

Semantix A/S

Sønderhøj 3
8260 Viby J

CVR no. 18 30 26 91

Annual report for 2024

(31st Financial year)

Adopted at the annual general meeting
on 30. juni 2025

Britta Aagaard
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Semantix 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 company's financial position at 31 December 2024 and of the results of the company's operations for the financial year 1 January - 31 December 2024.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Viby J, 30 June 2025

Executive board

Britta Aagaard
CEO

Supervisory board

Philip Reid Shawe
Chairman

Shirley Ann Shawe

Roy Benjamin Trujillo

Independent auditor's report

To the shareholder of Semantix A/S

Opinion

We have audited the financial statements of Semantix A/S for the financial year 1 January - 31 December 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position 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.

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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the 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.

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

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

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

Hellerup, 30 June 2025
CVR no. 33 25 68 76



Lasse Nørgård
State Authorized Public Accountant
mne10675

Company details

The company

Semantix A/S
Sønderhøj 3
8260 Viby J

CVR no.: 18 30 26 91

Reporting period: 1 January - 31 December 2024

Incorporated: 21 December 1994

Domicile: Aarhus

Supervisory board

Philip Reid Shawe, Chairman
Shirley Ann Shawe
Roy Benjamin Trujillo

Executive board

Britta Aagaard, CEO

Auditors

Crowe
Statsautoriseret Revisionsinteressentskab v.m.b.a.
Rygårds Allé 104
2900 Hellerup

Financial highlights

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

	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Gross profit/loss	64,290	49,633	46,956	38,935	34,438
Earnings before interest and taxes (EBIT)	38,883	22,873	21,522	9,208	7,789
Net financials	2,279	-557	-452	-305	2,591
Profit/loss for the year	31,889	17,200	16,331	6,993	8,796
Balance sheet					
Balance sheet total	125,312	110,196	88,762	74,253	58,975
Investment in property, plant and equipment	0	0	284	0	0
Equity	87,706	75,817	58,617	42,286	35,293
Number of employees	47	52	55	57	51
Financial ratios					
Return on assets	33.0%	23.0%	26.4%	13.8%	14.5%
Solvency ratio	70.0%	68.8%	66.0%	56.9%	59.8%
Return on equity	39.0%	25.6%	32.4%	18.0%	28.5%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies..

Management's review

Business review

The Company's activities consist of development and integration of communication and content solutions, localization and internationalization, optimization of content and data management, graphic production and interpreting.

Financial review

The company's income statement for the year ended 31 December 2024 shows a profit of TDKK 31,889, and the balance sheet at 31 December 2024 shows equity of TDKK 87,706.

All matters considered, management's expectations on the performance of the business were fulfilled.

Investments

The Company's most important assets are its employees and specialized expertise. The Company invests in continuous development of its human resources and knowledge assets, in particular within technology and multilingual AI.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Targets and expectations for the year ahead

The demand for technology enabled language services is expected to continue to increase as a result of increased globalization and the growth of digital content. The advent of generative AI is further driving demand for expertise and language technology solutions. The company's management continuously monitors the development of the current global economic and political turbulence and evaluates any financial and operational risks in the short and long term.

Management expects continuous revenue growth and unchanged net profit levels for the year ahead, compared to 2024. This is based on Management's knowledge about the growth opportunities of the existing and new client base, general intelligence about the growth of the language services market and existing plans to strengthen the organization for further revenue growth the coming years. The technology suite of TransPerfect and the sales resources are expected to drive significant opportunities to expand the Semantix business.

External environment

The Company's activities are not affecting the environment materially. The Company complies with all relevant environmental requirements and is certified according to ISO 14001:2015.

Travels are limited and the Company also strives to reduce energy consumption and paper use as well as to improve opportunities to sort and recycle waste. Environmentally friendly and organic products are to be used. Employees are offered training in environmental matters to increase their environmental awareness and opportunities to contribute to our environmental objectives.

Management's review

Research and development activities in or for the company

The language industry is undergoing a rapid change, a change that is expected to be constant and accelerating. Technology is playing an increasingly important role and the importance of being at the forefront of automation and technology development is apparent. As part of the TransPerfect group, the world's leading supplier of language services and technical solutions, Semantix is a leader in the development and use of advanced technological support. Semantix leverages technology development in ceaseless efforts to improve system support and computer security for customers and vendors and to streamline internal processes.

No direct research has been conducted in the company but is supported and executed by the TransPerfect group.

Accounting policies

The annual report of Semantix A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2024 is presented in TDKK.

