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TRIFORK GROUP ANNUAL REPORT 2023

A Challenged World Needs Digitalization

Contents

LETTER OF THE CEO

2023 - Maintaining double-digit growth in a challenging year

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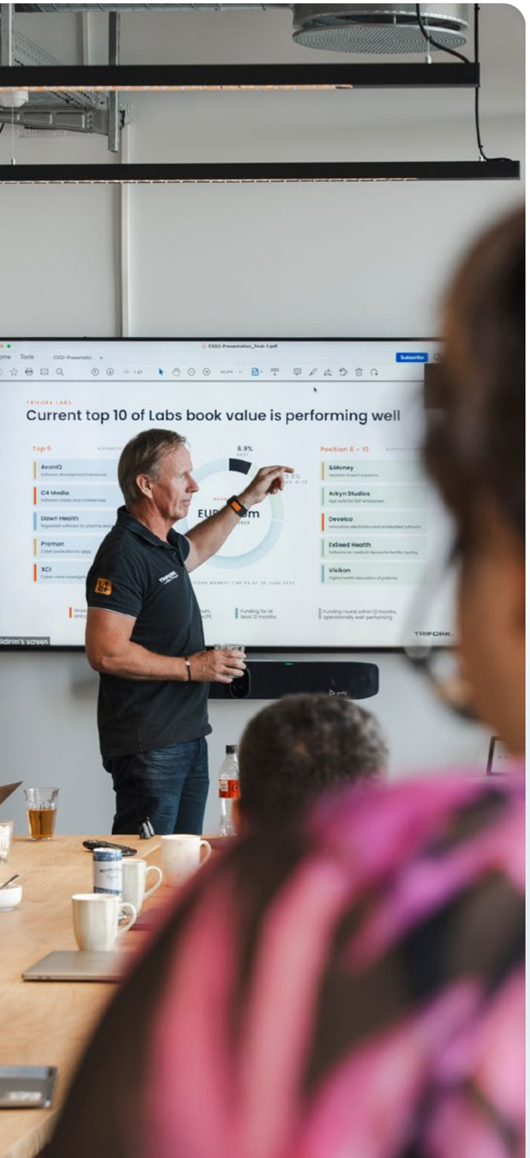


2023 was a challenging year in which many enterprises reduced their budgets for new technology investments. Our teal organization once again proved its resilience in navigating the tricky waters. We maintained double-digit growth and, besides a loss in our Inspire business, we were able to maintain our profitability in Build and Run despite increased investments in business development.

It was a very exciting year for tech enthusiasts! We saw a lot more focus on artificial intelligence, cyber security, digital twins and spatial computing with the highly anticipated launch of Apple's Vision Pro, which was released in February 2024. I believe that Trifork is well positioned to grow in these areas in the coming years.

We added several new senior leaders with focus specifically on sales and business development. During the second half of the year, we saw the first results from these investments with increased revenue from new customers. Our goal is to create long-standing and strategic relationships with these new customers and become their trusted innovation partner. I am pleased to see how all our business units are devoted to business development and I believe our investments in 2023 form a solid foundation for continued growth in 2024 and the years to come.

Some of our investments were directed to our ambition of growing in the US market. Initially, we focus on Smart Enterprise solutions to large corporates in the Chicago area. We have seen good interest and have started new engagements in the end of Q4/2023. We continue to believe the results will come and that the US will contribute to revenue growth in 2024.

Despite the challenging market in 2023, we managed to grow revenue by 12.4% to EURm 208. 9.3%-points was organic growth and 3.1%-points was inorganic growth. The inorganic growth came from the integration of the Swiss company IBE in January and the Danish company Chapter 5 in October. The highest revenue growth came from Switzerland (84.2%) and US (35.8%). Our largest market Denmark, which accounted for 68% of total revenue, grew 9.7%.

