
Templafy ApS

Wilders Plads 15A, 2., DK-1403 København K

Annual Report for 2024

CVR No. 25 66 29 46

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 30/6 2025

Jesper Theill Eriksen
Chairman of the
general meeting



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Management's statement

The Executive Board has today considered and adopted the Annual Report of Templafy ApS for the financial year 1 January - 31 December 2024.

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

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

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

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

Copenhagen, 30 June 2025

Executive Board

Jesper Theill Eriksen
CEO

Christian Lund
Co-founder

Independent Auditor's report

To the shareholder of Templafy ApS

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024 and of the results of the Group's and the Parent Company's operations as well as of the consolidated cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

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

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Independent Auditor's report

Hillerød, 30 June 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Henrik Aslund Pedersen

State Authorised Public Accountant

mne17120

Company information

The Company

Templafy ApS
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Website: www.templafy.com

CVR No: 25 66 29 46
Financial period: 1 January - 31 December
Municipality of reg. office: Copenhagen

Executive Board

Jesper Theill Eriksen
Christian Lund

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Milnersvej 43
DK-3400 Hillerød

Group Chart

<u>Company</u>	<u>Residence</u>	<u>Ownership</u>
Templafy ApS	Copenhagen, Denmark	
Templafy Deutschland G.m.b.H.	Berlin, Germany	100 %
Master IT Solutions B.V.	Eindhoven, The Netherlands	100 %
Templafy LLC	New York, USA	100 %
Templafy Australia Pty Ltd.	Sydney, Australia	100 %
Templafy ltd.	London, UK	100 %

Financial Highlights

Seen over a 2-year period, the development of the Group is described by the following financial highlights:

	Group	
	2024	2023
	TDKK	TDKK
Key figures		
Profit/loss		
Gross profit	162,781	240,071
Profit/loss of primary operations	-77,369	-116,707
Profit/loss of financial income and expenses	-47,930	-26,777
Net profit/loss for the year	-124,133	-137,901
Balance sheet		
Balance sheet total	376,204	385,912
Investment in property, plant and equipment	350	127,653
Equity	-297,806	-174,510
Cash flows		
Cash flows from:		
- operating activities	-159,816	-128,565
- investing activities	-22,959	-20,450
- financing activities	134,518	2,005
Change in cash and cash equivalents for the year	-48,257	-147,010
Number of employees	178	216
Ratios		
Return on assets	-20.6%	-30.2%
Solvency ratio	-79.2%	-45.2%
Return on equity	52.6%	137.3%

Management's review

Key activities

Templafy is the document generation platform that uses automation and AI to enable enterprises to boost revenue and safeguard reputation through documents. Seamlessly integrated into any kind of document, it ensures all customer-facing documents are compelling, driving conversions while letting brands shine.

Templafy protects the integrity of enterprises through brand, InfoSec, legal, and AI governance, guaranteeing full compliance with company policies and guidelines. It elevates documents from tedious back-office tasks to strategic assets that drive enterprise success, redefining the paradigm of document creation, management, and impact.

Development in the year

The income statement of the Group for 2024 shows a loss of DKK 124,132,767, and at 31 December 2024 the balance sheet of the Group shows a negative equity of DKK 297,806,281.

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

Templafy attained \$59.6m ARR in 2024, equating to 9.2% year-over-year growth from 2023. The Company achieved a full year positive adjusted EBITDA in 2024 in line with expectations and was driven by revenue growth, operational efficiencies and reduced discretionary spending.

Targets and expectations for the year ahead

The main objective for Templafy in 2025 is to continue manifesting our position as market leader within cloud-based content enablement, while focusing on driving more capital-efficient growth. As part of this ambition there is a dedicated focus on attracting top talent and strategic partners, investing in and increasing automation of internal functions and processes, and developing a more efficient commercial sales and marketing organization.

The company's expectations for the future is to grow its top-line and optimize its costs while executing against its plan to attain positive adjusted EBITDA in 2025.

