Keylane A/S

Kigkurren 10, DK-2300 Copenhagen

Annual Report for 2024

CVR No. 21 27 63 08

The Annual Report was presented and adopted at the Annual General Meeting of the company on 11/07/2025

Leonard Adryan de Looff
Chairman of the general meeting

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Management's statement

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

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

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

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

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

Copenhagen, 11 July 2025

Executive Board

Leonard Adryan de Looff
CEO

Board of Directors

Tonny Rabjerg Chairman	Leonard Adryan de Looff	Koenraad Willem Wouter van Kooperen

Independent Auditor's report

To the shareholder of Keylane A/S

Opinion

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

We have audited the Financial Statements of Keylane A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Management's responsibilities for the Financial Statements

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

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

Auditor's responsibilities for the audit of the Financial Statements

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

Independent Auditor's report

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

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

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, 11 July 2025
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	Keylane A/S Kigkurren 10 DK-2300 Copenhagen Telephone: + 45 70 20 40 90 CVR No: 21 27 63 08 Financial period: 1 January - 31 December Incorporated: 1 May 1998 Financial year: 27th financial year Municipality of reg. office: Copenhagen
Board of Directors	Tonny Rabjerg, chairman Leonard Adryan de Looff Koenraad Willem Wouter van Kooperen
Executive Board	Leonard Adryan de Looff
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

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

(TDKK)	2024	2023	2022	2021	2020
Key figures					
Profit/loss					
Profit/loss of primary operations	-13,826	-48,854	-56,540	-46,868	15,634
Profit/loss of financial income and expenses	-5,852	-3,506	-1,803	331	-104
Net profit/loss for the year	-4,600	-46,134	-52,482	-36,745	11,421
Balance sheet					
Balance sheet total	299,142	236,528	179,699	206,279	211,448
Investment in property, plant and equipment	1,333	10,087	1,660	1,270	1,039
Equity	-5,691	-1,091	45,043	97,525	134,270
Number of employees	133	122	125	144	146
Ratios					
Return on assets	-4.6%	-20.7%	-31.5%	-22.7%	7.4%
Solvency ratio	-1.9%	-0.5%	25.1%	47.3%	63.5%
Return on equity	135.7%	-209.9%	-73.6%	-31.7%	8.9%

Management's review

Key activities

Keylane A/S is part of Keylane Life & Pension – a leading European provider of stable, highly configurable, and customer-centric SaaS platforms for the life and pension sector in the Nordics and Benelux

The key activities of Keylane A/S are listed below:

- Sales, delivery, and support of Keylane's software solutions to the Nordic financial market with particular focus on life, pension, and banking.
- Development of key products in Keylane's software portfolio for distribution in all target markets of Keylane.

Keylane Plexus

The Plexus platform offers a comprehensive and standardized policy administration solution designed to effectively manage life and pension portfolios that include guaranteed benefits, market interest rates, and Unit Link. It boasts a resilient and sophisticated core engine built around event-driven architecture. This platform comprises various modules, such as complete money-flow management, company agreements, policy administration, streamlined processes with extensive automation, employee and customer portals, and seamless integration with bookkeeping and data warehousing systems.

The Plexus platform is central to Keylane's strategy, now serving eight active clients in the life and pension industry, most of whom are based in Denmark. In Q2 2025, Keylane furthermore signed a multi-year agreement with a leading player in the Nordic market. This marks a significant milestone in our Nordic expansion and demonstrates the growing trust in the Plexus platform's ability to support complex pension schemes across markets. Implementation is already underway and expected to go live in the first half of 2027.

Plexus currently generates 53% of its revenue from the Danish market, underlining its critical importance to Keylane's Danish operations. Overall, Plexus now contributes more than 44% of Keylane Life & Pension's revenue, making it the fastest-growing product in the portfolio.

Keylane's continued expansion in the Nordics and the Netherlands - driven by contract renewals and collaboration initiatives - reflects strong customer confidence in Keylane's solutions, which will be further reinforced by a new Nordic customer in 2025.

The Plexus development organization consists of colleagues in Denmark, in India (managed from Denmark) and in the Netherlands. The leadership team of Plexus consists primarily of Danish managers.