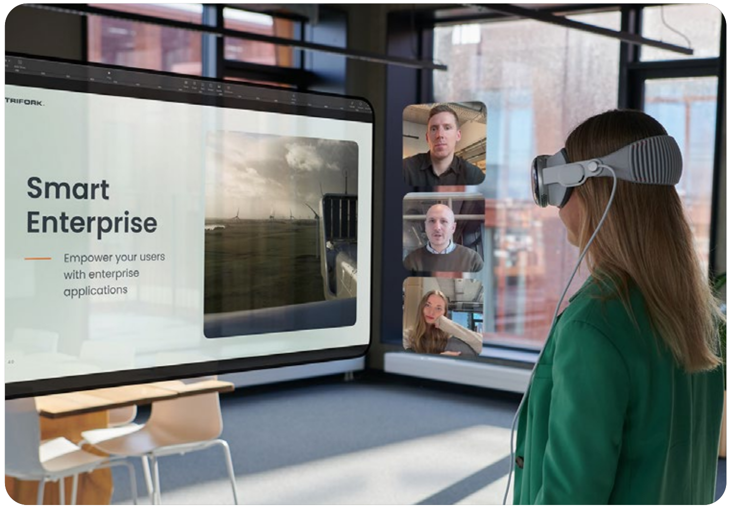
Adjusted EBITDA in the Trifork segment reached EURm 35.0 in 2023. This equals a margin of 16.9% which we find acceptable in the current business environment even if the result in Inspire was not satisfactory.

In Trifork Labs, where we place our innovation investments and co-investments with strategic customers, we recorded a net positive fair value adjustment of EURm 6.9. Our top 10 investments (accounting for 91.9% of total value) remain healthy and we continue to believe in an aggregated positive development for these companies. The increased value in 2023 was primarily driven by two investments delivering significantly stronger-than-expected operational and financial performance through 2023 and in the fourth quarter.

At the end of December 2023, our net interest-bearing debt was EURm 28.7, equal to an adjusted EBITDA leverage of 0.9x. We still stand financially strong in our pursuit of both organic and inorganic growth opportunities.

In 2023, we continued towards our goal of delivering more value-based services based

Our investments in 2023 form a solid foundation for continued growth in 2024 and the years to come



on product and license sales. We developed two new platforms with significant market potential. The first one is a comprehensive platform structuring a company's data, which is an instrumental part of implementing and adopting new AI solutions. The first customer on the platform is Kamstrup, a leading manufacturer of system solutions for smart energy and water metering in 20 countries (for more details refer to the case stories on page 38 and 45).

The second one is a turnkey digital twin platform, which has been in the market with one customer while being continuously enhanced over the last few years. The customer is a global mobility provider that has over 100,000 connected vehicles in the field. Functionalities are now in place allowing us to offer services to handle digital twins for all kind of physical assets (read more on page 28). Both platforms are expected to fuel revenue growth in Trifork's Run sub-segment.

During 2023, we expanded several of our office locations. We moved into new offices in Aarhus, Copenhagen, Eindhoven, Barcelona, and Palma. That, combined with learnings about how to combine office and remote working, makes us confident that we will be able to grow significantly in our current setup. In our new central location in Copenhagen, we structured one large building in a way where we house a combination of business units, as well as some of our Labs-companies and close business partners.

In October 2024, EU's NIS2 directive enters into force, requiring many companies to improve their cyber protection significantly. In Trifork Security, we offer a state-of-the-art platform to assess current exposures and protect against them. It covers on-premises systems, hosted systems, and/or cloud-based systems. We are ready to onboard additional customers in our scalable Security Operation Center, another contributor to our Run revenue.

For some time, we have had the chance to work with the new Apple Vision Pro headset. It has given us a lot of inspiration and ideas for new enterprise solutions based on spacial computing. In our pre-launch discovery phase, we had a lot of interesting dialogues with potential customers and have already developed the first solutions that showcase the opportunities. We expect Vision Pro solutions to contribute to growth in 2024. Edge computing and Vision AI are other areas where we expect to remain busy. Our partnership with the technology leader NVIDIA brings about new opportunities within e.g. manufacturing, warehouse optimization, public safety, and environmental protection. We look forward to attending NVIDIA GTC in California in March as an invited presenter.

