - 30 September 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Keepit A/S for the financial year 1 October 2023 - 30 September 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.

- 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Hellerup, 19 December 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Niels Henrik B. Mikkelsen
State Authorised Public Accountant
mne16675

Martin Birch
State Authorised Public Accountant
mne42825

Company information

The Company	Keepit A/S Per Henrik Lings Allé 4, 7. DK-2100 Copenhagen CVR No: 30 80 68 83 Financial period: 1 October 2023 - 30 September 2024 Incorporated: 23 August 2007 Municipality of reg. office: Copenhagen
Board of Directors	Niels Anderskouv, chairman Jesper Tranholm Frederiksen Nikolaj Hviid David Klein Francois Pierre-Marie Delmas
Executive Board	Morten Felsvang Frederik Schouboe
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

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

	Group				
	2023/24	2022/23	2021/22	2020/21	2019/20
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	295,768	208,165	133,736	74,334	44,887
Gross profit	194,797	124,972	66,832	29,829	23,579
EBITDA	-56,011	-40,551	-96,418	-48,000	-6,278
Profit/loss of primary operations	-89,653	-63,808	-112,782	-58,195	-13,036
Profit/loss of financial income and expenses	-20,913	-17,849	-3,228	-3,066	-5,113
Net profit/loss for the year	-107,705	-77,250	-111,684	-52,012	-14,092
Balance sheet					
Balance sheet total	401,854	291,500	208,055	154,872	185,151
Investment in property, plant and equipment	44,725	31,965	33,648	17,227	12,925
Development costs capitalized	38,775	27,913	17,043	12,448	8,316
Equity	-97,514	-66,787	10,580	70,742	122,754
Cash flows					
Cash flows from:					
- operating activities	-26,124	-29,219	-88,459	-52,006	-10,976
- investing activities	-84,882	-60,045	-52,533	-31,302	-21,246
- financing activities	157,561	116,759	131,044	14,148	150,655
Change in cash and cash equivalents for the year	46,555	27,495	-9,948	-69,160	118,433
Number of employees	245	190	168	128	40
Ratios					
Gross margin	65.9%	60.0%	50.0%	40.1%	52.5%
Profit margin	-30.3%	-30.7%	-84.3%	-78.3%	-29.0%
Return on assets	-22.3%	-21.9%	-54.2%	-37.6%	-7.0%
Solvency ratio	-24.3%	-22.9%	5.1%	45.7%	66.3%

During 2020-21 Keepit A/S established a subsidiary in the US. This means that for 2020-21 consolidated financial statements have been prepared for the first time. The comparison figures for 2019-20 have not been restated and consist only of the parent company's numbers.

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, refer to the accounting policies.

Management's review

Key activities

In an era where data shapes our identities, businesses, and societies, Keepit stands at the forefront of modern data protection, management, and intelligence. With groundbreaking innovations, Keepit is redefining how organizations worldwide safeguard and manage cloud data, solidifying its position as a category leader and a true disruptor in cloud data protection and intelligence.

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

The financial year 2023-24 marked another period of strong growth and investment, aligned with our business plan.
Keepit Group delivered revenue growth of 42% during the year and EBITDA of DKK -56.0m. These results were broadly in line with the guidance set out last year.
The net result for the Group for the year shows a loss of DKK -107.7m and, as of 30 September 2024, equity is DKK -97.5m.

Capital resources

Keepit has secured significant new investment of USD 50m, the first tranche of which closed on 17 September 2024 and the second closed on 11 December 2024. The investment is structured as an equity investment, with the proceeds paid in cash to Keepit.
The new investment came in through existing Keepit investor One Peak, including a group of independent investors, and the Export and Investment Fund of Denmark (EIFO).
This accomplishment underscores the strong confidence in our business model, innovation, and long-term vision. It also strengthens our capacity for growth and reinforces our commitment to delivering exceptional value to our customers, both today and in the future.
As of 30 September 2024, the company had cash and cash equivalents of DKK 124.2m. The amount includes the proceeds of the first closing, as described above. The proceeds from the second closing will add an additional DKK ~270m to the cash balance. This will bring the total cash reserves up to just under DKK 400m.

Special risks - operating risks and financial risks

Keepit receives income in different currencies with the majority being DKK, EUR and USD.
The operational currency exposure from the day-to-day business is well balanced. However, a significant share of Keepit’s debt is denominated in USD which implies some financial currency exposure, since most of the company’s cash reserves are held in DKK.
The interest rates on most of Keepit’s debt are variable.
Currency risks and interest rate risks are currently not hedged.