Keylane Obex

The Obex platform is a service-enabled financial planning solution that encompasses modules for tax calculations, wealth and budget planning, and pension and retirement planning. Its primary objective is to empower financial institutions to provide their customers with a comprehensive, 360-degree view of their financial landscape. The platform seamlessly integrates with on-premise systems while also facilitating connections to external online services through APIs. Currently, the solution is successfully deployed by key clients within the Danish market.

Obex is market leader in its market in Denmark. The team is located in Denmark. Keylane is actively exploring to implement Obex in the Netherlands, starting with providing advisory tooling to life insurance providers.

Organization

Keylane A/S is a 100% subsidiary of Keylane Group BV, a company with head office in the Netherlands and subsidiaries in several countries within the EU.

In August 2024 the UK-based asset manager Pollen Street Capital acquired all shares in Keylane Group B.V. (Keylane) from Waterland Private Equity. This strategic transaction is an important milestone in Keylane's successful growth and innovation journey. Together with Keylane's leading team, Pollen Street Capital aims to accelerate the group's strong organic growth and pursue further accretive M&A, and to support the ongoing development of Keylane's proprietary technologies.

Management's review

The Keylane Group BV provides software for Property and Casualty (P&C) insurers and Life and Pension (L&P) providers. The Group had a combined revenue in 2024 of 122 million euro (increase of 11% versus 2023) and Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) of 40,4 million (33% of revenue, 20% EBITDA increase versus 2023).

Within the Keylane Group, the business line L&P consists of Keylane Life and Pension BV in the Netherlands and Keylane A/S in Denmark. The unaudited management accounts of the L&P business line show a combined revenue across Denmark and Netherlands of 69,8 million euro, a 13% increase versus 2023 (like for like, including Benefits Plaza, which has been moved from P&C to L&P). The EBITDA amounted to 15,3 million euro (22% of revenue), an increase of 39% versus 2023.

The statutory Board of Directors of Keylane A/S consists of chairman Tonny Rabjerg (VP Plexus), Leon de Looff (CEO of the L&P business line) and Koen van Kooperen (CFO L&P).

Development in the year

In 2024, Keylane made significant investments in product development and team expansion across Denmark, the Netherlands, and India. More than 50% of Keylane's 469 employees - especially those focused on Plexus - play a key role in driving technological and service-related progress.

Keylane is also entering new markets in the Nordics and is in active discussions with several large Dutch insurers to introduce the Obex platform in the Netherlands.

Keylane A/S is operated as a profit center for the Danish customers and a cost center for the Plexus platform. The IP of Plexus is owned by Keylane A/S and the majority of generic development and support activities are conducted and paid in Denmark.

Based on this financial setup, the income statement of the Company for 2024 shows a loss of TDKK 4,600 and the expectation of breakeven was not yet reached due to more investments in product development however with the new customer in the Nordics all revenues and income will flow directly to Keylane A/S, and at 31 December 2024 the balance sheet of the Company shows a negative equity of TDKK -5.691.

Capital resources

Keylane A/S will continue to significantly invest in both the Plexus and the Obex solutions. Keylane A/S is not expected to generate sufficient cash flows from operations in 2025 to support these investments. The parent company, Keylane Group B.V., has therefore issued a letter of support confirming that the Keylane Group will support Keylane A/S financially in this respect.

Please refer to note 1.

Special risks - operating risks and financial risks

Keylane has an extensive risk management function to ensure all risks are clear and properly managed and reported. All risks are reviewed monthly in a meeting between the central Head of risk and the business units. Keylane has defined a Keylane Control Framework with over 100 controls to meet regulatory and risk management policies. These are aligned with Danish regulatory and risk requirements and Dutch Central Bank regulations. Keylane is compliant with DORA and NIS2 regulations.

The primary operating risks of Keylane A/S are associated with security related aspects. The Keylane Group has a ISAE3402 framework in place and is ISO27001 certified.

Targets and expectations for the year ahead

Keylane Life & Pension remains firmly committed to transforming the life and pension industry through technological innovation. With a strategic focus on SaaS, product development, resource allocation, cloud technology, and compliance - and now backed by Pollen Street Capital's sector expertise and long-term investment approach - Keylane is well-positioned to respond to future demands and market dynamics, and to remain a valuable partner to its clients.