ESG regulations and increasing customer demands drive increasing activity towards our compliance and sustainability functions. We welcome them as we constantly look to improve our processes and establish new initiatives that benefit all of our stakeholders, not least the planet. In 2023, we sponsored the global sailing competition The Ocean Race, where proceeds go to ocean preservation, and we collaborated as a tech partner with the NGO "Racing for Oceans" to find new solutions to help cleaning our oceans and beaches. We are committed to setting science-based targets and look forward to updating on the progress. We invite all stakeholders to read our separate ESG report for 2023.

In 2024, Trifork targets total revenue of EURm 230-240 equal to growth of 10.6-15.4%, Trifork Segment adj. EBITDA of EURm 38.0-42.0, and Trifork Group EBIT of EURm 21.5-25.5. Potential new acquisitions are not included in the guidance. Our mid-term ambitions remain unchanged: annual average revenue growth of 15-25% with organic revenue growth of 10-15% on average per year with the ambition of slightly increasing margins.

We will host our first Capital Markets Day on 29 May in Copenhagen and look forward to inviting investors, media, and analysts to learn more about our growth journey, capabilities, strategies, financial development, and future ambitions. More information can be found on our investor relations web-page.

Jørn Larsen
CEO, Trifork Group

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2023

Key Figures & Main Events

TRIFORK GROUP

19.7 EURm
EBIT

15
Countries

72
Business Units

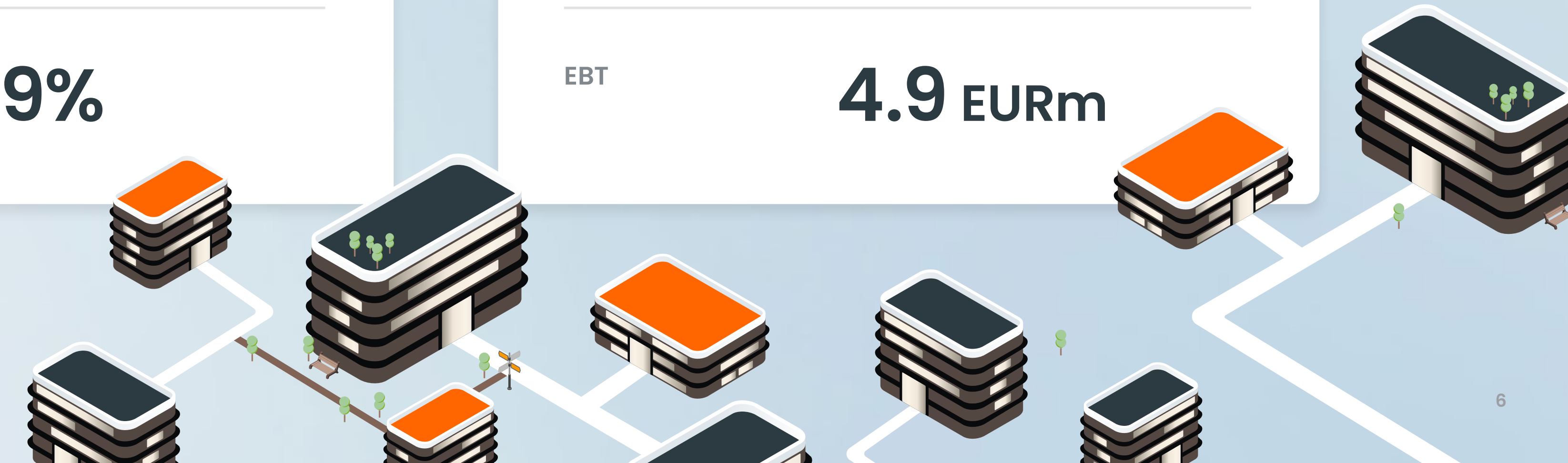
1,210
Employees

TRIFORK SEGMENT

Revenue	207.9 EURm +12.4% total growth
Adjusted EBITDA	35.0 EURm
Adjusted EBITDA margin	16.9%