Targets and expectations for the year ahead

In line with last year, the market for cloud data protection and management is expected to continue to grow significantly, and Keepit will continue to invest in growth. Based on the budget prepared at the start of the fiscal year, the company expects continued significant topline growth between 30%-50% and negative EBITDA in the range of DKK -100m to DKK -125m for the fiscal year 2024-25.

Research and development

To maintain product leadership in the market, Keepit continues to invest in new product research and development. With the rapid development of new technologies, growing cybersecurity threats and increased legal compliance requirements for customers and their data estate, this continues to be a key investment focus for the Company and central to the future growth.
The ability to attract and retain talent is critical, and Keepit has been successful in this regard as illustrated by the close to 400 skilled employees and contractors across multiple locations, at the end of the fiscal year.
Employee turnover was reduced during the year.
More than DKK 70m was invested in research and development during the fiscal year, of which DKK 38.8m was capitalized.

Management's review

External environment

Keepit recognizes the importance of limiting the environmental impact of cloud service operations and therefore takes initiatives to reduce carbon emissions. Because Keepit recognizes that the power consumption of its data centres constitutes the largest potential contributor to carbon emissions, it has always been committed to relying on clean energy, as far as possible.
All of Keepit’s data centers located in the Americas and EMEA are powered by 100% renewable energy.
Keepit observes the ten principles of the United Nations Global Compact on human rights, labor rights, environmental protection, and combatting all forms of corruption. These principles constitute the minimum standards for Keepit and are integrated into Keepit’s Code of Conduct available at https://www.keepit.com/code-of-conduct/.
Every person working for Keepit, whether permanently or temporarily employed, subcontracted, or volunteering, is subject to the Code of Conduct, including management and the Board of Directors. The Code of Conduct applies to all countries in which Keepit operate and to every employee working on behalf of Keepit within those countries.
Keepit has a People and Culture department which is responsible for creating the best conditions for employees and ensuring their well-being by e.g., providing leaders with different leadership tools and supporting them in conducting performance dialogues, managing organizational changes, and handling on/offboarding procedures in accordance with internal guidelines to ensure that Keepit is an equal opportunity employer and bases employment decisions on qualifications, experience, and potential.

Uncertainty relating to recognition and measurement

Completed development projects represents a book value of DKK 92.1m as of 30 September 2024. Capitalized costs of completed development projects comprise salaries directly or indirectly attributable to the Company’s development activities. On a monthly basis, it is assessed if costs qualify for capitalization. This assessment is based on managerial estimates including the nature of the development activities and the potential current and future addressable market. Capitalized development projects are amortized on a straight-line basis over 10 years. Costs not passing these criteria are expensed in the income statement. Management has performed an impairment test based on a discounted cash flow framework, where the main variables are cash flow in a forecast period, discount rate, and growth in cash flow in the terminal period. Based on the performed impairment test, management sees no grounds for impairment.

Unusual events

The financial position at 30 September 2024 of the Group and the results of the activities and cash flows of the Group for the financial year for 2023/24 have not been affected by any unusual events.

Subsequent events

As mentioned under capital resources, Keepit has secured further capital resources in the form of additional equity investments. This means a further DKK ~270m was paid in to the company’s bank account during December 2024.
No other events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 October 2023 - 30 September 2024

	Note	Group 2023/24	Group 2022/23	Parent company 2023/24	Parent company 2022/23
		TDKK	TDKK	TDKK	TDKK
Revenue		295,768	208,165	243,358	173,103
Work on own account recognised in assets		38,775	27,913	23,410	20,674
Direct expenses		-15,380	-10,987	-15,380	-10,987
Other external expenses		-124,366	-100,119	-152,705	-109,399
Gross profit		**194,797**	**124,972**	**98,683**	**73,391**
Staff expenses	1	-250,807	-165,525	-163,149	-117,703
Earnings Before Interest Taxes Depreciation and Amortization		**-56,010**	**-40,553**	**-64,466**	**-44,312**
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	2	-33,643	-23,255	-30,261	-22,272
Profit/loss before financial income and expenses		**-89,653**	**-63,808**	**-94,727**	**-66,584**
Income from investments in subsidiaries		0	0	2,318	495
Financial income	3	6,848	0	7,366	589
Financial expenses	4	-27,761	-17,849	-28,081	-17,180
Profit/loss before tax		**-110,566**	**-81,657**	**-113,124**	**-82,680**
Tax on profit/loss for the year	5	2,861	4,407	5,419	5,430
Net profit/loss for the year	6	**-107,705**	**-77,250**	**-107,705**	**-77,250**