In 2025 Keylane will support its Danish customers with functional enhancements in the product, regulatory compliance, adopting to changes in markets and products.

Management's review

Going forward the company expects to achieve break even, due to the further rollout of the Plexus platform at two Dutch customers, which will significantly increase the license revenue towards Keylane A/S.

Research and development

Keylane A/S continues to invest significantly in product development to support the industry's growing transition to SaaS based standard solutions that can be deployed and implemented quickly and cost effectively. In 2025, the efforts will be focused on the Plexus solution and rollout and expansion of the new Obex platform.

A key area of Keylane’s investment strategy is the modernization of its cloud infrastructure. By leveraging advanced technologies such as Microsoft Azure, Keylane is strengthening scalability, security, and operational efficiency across its platforms.

This shift is critical to Keylane’s ambition to maintain strong client relationships and a market-leading position. Nordea is the first client to run a fully configured and compliant Plexus solution in the Azure Cloud. The financial advisory platform Obex has already been operating in Azure for several years.

Intellectual capital resources

Keylane's future financial success is closely tied to the expertise and knowledge possessed by its employees. Being a thriving company operating in a highly competitive market, Keylane consistently strives to attract toptier talent. This is essential for effectively executing implementation projects and sustaining investments in the quality and usability of its SaaS software. To this end, Keylane offers competitive salaries and proactively undertakes multiple initiatives aimed at enhancing employee satisfaction. The company regularly conducts a biannual employee engagement survey to gauge and improve employee contentment.

Uncertainty relating to recognition and measurement

Calculation of the carrying amount of certain assets and liabilities, essentially development projects, requires assessments, estimates and assumptions concerning future events. The estimates made are based on historical experiences and other factors that Management considers appropriate in the circumstances, but that by their very nature are uncertain and unpredictable.

The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. Moreover, the enterprise is subject to risks and uncertainties that may result in actual results differing from these estimates. It may be necessary to change estimates made previously because of changes in the circumstances that formed the basis of the previous estimates or based on new knowledge or subsequent events.

Unusual events

The financial position at 31 December 2024 of the Company and the results of the activities and cash flows of the Company 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

(TDKK)	Note	2024	2023
Gross profit		**170,734**	**118,652**
Staff expenses	2	-147,063	-132,813
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	3	-37,497	-34,693
Profit/loss before financial income and expenses		**-13,826**	**-48,854**
Financial income	4	80	19
Financial expenses	5	-5,932	-3,525
Profit/loss before tax		**-19,678**	**-52,360**
Tax on profit/loss for the year	6	15,078	6,226
Net profit/loss for the year	7	**-4,600**	**-46,134**

Balance sheet 31 December

Assets

(TDKK)	Note	2024	2023
Completed development projects		147,714	101,114
Acquired licenses		28,653	32,746
Goodwill		0	0
Development projects in progress		26,300	35,569
Intangible assets	8	**202,667**	**169,429**
Land and buildings		11,115	14,044
Other fixtures and fittings, tools and equipment		2,766	2,686
Leasehold improvements		30	44
Property, plant and equipment	9	**13,911**	**16,774**
Deposits	10	1,923	1,923
Fixed asset investments		**1,923**	**1,923**
Fixed assets		**218,501**	**188,126**
Trade receivables		19,473	22,330
Receivables from group enterprises		35,413	12,098
Other receivables		158	0
Deferred tax asset	12	21,303	6,226
Prepayments	13	1,162	993
Receivables		**77,509**	**41,647**
Cash at bank and in hand		**3,132**	**6,755**
Current assets		**80,641**	**48,402**
Assets		**299,142**	**236,528**

Balance sheet 31 December

Liabilities and equity

(TDKK)	Note	2024	2023
Share capital		41,166	41,166
Reserve for development costs		114,092	101,912
Retained earnings		-160,949	-144,169
Equity		**-5,691**	**-1,091**
Other provisions	14	1,912	2,386
Provisions		**1,912**	**2,386**
Lease obligations		9,720	12,546
Long-term debt	15	**9,720**	**12,546**
Lease obligations	15	2,839	2,648
Prepayments received from customers		147	3,576
Trade payables		4,843	6,194
Contract work in progress	11	0	197
Payables to group enterprises		260,326	185,506
Other payables		25,046	24,566
Short-term debt		**293,201**	**222,687**
Debt		**302,921**	**235,233**
Liabilities and equity		**299,142**	**236,528**
Going concern	1		
Contingent assets, liabilities and other financial obligations	16		
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Statement of changes in equity