Comparison numbers

The comparison numbers for gross profit, staff costs, financial costs, receivables from group entities, payables to group entities, trade payables and other payables have been adjusted. The adjustments have no effect on result, balance sheet or equity.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in work in progress and other operating income less costs of other external expenses.

Accounting policies

Revenue

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

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

Other operating income

The item other operating income includes items of a secondary nature relative to the company's activities, including gains on the sale of equipment, as well as payroll refunds.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the company's activities, including salary reimbursement.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, realised and unrealised exchange gains and losses on, liabilities and foreign currency transactions, surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Goodwill

Gains or losses on disposal of subsidiaries, participating interests and associates are stated as the difference between the sales amount and the carrying amount of net assets at the date of disposal plus non-amortised goodwill and anticipated disposal costs.

Acquisitions of entities are accounted for using the purchase method, according to which the acquirees' identifiable assets and liabilities are measured at fair value at the date of acquisition. Provision is made for expenses to adopted and announced plans to restructure the acquired entity in connection with the acquisition. Allowance is made for the tax effect of revaluations made.

Accounting policies

Any excess of the cost over the fair value of the identifiable assets and liabilities acquired (goodwill), including restructuring provisions, is recognised as intangible assets and amortised on a systematic basis in the income statement based on an individual assessment of the useful life of the asset. Goodwill arising on acquisition can be restated until the end of the year after the acquisition.

Acquired goodwill is measured at cost less accumulated amortisation and impairment losses.

Goodwill is amortised over the expected economic life of the asset, measured by reference to management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 7 years. The amortisation period is based on the assessment that the entities in question are strategically acquired entities with a strong market position and a long-term earnings profile.

Tangible assets

Items of fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0 %

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale.

Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

Other investments

Other fixed asset investments consist of deposits.

An impairment loss is recognised if there is objective evidence that a deposit is impaired. If there is objective evidence that an individual deposit is impaired, an impairment loss for that individual deposit is recognised.

Accounting policies

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and the expected aggregate income from the individual work in progress. The stage of completion is determined as the share of the expenses incurred relative to the expected total expenses for the individual work in progress.

Where the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds invoicing on account. Net liabilities comprise the sum of work in progress where invoicing on account exceeds the selling price.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Accounting policies

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Cash flow statement

No cash flow statement has been prepared for the parent company, as the parent company's cash flows are included in the consolidated cash flow statement, see section 86(4) of the Danish Financial Statements Act.

Accounting policies

Financial Highlights

Definitions of financial ratios.

Return on assets	$\frac{\text{Earnings before interest and taxes (EBIT) x 100}}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$

Income statement
1 January 2024 - 31 December 2024

	<u>Note</u>	<u>2024</u> TDKK	<u>2023</u> TDKK
Gross profit		64,290	49,633
Staff costs	1	<u>-24,578</u>	<u>-24,892</u>
Profit/loss before amortisation/depreciation and impairment losses		39,712	24,741
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-829	-1,568
Other operating costs		<u>0</u>	<u>-300</u>
Profit/loss before net financials		38,883	22,873
Income from investments in group entities		0	-22
Financial income	2	2,811	892
Financial costs	3	<u>-532</u>	<u>-1,427</u>
Profit/loss before tax		41,162	22,316
Tax on profit/loss for the year	4	<u>-9,273</u>	<u>-5,116</u>
Profit/loss for the year		<u>31,889</u>	<u>17,200</u>
Distribution of profit	5		

Balance sheet at 31 December 2024

	Note	2024 TDKK	2023 TDKK
Assets			
Goodwill		3,009	3,761
Intangible assets	6	3,009	3,761
Other fixtures and fittings, tools and equipment		24	101
Tangible assets	7	24	101
Receivables from group entities	8	65,000	0
Deposits	8	377	501
Fixed asset investments		65,377	501
Total non-current assets		68,410	4,363
Trade receivables		35,381	33,227
Contract work in progress	9	9,772	7,892
Receivables from group entities		4,698	63,765
Deferred tax asset	10	0	47
Prepayments	11	629	902
Receivables		50,480	105,833
Cash at bank and in hand		6,422	0
Total current assets		56,902	105,833
Total assets		125,312	110,196