Research and development

The company develops software for sale.

External environment

The company's activities do not directly affect the environment to a significant extent.

Intellectual capital resources

The company employs highly skilled employees but it is not dependent on specific intellectual capital resources.

Uncertainty relating to recognition and measurement

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

Unusual events

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

Subsequent events

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

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
Gross profit		162,781,158	240,070,906	87,853,407	78,284,073
Staff expenses	1	-189,464,643	-310,183,517	-131,601,500	-135,581,209
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	2	-50,676,446	-46,594,025	-42,864,303	-37,348,287
Other operating expenses		-9,221	0	0	0
Profit/loss before financial income and expenses		-77,369,152	-116,706,636	-86,612,396	-94,645,423
Financial income	3	6,182,395	7,344,413	32,015,767	32,118,410
Financial expenses	4	-54,112,218	-34,120,947	-63,239,045	-40,653,601
Profit/loss before tax		-125,298,975	-143,483,170	-117,835,674	-103,180,614
Tax on profit/loss for the year	5	1,166,208	5,582,256	5,500,000	5,500,000
Net profit/loss for the year	6	-124,132,767	-137,900,914	-112,335,674	-97,680,614

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
Completed development projects		55,274,329	73,433,638	55,274,327	70,920,584
Goodwill		17,889,383	22,868,637	0	0
Intangible assets	7	73,163,712	96,302,275	55,274,327	70,920,584
Land and buildings		64,055,603	77,176,310	5,851,072	11,644,574
Other fixtures and fittings, tools and equipment		1,049,977	1,967,609	803,896	1,558,057
Leasehold improvements		35,219	56,261	14,258	0
Property, plant and equipment	8	65,140,799	79,200,180	6,669,226	13,202,631
Investments in subsidiaries	9	0	0	112,482,638	112,482,638
Deposits	10	0	3,619,228	0	2,966,054
Fixed asset investments		0	3,619,228	112,482,638	115,448,692
Fixed assets		138,304,511	179,121,683	174,426,191	199,571,907
Trade receivables		45,454,163	67,748,108	25,293,031	28,965,897
Receivables from group enterprises		108,728,952	0	431,648,813	177,196,031
Other receivables		8,345,039	6,543,613	6,415,123	4,502,662
Deferred tax asset	12	0	1,349,218	0	0
Corporation tax		9,145,115	5,500,000	5,500,000	5,500,000
Prepayments	11	23,931,592	35,097,313	15,073,909	22,351,621
Receivables		195,604,861	116,238,252	483,930,876	238,516,211
Cash at bank and in hand		42,294,762	90,552,035	29,870,761	76,366,178
Current assets		237,899,623	206,790,287	513,801,637	314,882,389
Assets		376,204,134	385,911,970	688,227,828	514,454,296

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
Share capital		503,902	503,902	503,902	503,902
Reserve for development costs		0	0	43,113,976	55,318,056
Retained earnings		-298,310,183	-175,013,737	-88,846,420	11,285,173
Equity		-297,806,281	-174,509,835	-45,228,542	67,107,131
Provision for deferred tax	12	1,037,421	0	0	0
Provisions		1,037,421	0	0	0
Credit institutions		0	260,526,502	0	260,526,502
Lease obligations		49,502,334	62,337,630	0	6,149,534
Prepayments received from customers		313,531	533,717	275,821	258,840
Long-term debt	13	49,815,865	323,397,849	275,821	266,934,876
Lease obligations	13	16,274,693	15,906,588	6,149,534	5,970,955
Trade payables		20,472,705	22,062,523	17,390,756	17,115,387
Payables to group enterprises		410,871,086	0	596,701,400	47,207,115
Corporation tax		0	19,008	0	0
Deposits		963,311	926,578	963,310	926,573
Other payables		21,929,012	46,304,210	15,637,959	38,123,660
Deferred income	14	152,646,322	151,805,049	96,337,590	71,068,599
Short-term debt		623,157,129	237,023,956	733,180,549	180,412,289
Debt		672,972,994	560,421,805	733,456,370	447,347,165
Liabilities and equity		376,204,134	385,911,970	688,227,828	514,454,296