(TDKK)	Share capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January	41,166	101,912	-144,169	-1,091
Development costs for the year	0	12,180	-12,180	0
Net profit/loss for the year	0	0	-4,600	-4,600
Equity at 31 December	**41,166**	**114,092**	**-160,949**	**-5,691**

Notes to the Financial Statements

1. Going concern

Keylane A/S will continue to significantly invest in both the Plexus and the Obex solutions. Keylane A/S is not expected to generate sufficient cash flows from operations in 2025 to support these investments. The parent company, Keylane Group B.V., has therefore issued a letter of support confirming that the parent company, if needed, will support Keylane A/S financially till at least 30 June 2026.

2. Staff expenses

(TDKK)	2024	2023
Wages and salaries	130,210	118,270
Pensions	10,489	8,846
Other social security expenses	1,016	947
Other staff expenses	5,348	4,750
	147,063	**132,813**
Including remuneration to the Executive Board and Board of Directors	**3,380**	**2,959**
Average number of employees	**133**	**122**

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

(TDKK)	2024	2023
Amortisation of intangible assets	33,359	30,558
Depreciation of property, plant and equipment	4,160	4,169
Gain and loss on disposal	-22	-34
	37,497	**34,693**

4. Financial income

(TDKK)	2024	2023
Interest from group enterprises	75	0
Other financial income	5	19
	80	**19**

5. Financial expenses

(TDKK)	2024	2023
Interest to group enterprises	4,594	2,689
Other financial expenses	1,338	836
	5,932	**3,525**

6. Income tax expense

(TDKK)	2024	2023
Deferred tax for the year	-15,078	-6,226
	-15,078	**-6,226**

7. Profit allocation

(TDKK)	2024	2023
Retained earnings	-4,600	-46,134
	-4,600	**-46,134**

Notes to the Financial Statements

8. Intangible fixed assets

(TDKK)	Completed development projects	Acquired licenses	Goodwill	Development projects in progress
Cost at 1 January	268,241	41,158	29,961	35,569
Additions for the year	21,715	0	0	44,881
Transfers for the year	54,151	0	0	-54,150
Cost at 31 December	344,107	41,158	29,961	26,300
Impairment losses and amortisation at 1 January	167,127	8,412	29,961	0
Amortisation for the year	29,266	4,093	0	0
Impairment losses and amortisation at 31 December	196,393	12,505	29,961	0
Carrying amount at 31 December	**147,714**	**28,653**	**0**	**26,300**

Development projects in progress relates to the two main products, Plexus and Obex.

Development projects are recognised based on time recordings.

For each product management have a planned business case. The projects are progressing and it is expected that the projects will be sold to new and current customers.

9. Property, plant and equipment

(TDKK)	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 January	28,450	13,582	674
Additions for the year	14	1,319	0
Disposals for the year	0	-37	0
Cost at 31 December	28,464	14,864	674
Impairment losses and depreciation at 1 January	14,406	10,896	630
Depreciation for the year	2,943	1,203	14
Impairment and depreciation of sold assets for the year	0	-1	0
Impairment losses and depreciation at 31 December	17,349	12,098	644
Carrying amount at 31 December	**11,115**	**2,766**	**30**

Notes to the Financial Statements

10. Other fixed asset investments

(TDKK)	Deposits
Cost at 1 January	1,923
Cost at 31 December	1,923
Carrying amount at 31 December	**1,923**

11. Contract work in progress

(TDKK)	2024	2023
Selling price of work in progress	0	-5,464
Payments received on account	0	5,267
	0	**-197**
Recognised in the balance sheet as follows:		
Prepayments received recognised in debt	0	-197
	0	**-197**

12. Deferred tax asset

(TDKK)	2024	2023
Deferred tax asset at 1 January	6,226	0
Amounts recognised in the income statement for the year	15,077	6,226
Deferred tax asset at 31 December	**21,303**	**6,226**

The deferred tax asset amounts to DKK 21,303k and is related to the Danish entity. The deferred tax asset partially consists of timing differences between the tax value and accounting value of fixed asset investments and tax losses to carry forward.