TRIFORK LABS SEGMENT

Active Startups	23
Value of Startups	69.7 EURm
EBT	4.9 EURm



Financial highlights and key figures

(in EURk)	2023	2022	2021	2020	2019
Trifork Group income statement					
Revenue from contracts with customers	207,900	184,936	158,525[4]	115,358	106,428
- *thereof organic*	202,171	183,401	137,980[4]	103,973	99,044
- *thereof from acquisitions*[1]	5,729	1,535	20,545	11,381	7,384
Special items[2]	-	-	20,253	-955	2,949
Adjusted EBITDA	33,172	30,443	27,123	17,930	12,688
Adjusted EBITA	23,524	22,347	19,475	11,210	7,455
Adjusted EBIT	19,702	18,341	15,354	7,898	5,286
EBITDA	33,172	30,443	47,376	16,975	15,637
EBITA	23,524	22,347	39,728	10,255	10,404
EBIT	19,702	18,341	35,607	6,408	8,235
Net financial result	2,094	3,905	1,049	40,634	9,508
EBT	21,796	22,246	36,656	47,042	17,743
Net income	17,388	18,100	32,696	44,658	16,349
Trifork Segment					
Revenue from contracts with customers	207,900	184,936	158,525	115,358	106,428
- Inspire	6,265	5,736	2,390	1,945	8,051
- Build	149,559	139,749	122,980	86,705	76,578
- Run	51,265	38,816	32,650	26,422	21,458
Adjusted EBITDA	35,036	31,924	28,626	20,168	13,250
- Inspire	-2,713	-37	-640	-1,522	-287
- Build	28,045	29,273	26,046	16,913	9,297
- Run	12,467	6,488	7,438	5,866	5,872
Adjusted EBITA	25,388	23,828	20,978	13,448	8,017
Adjusted EBIT	21,566	19,822	16,857	10,136	5,848
Trifork Labs Segment					
Net financial result	6,731	5,838	4,806	41,396	9,599
EBT	4,867	4,357	3,303	39,158	9,037
Trifork Group financial position					
Investments in Trifork Labs	69,673	60,312	47,259	75,861	32,531
Intangible assets	84,231	73,838	76,288	72,990	33,445
Total assets	304,263	249,274	245,664	229,109	122,065
Equity attributable to the shareholders of Trifork Holding AG	120,788	114,629	109,798	80,494	55,757
NCI & redemption amount of put-options	24,198	33,958	37,101	26,942	6,791
Net liquidity/(debt)[3]	-28,290	3,670	17,100	-37,393	-14,214

The financial highlights and key ratios have been prepared on the basis of the CFA Society Denmark "Recommendations & Ratios".

"Adjusted" means adjusted for the effects of special items.

For the definitions refer to page 145.

1 Only new revenue, as Group companies provided services to IBE also before the acquisition.
2 Include IPO-preparation costs, M&A legal costs and other income from deconsolidation.
3 The value of the treasury shares is not included in the net liquidity/(debt) calculation. End of 2023 the value amounted to EURm 4.3.
4 Include EURk 4,405 deconsolidated revenue from Dawn Health.