Balance sheet 30 September 2024

Assets

	Note	Group		Parent company	
		2023/24	2022/23	2023/24	2022/23
		TDKK	TDKK	TDKK	TDKK
Completed development projects		92,092	65,894	72,678	59,038
Acquired patents		0	2	0	2
Goodwill		0	0	0	0
Development projects in progress		0	0	0	0
Intangible assets	7	**92,092**	**65,896**	**72,678**	**59,040**
Other fixtures and fittings, tools and equipment		93,755	70,432	92,804	69,435
Leasehold improvements		2,135	1,797	2,135	1,797
Property, plant and equipment	8	**95,890**	**72,229**	**94,939**	**71,232**
Investments in subsidiaries	9	0	0	6,779	4,243
Deposits	10	4,732	3,350	3,424	2,927
Fixed asset investments		**4,732**	**3,350**	**10,203**	**7,170**
Fixed assets		**192,714**	**141,475**	**177,820**	**137,442**
Trade receivables		41,602	35,205	33,749	27,176
Receivables from group enterprises		0	0	18,719	7,321
Other receivables		782	6,305	777	6,167
Deferred tax asset	11	0	21	0	0
Corporation tax receivable from group enterprises		11,311	9,909	11,311	9,909
Prepayments	12	31,224	20,919	29,560	19,978
Receivables		**84,919**	**72,359**	**94,116**	**70,551**
Cash at bank and in hand		**124,221**	**77,666**	**116,154**	**73,290**
Current assets		**209,140**	**150,025**	**210,270**	**143,841**
Assets		**401,854**	**291,500**	**388,090**	**281,283**

Balance sheet 30 September 2024

Liabilities and equity

		Group		Parent company	
	Note	2023/24	2022/23	2023/24	2022/23
		TDKK	TDKK	TDKK	TDKK
Share capital	13	1,629	1,580	1,629	1,580
Share premium account		0	0	0	0
Reserve for net revaluation under the equity method		0	0	6,550	4,015
Reserve for development costs		0	0	72,678	59,250
Reserve for exchange rate conversion		-2,665	-2,883	0	0
Retained earnings		-96,478	-65,484	-178,371	-131,632
Equity		**-97,514**	**-66,787**	**-97,514**	**-66,787**
Credit institutions		230,842	85,391	230,842	85,391
Lease obligations		11,658	8,264	11,658	8,264
Deferred income		12,689	12,909	10,810	8,215
Long-term debt	14	**255,189**	**106,564**	**253,310**	**101,870**
Credit institutions	14	33,455	109,127	33,455	109,127
Lease obligations	14	29,205	21,795	29,205	21,795
Trade payables		16,037	7,558	14,422	6,940
Payables to group enterprises		0	0	23,284	14,517
Payables to owners and Management		57	216	57	216
Corporation tax		1,151	0	0	0
Other payables		36,001	33,547	25,535	27,233
Deferred income	14	128,273	79,480	106,336	66,372
Short-term debt		**244,179**	**251,723**	**232,294**	**246,200**
Debt		**499,368**	**358,287**	**485,604**	**348,070**
Liabilities and equity		**401,854**	**291,500**	**388,090**	**281,283**

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	Share premium account	Reserve for development costs	Reserve for exchange rate conversion	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 October	1,580	0	65,894	-2,882	-131,379	-66,787
Exchange adjustments	0	0	0	217	0	217
Cash capital increase	49	77,231	0	0	0	77,280
Capital increase and dividend distribution costs	0	0	0	0	-519	-519
Other equity movements	0	0	-65,894	0	65,894	0
Net profit/loss for the year	0	0	0	0	-107,705	-107,705
Transfer from share premium account	0	-77,231	0	0	77,231	0
Equity at 30 September	**1,629**	**0**	**0**	**-2,665**	**-96,478**	**-97,514**