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2024	2023	2024	2023
		DKK	DKK	DKK	DKK
Contingent assets, liabilities and other financial obligations	17				
Related parties	18				
Accounting Policies	19				

Statement of changes in equity

Group

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	503,902	-174,177,416	-173,673,514
Net profit/loss for the year	0	-124,132,767	-124,132,767
Equity at 31 December	503,902	-298,310,183	-297,806,281

Parent company

	Share capital	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	503,902	55,318,056	11,285,174	67,107,132
Other equity movements	0	3,442,177	0	3,442,177
Development costs for the year	0	26,271,470	0	26,271,470
Depreciation, amortisation and impairment for the year	0	-41,917,727	0	-41,917,727
Net profit/loss for the year	0	0	-100,131,594	-100,131,594
Equity at 31 December	503,902	43,113,976	-88,846,420	-45,228,542

Cash flow statement 1 January - 31 December

	Note	Group	
		2024	2023
		DKK	DKK
Result of the year		-124,132,767	-137,900,914
Adjustments	15	97,449,282	67,788,303
Change in working capital	16	-102,157,722	-32,414,224
Cash flow from operations before financial items		-128,841,207	-102,526,835
Financial income		6,182,395	7,344,413
Financial expenses		-54,112,218	-38,964,040
Cash flows from ordinary activities		-176,771,030	-134,146,462
Corporation tax paid		-111,276	5,581,476
Other adjustments		17,065,927	0
Cash flows from operating activities		-159,816,379	-128,564,986
Purchase of intangible assets		-26,272,138	-3,407,396
Purchase of property, plant and equipment		-350,072	-16,997,498
Fixed asset investments made etc		0	-45,099
Sale of property, plant and equipment		44,211	0
Sale of fixed asset investments made etc		3,619,228	0
Cash flows from investing activities		-22,958,771	-20,449,993
Repayment of loans from credit institutions		0	-2,604,173
Reduction of lease obligations		-12,467,191	0
Repayment of other long-term debt		-220,186	0
Lease obligations incurred		0	4,075,225
Raising of payables to group enterprises		150,344,584	0
Raising of other long-term debt		0	533,717
Other equity entries		-3,139,330	0
Cash flows from financing activities		134,517,877	2,004,769
Change in cash and cash equivalents		-48,257,273	-147,010,210
Cash and cash equivalents at 1 January		90,552,035	237,562,245
Cash and cash equivalents at 31 December		42,294,762	90,552,035
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		42,294,762	90,552,035
Cash and cash equivalents at 31 December		42,294,762	90,552,035

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
1. Staff expenses				
Wages and salaries	174,661,254	278,381,608	127,572,444	131,324,212
Pensions	1,458,913	1,770,425	585,745	706,679
Other social security expenses	7,150,216	7,433,029	1,126,956	1,215,978
Other staff expenses	6,194,260	22,598,455	2,316,355	2,334,340
	189,464,643	310,183,517	131,601,500	135,581,209
Including remuneration to the Executive Board:				
Executive board	5,174,741		5,174,741	
Board of directors	0		0	
	5,174,741		5,174,741	
Including remuneration to the Executive Board		3,480,999		3,480,999
Average number of employees	178	216	118	145
	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
2. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment				
Amortisation of intangible assets	49,410,701	45,166,962	41,917,728	36,249,863
Depreciation of property, plant and equipment	1,265,745	1,427,063	946,575	1,098,424
	50,676,446	46,594,025	42,864,303	37,348,287