(in EURk)	2023	2022	2021	2020	2019
Cash flow					
Cash flow from operating activities	26,931	22,094	7,775	17,787	10,514
Cash flow from investing activities	-20,485	-9,203	49,655	-31,516	-4,560
Cash flow from financing activities	-4,741	-26,862	-32,406	25,877	-9,850
Free cash flow	18,149	16,096	2,073	14,373	7,490
Net change in cash and cash equivalents	2,142	-13,976	26,671	12,005	-3,735
Share data					
Basic earnings / share (EPS basic)	0.75	0.77	1.52	2.33	0.83
Diluted earnings / share (EPS diluted)	0.74	0.77	1.52	2.33	0.83
Dividend / share	0.10[1]	0.14	0.380	0.580	0.047
Pay-out ratio	13.5%	18.0%	25.0%	25.0%	5.8%
Employees					
Average number of employees (FTE)	1,104	970	880	682	626
Financial margins and ratios					
Trifork Group					
Adjusted EBITDA margin	16.0%	16.5%	17.1%	15.5%	11.9%
Adjusted EBITA margin	11.3%	12.1%	12.3%	9.7%	7.0%
Adjusted EBIT margin	9.5%	9.9%	9.7%	6.8%	5.0%
EBITDA margin	16.0%	16.5%	29.9%	14.7%	14.7%
EBITA margin	11.3%	12.1%	25.1%	8.9%	9.8%
EBIT margin	9.5%	9.9%	22.5%	5.6%	7.7%
Equity ratio	39.7%	46.0%	44.7%	35.1%	45.7%
Return on equity	12.4%	13.6%	30.8%	63.4%	31.1%
Trifork Segment					
Organic revenue growth	9.3%	19.0%[2]	19.6%	2.6%[1]	13.8%
- Inspire	9.2%	140.0%	22.9%	-75.8%	12.8%
- Build	6.5%	16.5%	18.2%	6.0%	15.4%
- Run	19.2%	18.9%	23.5%	20.8%	22.6%
Adjusted EBITDA margin	16.9%	17.3%	18.1%	17.5%	12.4%
- Inspire	-43.3%	-0.6%	-26.8%	-78.3%	-3.6%
- Build	18.8%	20.9%	21.2%	19.5%	12.1%
- Run	24.3%	16.7%	22.8%	22.2%	27.4%
Adjusted EBITA margin	12.2%	12.9%	13.2%	11.7%	7.5%
Adjusted EBIT margin	10.4%	10.7%	10.6%	8.8%	5.5%
EBITDA margin	16.9%	17.3%	30.8%	16.7%	15.2%

1 In addition to dividend, Trifork launched a share buyback on 2 November 2023 (refer to page 74).

2 Adjusted for deconsolidation effects.

An outline of the year

Financial Highlights of 2023

In 2023, the Trifork Group managed to continue double-digit growth and achieved a solid profit from operations.

The financial highlights focus on profit ratios, in which certain levels of income and cost for special items are excluded ("adjusted"). In 2023, there were no special items to adjust for.

Trifork Group

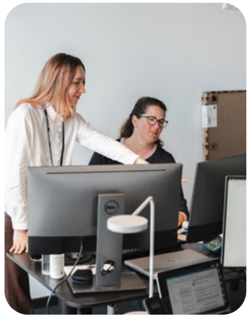
- With a total revenue of EURm 207.9, the Trifork Group achieved a total growth of 12.4%.
- The acquisitional growth was a total of 3.1% coming from IBE (Jan-Dec 2023) and Chapter 5 A/S (Oct-Dec 2023).
- EBIT for 2023 was EURm 19.7 equal to an EBIT margin of 9.5% (2022: EURm 18.3/9.9%).
- EBT for 2023 was EURm 21.8 (2022: EURm 22.2).
- Net income for 2023 amounted to EURm 17.4 (2022: EURm 18.1), which is a decrease of EURm 0.7 compared to 2022.
- Equity attributable to shareholders of Trifork Holding AG as of 31 December 2023, was EURm 120.8, giving an Equity Ratio of 39.7% at the end of 2023 (2022: 46.0%).