Parent company

	Share capital	Share premium account	Reserve for net revaluation under the equity method	Reserve for development costs	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 October	1,580	0	4,015	59,251	-131,633	-66,787
Exchange adjustments	0	0	217	0	0	217
Cash capital increase	49	77,231	0	0	0	77,280
Capital increase and dividend distribution costs	0	0	0	0	-519	-519
Other equity movements	0	0	0	-213	213	0
Development costs for the year	0	0	0	23,410	-23,410	0
Depreciation, amortisation and impairment for the year	0	0	0	-9,770	9,770	0
Net profit/loss for the year	0	0	2,318	0	-110,023	-107,705
Transfer from share premium account	0	-77,231	0	0	77,231	0
Equity at 30 September	**1,629**	**0**	**6,550**	**72,678**	**-178,371**	**-97,514**

Cash flow statement 1 October 2023 - 30 September 2024

		Group	
	Note	2023/24	2022/23
		TDKK	TDKK
Result of the year		-107,705	-77,250
Adjustments	15	51,695	36,697
Change in working capital	16	48,168	26,295
Cash flow from operations before financial items		**-7,842**	**-14,258**
Financial income		6,848	0
Financial expenses		-27,761	-17,849
Cash flows from ordinary activities		**-28,755**	**-32,107**
Corporation tax paid		2,631	2,888
Cash flows from operating activities		**-26,124**	**-29,219**
Purchase of intangible assets		-38,775	-27,914
Purchase of property, plant and equipment		-44,725	-31,966
Fixed asset investments made etc		-1,382	-165
Cash flows from investing activities		**-84,882**	**-60,045**
Repayment of loans from credit institutions		-3,172	-7,656
Reduction of lease obligations		-30,425	-23,571
Raising of loans from credit institutions		72,951	121,376
Lease obligations incurred		41,229	26,727
Cash capital increase		76,761	0
Other equity entries		217	-117
Cash flows from financing activities		**157,561**	**116,759**
Change in cash and cash equivalents		**46,555**	**27,495**
Cash and cash equivalents at 1 October		77,666	50,171
Cash and cash equivalents at 30 September		**124,221**	**77,666**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		124,221	77,666
Cash and cash equivalents at 30 September		**124,221**	**77,666**

1. Staff Expenses

	Group 2023/24	Group 2022/23	Parent company 2023/24	Parent company 2022/23
	TDKK	TDKK	TDKK	TDKK
Wages and salaries	220,354	147,886	153,083	111,087
Pensions	21,261	12,847	6,396	4,191
Other social security expenses	8,469	4,374	3,179	2,223
Other staff expenses	723	418	491	202
	250,807	**165,525**	**163,149**	**117,703**
Including remuneration to the Executive Board:				
Executive board	3,948,103	5,082,576	3,948,103	5,082,576
	3,948,103	**5,082,576**	**3,948,103**	**5,082,576**
Average number of employees	**245**	**190**	**130**	**124**

The Board of Directors is authorized under the articles of association of the company to issue warrants and has introduced a warrant program for the executive management and a small number of individual contributors in the company. The warrant program has been unanimously approved by all shareholders and the Board of Directors has unanimously confirmed each warrant grant made under the warrant program. The total number of warrants under the program is 114,332 of which the executive management has received 16,154 warrants as part of the remuneration for their service. The maturity period is 5 years from the time of granting.

Incentive programmes are not recognised in the Financial Statements.

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

	Group 2023/24	Group 2022/23	Parent company 2023/24	Parent company 2022/23
	TDKK	TDKK	TDKK	TDKK
Amortisation of intangible assets	12,579	8,360	9,772	7,741
Depreciation of property, plant and equipment	21,064	14,895	20,489	14,531
	33,643	**23,255**	**30,261**	**22,272**

Notes to the Financial Statements

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
3. Financial income				
Interest received from group enterprises	0	0	572	589
Other financial income	848	0	794	0
Exchange adjustments	6,000	0	6,000	0
	6,848	**0**	**7,366**	**589**

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
4. Financial expenses				
Interest paid to group enterprises	0	0	337	0
Other financial expenses	27,761	16,274	27,744	15,605
Exchange adjustments, expenses	0	1,575	0	1,575
	27,761	**17,849**	**28,081**	**17,180**

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
5. Income tax expense				
Current tax for the year	-2,882	-4,403	-5,419	-5,447
Deferred tax for the year	21	-21	0	0
Adjustment of tax concerning previous years	0	17	0	17
	-2,861	**-4,407**	**-5,419**	**-5,430**

Notes to the Financial Statements

	Parent company	
	2023/24	2022/23
	TDKK	TDKK
6. Profit allocation		
Reserve for net revaluation under the equity method	2,318	495
Retained earnings	-110,023	-77,745
	-107,705	**-77,250**