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
3. Financial income				
Interest from group enterprises	5,418,260	0	30,654,767	22,722,026
Other financial income	1,159,275	3,801,280	1,089,386	5,780,091
Exchange adjustments	0	92,014	0	0
Exchange gains	-395,140	3,451,119	271,614	3,616,293
	6,182,395	7,344,413	32,015,767	32,118,410

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
4. Financial expenses				
Interest to group enterprises	20,387,496	0	32,069,848	2,685,129
Other financial expenses	16,194,446	33,802,646	13,959,575	37,770,982
Exchange loss	17,530,276	318,301	17,209,622	197,490
	54,112,218	34,120,947	63,239,045	40,653,601

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
5. Income tax expense				
Current tax for the year	-3,552,604	-5,582,256	-5,500,000	-5,500,000
Deferred tax for the year	2,386,396	0	0	0
	-1,166,208	-5,582,256	-5,500,000	-5,500,000

	Parent company	
	2024	2023
	DKK	DKK
6. Profit allocation		
Other statutory reserves	-12,204,080	0
Retained earnings	-100,131,594	-97,680,614
	-112,335,674	-97,680,614

Notes to the Financial Statements

7. Intangible fixed assets

	Group		Parent company
	Completed development projects	Goodwill	Completed development projects
	DKK	DKK	DKK
Cost at 1 January	236,790,354	49,792,540	217,424,140
Additions for the year	26,271,470	0	26,271,470
Cost at 31 December	263,061,824	49,792,540	243,695,610
Impairment losses and amortisation at 1 January	165,869,768	24,410,183	146,503,556
Amortisation for the year	41,917,727	7,492,974	41,917,727
Impairment losses and amortisation at 31 December	207,787,495	31,903,157	188,421,283
Carrying amount at 31 December	55,274,329	17,889,383	55,274,327

8. Property, plant and equipment

	Group			Parent company		
	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK	DKK	DKK	DKK	DKK
Cost at 1 January	149,932,577	6,339,692	469,667	23,067,224	4,709,475	412,500
Exchange adjustment	8,273,844	42,788	0	0	0	0
Additions for the year	0	350,072	0	0	206,672	0
Disposals for the year	-56,369,966	-938,985	0	0	-272,502	0
Cost at 31 December	101,836,455	5,793,567	469,667	23,067,224	4,643,645	412,500
Impairment losses and depreciation at 1 January	73,172,504	4,395,176	392,342	11,422,650	3,171,576	392,342
Exchange adjustment	3,912,365	20,851	0	0	0	0
Depreciation for the year	17,065,927	1,231,558	42,106	5,793,502	940,675	5,900
Impairment and depreciation of sold assets for the year	-56,369,944	0	0	0	0	0
Reversal of impairment and depreciation of sold assets	0	-903,995	0	0	-272,502	0
Impairment losses and depreciation at 31 December	37,780,852	4,743,590	434,448	17,216,152	3,839,749	398,242
Carrying amount at 31 December	64,055,603	1,049,977	35,219	5,851,072	803,896	14,258

Notes to the Financial Statements

	Parent company	
	2024	2023
	DKK	DKK
9. Investments in subsidiaries		
Cost at 1 January	112,482,638	112,482,638
Cost at 31 December	112,482,638	112,482,638
 Carrying amount at 31 December	 112,482,638	 112,482,638

10. Other fixed asset investments Group

	Deposits
	DKK
Cost at 1 January	3,619,228
Disposals for the year	-3,619,228
Cost at 31 December	0
 Carrying amount at 31 December	 0

11. Prepayments

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

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
12. Provision for deferred tax				
Deferred tax liabilities at 1 January	-1,349,218	-1,345,600	0	0
Amounts recognised in the income statement for the year	2,386,396	0	0	0
Amounts recognised in equity for the year	243	-3,618	0	0
Deferred tax liabilities at 31 December	1,037,421	-1,349,218	0	0

Notes to the Financial Statements

Group		Parent company	
2024	2023	2024	2023
DKK	DKK	DKK	DKK

13. Long-term debt

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

The debt falls due for payment as specified below:

Credit institutions

After 5 years	0	0	0	0
Between 1 and 5 years	0	260,526,502	0	260,526,502
Long-term part	0	260,526,502	0	260,526,502
Within 1 year	0	0	0	0
	0	260,526,502	0	260,526,502

Lease obligations

After 5 years	0	0	0	0
Between 1 and 5 years	49,502,334	62,337,630	0	6,149,534
Long-term part	49,502,334	62,337,630	0	6,149,534
Within 1 year	16,274,693	15,906,588	6,149,534	5,970,955
	65,777,027	78,244,218	6,149,534	12,120,489

Prepayments received from customers

After 5 years	0	0	0	0
Between 1 and 5 years	313,531	533,717	275,821	258,840
Long-term part	313,531	533,717	275,821	258,840
Within 1 year	0	0	0	0
	313,531	533,717	275,821	258,840

14. Deferred income

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

Deferred income mainly consists of prepaid subscriptions on software.

Notes to the Financial Statements

	Group	
	2024	2023
	DKK	DKK
15. Cash flow statement - Adjustments		
Financial income	-6,182,395	-7,344,413
Financial expenses	54,112,218	34,120,947
Depreciation, amortisation and impairment losses, including losses and gains on sales	50,685,667	46,594,025
Tax on profit/loss for the year	-1,166,208	-5,582,256
	97,449,282	67,788,303

	Group	
	2024	2023
	DKK	DKK
16. Cash flow statement - Change in working capital		
Change in inventories	0	146,967
Change in receivables	-77,070,712	-38,897,537
Change in trade payables, etc	-25,087,010	6,336,346
	-102,157,722	-32,414,224

	Group		Parent company	
	2024	2023	2024	2023
	DKK	DKK	DKK	DKK
17. Contingent assets, liabilities and other financial obligations				
Charges and security				
The following assets have been placed as security for lease obligations:				
Floating charge totaling TDKK 0 (2023: TDKK 237,261), providing security in unsecured claims, operating equipment, goodwill, patents	0	113,089,112	0	113,089,112

Notes to the Financial Statements

18. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
Controlling interest	
Templafy Holding Inc.	Parent Company
Other related parties	

Transactions

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

There have been no transactions with the Supervisory Board, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions and normal management remuneration.

Consolidated Financial Statements

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

<u>Name</u>	<u>Place of registered office</u>
Templafy Holding Inc.	One World Trade Center, 48th Floor, New York, NY 10007, United States

The Group Annual Report of Templafy Holding Inc. may be obtained at the following address:
One World Trade Center, 48th Floor, New York, NY 10007, United States

Notes to the Financial Statements

19. Accounting policies

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

The accounting policies applied remain unchanged from last year.

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

Recognition and measurement

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

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

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

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

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Templafy ApS, 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.

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

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

Business combinations

Business acquisitions carried through on or after 1 July 2018

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

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

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

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

Notes to the Financial Statements

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

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

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

Leases

All 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.

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.

Income statements of foreign subsidiaries and associates that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

Incentive schemes

The value of share-based payment, including share option and warrant plans offered to the Executive Board and other employees is recognised in the income statement.

Income statement

Revenue

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

Notes to the Financial Statements

Revenue from sales of software subscriptions are recognised on a straight-line basis over the subscription period starting when delivery and risk transition has taken place.

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

Other external expenses

Other external expenses comprise indirect production costs and 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.

Gross profit

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

Staff expenses

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

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

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

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Financial income and expenses

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

Tax on profit/loss for the year

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

Notes to the Financial Statements

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

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.

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	3-5 years
Leasehold improvements are depreciated over the shorter of the lease term or estimated useful life	- 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.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Notes to the Financial Statements

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 and subscriptions etc.

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.

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.

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

Deferred income

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

Cash Flow Statement

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

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

Notes to the Financial Statements

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

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