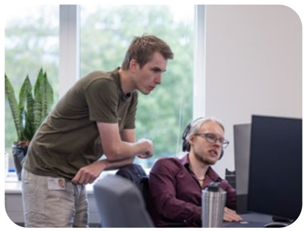
Trifork Segment

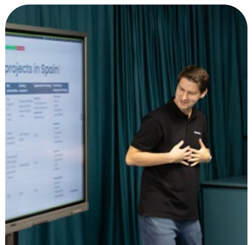
- Adjusted EBITDA of EURm 35.0 (2022: EURm 31.9) equal to an 16.9% EBITDA margin and represents growth of 9.7% compared to 2022.
- Adjusted EBITA was EURm 25.4 (2022: EURm 23.8), which equals a 12.2% EBITA margin and an increase of 6.5% compared to 2022.
- Adjusted EBIT was EURm 21.6 (2022: EURm 19.8), which equals a 10.4% EBIT margin and an increase of 8.8% compared to 2022.

Trifork Labs Segment

- Positive fair value adjustment on Trifork Labs investments was EURm 6.9, compared to EURm 6.2 in 2022. The income in 2023 was primarily driven by dividends, fair-value adjustments in three investments delivering better operational results than expected through 2023 and two financing rounds.
  (Due to historical reasons, one investment impacted is categorized under associated companies and is reported in the Trifork Segment financial items.)







Main Events

Trifork Group

- The Trifork Group now counts 1,210 employees, distributed over 72 customer facing business units, compared to 1,062 employees and 66 business units end of 2022.
- The average age of employees was recorded to 39.5 compared to 38.2 in 2022.
- 23.4% of employees are reported as non-male gender compared to 21.0% end of 2022. 21.8% of leaders are reported as non-male gender compared to 21.0% in 2022.
- LTM churn rate on employees was 15.8% compared to 15.4% in 2022. In 2023, this included 2.5% churn recorded as organizational adjustment.
- Sick leave percentage was 3.6% compared to 2.7% in 2022. Especially in the end of Q4/2023 this was higher than usual.
- During the year, Trifork acquired additional NCIs in Nine A/S and at the end of 2023 held 90.0% of the company.
- In January 2023, Trifork acquired 60% in the Swiss company Bildungsevaluation Zürich AG ("IBE"). This acquisition was included in the group consolidation for all of 2023. IBE has for many years worked within the area of educational measurement and methods of item response theory. This has been used as the foundation for the development of computer-based adaptive testing and learning, which is aligned with Trifork's strategy to digitalize education and improve user experiences for all users.
- In October 2023, Trifork acquired 100% of the Danish company Chapter 5 A/S. This acquisition has been included in the group consolidation in the period from October to December 2023. C5 for many years has developed mission-critical systems for a long list of Danish financial institutions and has built a strong track record and earned a reputation for deep domain expertise in pension operations and fund administration. The company has also developed many custom line-of-business applications to customers in other industries, such as pharma and public administration. C5 is based in Copenhagen, Denmark.

Trifork Segment

- **Inspire**
  For 2023, we planned to increase our conference activities again and used more energy and resources in kickstarting in-person conferences again. Overall, it turned out to be a hard job and we realized that 2023 was a year where many companies limited or postponed their investments in sponsorships to conferences and education of their employees. The result of this combination was that our efforts to accelerate the conference activities did not pay off in increasing the revenue enough to compensate for the cost of the increased activities and thus we made a loss of EURm 2.7 on EBITDA. We saw this development during 2023 and had to rethink and re-organize our staff and way to approach conferences. This process was completed in Q4/2023. In total, we had 5,800 attendees to our conferences and increased our total Inspire revenue to EURm 6.3 equal to a growth of 9.2%.

  Our GOTO tech channels on YouTube and Instagram ended the year with more than 62 million accumulated views – equal to more than 22 million views in 2023. The YouTube channel now has more than 800,000 subscribers.