7. Intangible fixed assets

Group

	Completed development projects	Acquired patents	Goodwill	Develop-ment projects in progress
	TDKK	TDKK	TDKK	TDKK
Cost at 1 October	124,487	606	3,596	0
Additions for the year	0	0	0	38,775
Transfers for the year	38,775	0	0	-38,775
Cost at 30 September	163,262	606	3,596	0
Impairment losses and amortisation at 1 October	58,594	604	3,596	0
Amortisation for the year	12,576	2	0	0
Impairment losses and amortisation at 30 September	71,170	606	3,596	0
Carrying amount at 30 September	**92,092**	**0**	**0**	**0**

Development projects relate to the development of new products and features to the Keepit Group's existing SaaS platform. In the financial year the Group has completed patches and new releases relating to its existing platform. The projects are progressing according to plan through the use of ressources allocated by Management to the development. The software is expected to be sold to both existing and new customers.

Notes to the Financial Statements

Parent company

	Completed development projects	Acquired patents	Goodwill	Develop-ment projects in progress
	TDKK	TDKK	TDKK	TDKK
Cost at 1 October	116,926	606	3,596	0
Additions for the year	0	0	0	23,410
Transfers for the year	23,410	0	0	-23,410
Cost at 30 September	140,336	606	3,596	0
Impairment losses and amortisation at 1 October	57,889	604	3,596	0
Amortisation for the year	9,769	2	0	0
Impairment losses and amortisation at 30 September	67,658	606	3,596	0
Carrying amount at 30 September	**72,678**	**0**	**0**	**0**

Development projects relate to the development of new products and features to the Keepit Group's existing SaaS platform. In the financial year the Group has completed patches and new releases relating to its existing platform. The projects are progressing according to plan through the use of ressources allocated by Management to the development. The software is expected to be sold to both existing and new customers.

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
	TDKK	TDKK	TDKK	TDKK
Cost at 1 October	110,493	3,315	108,982	3,315
Additions for the year	43,998	728	43,469	728
Cost at 30 September	154,491	4,043	152,451	4,043
Impairment losses and depreciation at 1 October	40,062	1,518	39,548	1,518
Depreciation for the year	20,674	390	20,099	390
Impairment losses and depreciation at 30 September	60,736	1,908	59,647	1,908
Carrying amount at 30 September	**93,755**	**2,135**	**92,804**	**2,135**
Including assets under finance leases amounting to	84,557	0	84,557	0

Notes to the Financial Statements

	Parent company	
	2023/24	2022/23
	TDKK	TDKK

9. Investments in subsidiaries

	2023/24 TDKK	2022/23 TDKK
Cost at 1 October	229	228
Cost at 30 September	229	228
Value adjustments at 1 October	4,015	3,636
Exchange adjustment	217	-116
Net profit/loss for the year	2,318	495
Value adjustments at 30 September	6,550	4,015
Carrying amount at 30 September	**6,779**	**4,243**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
KEEPIT USA. Inc.	Delaware, USA	USD 1,000	100%
Keepit Poland sp. z o.o.	Wroclaw, Poland	PLN 5,000	100%
Keepit Uruguay S.A.	Montevideo, Uruguay	USD 2,500	100%
Keepit Germany GmbH	Munich, Germany	EUR 25,000	100%
Keepit Technologies UK, LTD	London, United Kingdom	GBP 1	100%
Keepit France SAS	Paris, France	EUR 1	100%

Notes to the Financial Statements

10. Other fixed asset investments

	Group	Parent company
	Deposits	Deposits
	TDKK	TDKK
Cost at 1 October	3,350	2,926
Additions for the year	1,382	498
Cost at 30 September	4,732	3,424
Carrying amount at 30 September	**4,732**	**3,424**

11. Deferred tax asset

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
Deferred tax asset at 1 October	21	0	0	0
Amounts recognised in the income statement for the year	-21	21	0	0
Deferred tax asset at 30 September	**0**	**21**	**0**	**0**

Recognition of deferred tax assets relates to temporary differences between accounting values and taxable values of assets which the Group expect to utilise in the coming financial years.