The deferred tax asset is recognised under the assumption that the profitability of Keylane A/S's operations will be realized as expected.

13. Prepayments

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

14. Other provisions

(TDKK)	2024	2023
Other provisions comprise provisions on entered contracts and covers disputes.		
Provision restorage cost for buildings	765	765
Other provisions	1,147	1,621
	1,912	**2,386**
The provisions are expected to mature as follows:		
Within 1 year	1,147	1,621
Between 1 and 5 years	765	765
After 5 years	0	0
	1,912	**2,386**

15. Long-term debt

(TDKK)	2024	2023
Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.		
The debt falls due for payment as specified below:		
Lease obligations		
After 5 years	0	0
Between 1 and 5 years	9,720	12,546
Long-term part	9,720	12,546
Within 1 year	2,839	2,648
	12,559	**15,194**

16. Contingent assets, liabilities and other financial obligations

(TDKK)	2024	2023
Charges and security		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	2,441	0
	2,441	**0**

16. Contingent assets, liabilities and other financial obligations (continued)

The following (additional) security has been granted for the purpose of financing by banks:

- First ranking right of pledge on all shares in Keylane A/S;
- First ranking pledge, charge and assignment (as applicable) on all assets of and Keylane A/S, including all business equipment, receivables, insurances, intellectual property rights and other assets. Assets held by Keylane A/S have been pledged to AlterDomus Trustees (UK) Ltd. as security agent of the lenders in the Senior Facilities Agreement – as concluded between Leto Group B.V., the lenders and the agent on 30 October, 2024 – for a total value of €8,000,000 by registration of a Floating Charge Mortgage with the Danish Register of Chattel Mortgages.

In addition, Keylane A/S has granted a guarantee for the obligations of all obligors under the loan documents.

17. Related parties and disclosure of consolidated financial statements

	Basis
Controlling interest	
Keylane Group B.V.	Majority shareholder
Leto Topco B.V.	Ultimate parent company

Transactions

Purchase of services from group companies: 47.398 TDKK
Recharge of services (expense) from group companies: 81.469 TDKK
Interest paid to group companies: 4.594 TDKK
Receivables from group companies: 35.413 TDKK
Loan payables to group companies: 77.713 TDKK
Payables to group company: 182.613 TDKK

Apart from the above, 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:

Name	Place of registered office
Leto Topco B.V. (ultimate parent company)	Varrolaan 60 3584 BW Utrecht The Netherlands
Keylane Group B.V. (immediate parent company)	Varrolaan 60 3584 BW Utrecht The Netherlands

The Group Annual Report of Leto Topco B.V. and Keylane Group B.V. can be obtained at the above addresses.

Notes to the Financial Statements

18. Subsequent events

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

Notes to the Financial Statements

19. Accounting policies

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

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024 are presented in TDKK.

Cash flow statement

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

Recognition and measurement

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

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

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

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

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 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.

Notes to the Financial Statements

19. Accounting policies (continued)

Income statement

Revenue

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

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 external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales as well as office expenses, etc.

Gross profit

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

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

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

Financial income and expenses

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

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and 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.

Notes to the Financial Statements

19. Accounting policies (continued)

Balance sheet

Intangible fixed assets

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. For development projects, protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5-10 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised over their remaining duration, and licences are amortised over the term of the agreement, but over no more than 5 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Licences are amortised over the licence period; however not exceeding 5 years.

Goodwill is the positive difference between cost and value in use of assets and liabilities taken over as part of the acquisition. Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed on an annual basis. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

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

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

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

Land and buildings	5 years
Other fixtures and fittings, tools and equipment	3-5 years

Notes to the Financial Statements

19. Accounting policies (continued)

Leasehold improvements	5 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.

Other fixed asset investments

Other fixed asset investments consist of deposits and receivables from group enterprises. Fixed asset investments are measured at amortised cost.

Receivables

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

Contract work in progress

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

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

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

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

Prepayments

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

Provisions

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

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

19. Accounting policies (continued)

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.

Current tax receivables and liabilities

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

Financial liabilities

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

Financial Highlights

Explanation of financial ratios

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