Balance sheet at 31 December 2024

	<u>Note</u>	<u>2024</u> TDKK	<u>2023</u> TDKK
Equity and liabilities			
Share capital		1,000	1,000
Retained earnings		66,706	54,817
Proposed dividend for the year		<u>20,000</u>	<u>20,000</u>
Equity		<u>87,706</u>	<u>75,817</u>
Provision for deferred tax	10	<u>1,288</u>	<u>0</u>
Total provisions		<u>1,288</u>	<u>0</u>
Trade payables		14,613	12,732
Payables to group entities		7,051	10,523
Corporation tax		5,937	3,115
Other payables		4,693	5,982
Deferred income	12	<u>4,024</u>	<u>2,027</u>
Total current liabilities		<u>36,318</u>	<u>34,379</u>
Total liabilities		<u>36,318</u>	<u>34,379</u>
Total equity and liabilities		<u>125,312</u>	<u>110,196</u>
Contingent liabilities	13		
Mortgages and collateral	14		
Related parties and ownership structure	15		

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
Equity at 1 January 2024	1,000	54,817	20,000	75,817
Ordinary dividend paid	0	0	-20,000	-20,000
Net profit/loss for the year	0	11,889	20,000	31,889
Equity at 31 December 2024	1,000	66,706	20,000	87,706

Notes

	2024 TDKK	2023 TDKK
1 Staff costs		
Wages and salaries	20,521	20,710
Pensions	3,618	3,599
Other social security costs	439	583
	24,578	24,892
Number of fulltime employees on average	47	52
According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the executive board has not been disclosed.		
2 Financial income		
Interest received from group entites	2,056	848
Other financial income	755	44
	2,811	892
3 Financial costs		
Interest paid to group entities	93	0
Other financial costs	439	1,427
	532	1,427
4 Tax on profit/loss for the year		
Current tax for the year	7,937	5,115
Deferred tax for the year	1,336	1
	9,273	5,116

Notes

	2024 TDKK	2023 TDKK
5 Distribution of profit		
Proposed dividend for the year	20,000	20,000
Retained earnings	11,889	-2,800
	31,889	17,200
6 Intangible assets		
		Goodwill
Cost at 1 January 2024		10,266
Cost at 31 December 2024		10,266
Impairment losses and amortisation at 1 January 2024		6,505
Depreciation for the year		752
Impairment losses and amortisation at 31 December 2024		7,257
Carrying amount at 31 December 2024		3,009
7 Tangible assets		
		Other fixtures and fittings, tools and equipment
Cost at 1 January 2024		4,465
Cost at 31 December 2024		4,465
Impairment losses and depreciation at 1 January 2024		4,364
Depreciation for the year		77
Impairment losses and depreciation at 31 December 2024		4,441
Carrying amount at 31 December 2024		24

Notes

8 Fixed asset investments

	Receivables from group entities	Deposits
Cost at 1 January 2024	0	501
Additions for the year	65,000	0
Disposals for the year	0	-124
Cost at 31 December 2024	65,000	377
Carrying amount at 31 December 2024	65,000	377

9 Contract work in progress

	2024 TDKK	2023 TDKK
Work in progress, selling price	9,772	7,892
	9,772	7,892
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	9,772	7,892
Prepayments received under liabilities	0	0
	9,772	7,892

Notes

	2024 TDKK	2023 TDKK
10 Provision for deferred tax		
Provision for deferred tax at 1 January 2024	-47	-48
Deferred tax recognised in income statement	1,335	1
Provision for deferred tax at 31 December 2024	1,288	-47
Provisions for deferred tax on:		
Machinery and equipment	-47	-215
Prepayments	138	0
Contract work in progress	1,197	0
Transferred to deferred tax asset	0	47
	1,288	0
Deferred tax asset		
Calculated tax asset	0	47
Carrying amount	0	47

Deferred taxes expected to be utilised more than 3 years after the balance sheet date relate to machinery and equipment that management does not expect to dispose of.

11 Prepayments

Prepayments comprise prepaid expenses regarding rent, insurance premiums, subscriptions and IT.

12 Deferred income

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

13 Contingent liabilities

The company has entered into an rental agreement, with a total contingent liability of TDKK 542

14 Mortgages and collateral

None.

Notes

15 Related parties and ownership structure

Controlling interest

The company is controlled by:
TransPerfect Translations AB
Linnégatan 89 E
115 23 Stockholm
Sweden

The company's ultimate parent company is:
TransPerfect Holdings, LLC
1250 Broadway
NY 10001, New York
USA

Transactions

Semantix A/S has the following transactions with related parties in 2024 (DKK thousand):

Sale of services to group entities	146
Purchase of services from group entities	27,459
Interest received from group entities	2,056
Interest paid to group entities	93