12. Prepayments

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

13. Share capital

	Number	Nominal value
		TDKK
A-shares	540,570	541
A2-shares	39,232	39
A3-shares	48,979	49
Z-shares	1,000,000	1,000
		1,629

Notes to the Financial Statements

14. 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:

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
Credit institutions				
After 5 years	0	0	0	0
Between 1 and 5 years	230,842	85,391	230,842	85,391
Long-term part	230,842	85,391	230,842	85,391
Within 1 year	33,455	109,127	33,455	109,127
	264,297	**194,518**	**264,297**	**194,518**
Lease obligations				
After 5 years	0	0	0	0
Between 1 and 5 years	11,658	8,264	11,658	8,264
Long-term part	11,658	8,264	11,658	8,264
Within 1 year	29,205	21,795	29,205	21,795
	40,863	**30,059**	**40,863**	**30,059**
Deferred income				
After 5 years	0	0	0	0
Between 1 and 5 years	12,689	12,909	10,810	8,215
Long-term part	12,689	12,909	10,810	8,215
Within 1 year	128,273	79,480	106,336	66,372
	140,962	**92,389**	**117,146**	**74,587**

The Board of Directors is authorized under the articles of association of the company to issue warrants and has introduced a warrant program for the executive management and a small number of individual contributors in the company. The warrant program has been unanimously approved by all shareholders and the Board of Directors has unanimously confirmed each warrant grant made under the warrant program. The maturity period is 5 years from the time of granting.

Incentive programmes are not recognised in the Financial Statements.

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

15. Cash flow statement - Adjustments

	Group 2023/24	Group 2022/23
	TDKK	TDKK
Financial income	-6,848	0
Financial expenses	27,761	17,849
Depreciation, amortisation and impairment losses, including losses and gains on sales	33,643	23,255
Tax on profit/loss for the year	-2,861	-4,407
	51,695	**36,697**

16. Cash flow statement - Change in working capital

	Group 2023/24	Group 2022/23
	TDKK	TDKK
Change in receivables	-11,179	-17,643
Change in trade payables, etc	59,347	43,938
	48,168	**26,295**

17. Contingent assets, liabilities and other financial obligations

Charges and security

	Group 2023/24	Group 2022/23	Parent company 2023/24	Parent company 2022/23
	TDKK	TDKK	TDKK	TDKK
The following assets have been placed as security with bankers:				
All assets have been placed as security for a loan from EIFO and HSBC Bank. The book value of the items comprise a total of:	401,850	291,498	388,087	281,283

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
17. Contingent assets, liabilities and other financial obligations				
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	6,174	4,188	2,662	2,439
	6,174	**4,188**	**2,662**	**2,439**

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 Tristate Holding 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	
Tristate Holding ApS	Ultimate Parent Company
Keepit Holding ApS	Parent Company

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)(7) 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
Tristate Holding ApS	Denmark

The Group Annual Report of Tristate Holding ApS may be obtained at the following address:

Per Henrik Lings Allé 4, 7.
2100 Copenhagen
Denmark

19. Subsequent events

As mentioned under capital resources, Keepit has secured further capital resources in the form of additional equity investments. This means a further DKK ~270m was paid in to the company's bank account during December 2024.
No other events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

20. Accounting policies

The Annual Report of Keepit A/S for 2023/24 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023/24 are presented in TDKK.

Adjustment of comparatives
In the financial some adjustments has been made to the comparatives of equity in the group financial statements. The adjustments has no effect on the total amount.

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, Keepit 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.

Leases

Leases in terms of which the Group 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 Group.

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

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.

Incentive schemes

The value of share-based payment, including share option and warrant plans that do not involve an outflow of cash and cash equivalents, offered to the Executive Board and a number of senior employees is not recognised in the income statement. The most significant conditions of the share option plans are disclosed in the notes.

Income statement

Revenue

Revenue from the sale of services is recognised when the risks and rewards relating to the services 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.

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

Direct expenses

Direct expenses comprise the consumables consumed to achieve revenue for the year.

Other external expenses

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

Other external expenses also include research and development costs that do not qualify for capitalisation.

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.

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.

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

The Company is jointly taxed with the Danish Group companies. The tax effect of the joint taxation with the subsidiaries is allocated to Danish 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 7 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 10 year.

Other intangible fixed assets

Patents 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 7 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.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

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	3-6 years
Leasehold improvements	7 years

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.

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.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured 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.

Deferred tax assets and liabilities are offset within the same legal tax entity.

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, such as loans from credit institutions, 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.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

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

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.

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

Gross margin	Gross profit x 100 / Revenue
Profit margin	Profit/loss of ordinary primary operations x 100 / Revenue
Return on assets	Profit/loss of ordinary primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end