- **Build**
  The build-based business is to a large extent driven by customer product development where deliveries are done on the basis of hours produced by all our colleagues. In 2023, we increased our focus on combining our build-based deliveries with deliveries of software components with more value-based pricing in the initial offerings and with opportunities for future run-based revenue streams. We believe this will strengthen our go-to-market model and support our ambition to turn more revenue into being run-based. The continued instability in the world in general has continued to impact how, when and how much our customers decide to invest in software solutions. In general, we have seen companies being more hesitant with new investments and having longer decision cycles. This made it hard for us to plan and optimize the use of our resources, and also had a negative impact on our profit margins. We continue to focus on being a trusted innovation partner for our customers and being able to both pitch new ideas for optimizations of their current business by using new technologies as well as how to develop new services which can create new business value for them.

  With 71.9% of total revenue, build still accounts for the majority of the revenue in Trifork. Revenue from new customers increased to 28% of total revenue in 2023 compared to 21% in 2022.

  With a growth of 29%, Digital Health continued to be one of the fastest growing business areas. A higher degree of the solutions delivered in 2023 has been recurring revenue based on licenses and support agreements that supports the growth in the Run segment.

- **Run**
  The Run-based business is focused on operating, maintaining, protecting, and supporting solutions for customers. In 2023, the highest growth rates once again came from our Run sub-segment. This segment grew 32.1% (19.2% organic and 12.9% inorganic) compared to 2022. Run-based revenue accounted for 24.6% of group revenue. During 2023, we finalized our investments in new operation centers in Denmark. In total, the non-capitalized cost for this amounted to EURm 0.5. We do not plan to invest any material amounts in 2024 but expect an increased activity level in our Cloud operation business area as an effect from the past investments.

Trifork Labs Segment

- In Trifork Labs, we primarily spent 2023 focusing on supporting our existing investments and scouting for new strategic partnerships but we also had to revaluate a couple of our startups where we no longer saw the future business plan and development being satisfying.
- Completed new investments in the startup companies Bluespace Ventures AG (Digital Health platform) and Ossmo ApS (adoption management).
- Supporting investment rounds in the existing startups &Money ApS, Arkyn Studios Ltd., ExSeed Health Ltd., Upcycling Forum ApS, and Visikon ApS.
- Completed exits (full impairments) in: EDIA B.V., Kashet Group AG, and Verica Inc.

03

2024 Guidance & Mid-term Targets

Trifork Group Results and Growth

- In 2024, the Trifork Group expects **total revenue of EURm 230-240**. This is a 10.6-15.4% increase in revenue compared to 2023.
- The Trifork Group expects an **EBIT of EURm 21.5-25.5**.
- Two thirds of all depreciations and amortizations are expected to be related to acquisitions.

The fulfilment of the financial guidance is subject to some uncertainty. Significant changes in exchange rates and business or macro-economic conditions may have an impact on the economic conditions of the Trifork Group's performance.

In the beginning of 2024, we still see an unstable economic environment with relative high interest rates and high volatility in exchange rates. The effects from geopolitical instability are impacting global trade patterns and corporate decisions in ways that are hard to anticipate. All this could lead to a negative impact on the financial results of Trifork, but could also have a positive effect such as e.g. increased focus on cyber protection where Trifork offers a number of different solutions.

As a business, Trifork takes precautions and will operate as effectively as possible in the current situation.

For the Group, a new steep increase in inflation could raise overall costs and impact profit margins in the short term.

Trifork segment

The strategy for the Trifork segment is that growth should represent a combination of organic and acquisitional expansion. Overall, our guidance for the Trifork segment in 2024 is:

- **Revenue of EURm 230-240 equal to overall growth of 10.6-15.4%**
- **Organic growth to be 9.7-14.5%**
- **Adjusted EBITDA of EURm 38.0-42.0**

The acquisitional growth included in the guidance consists of the acquisition of Chapter 5 (October 2023). In 2024, the revenue from this company will count as inorganic in January-September. The included inorganic growth amount to approx. EURm 2.

Trifork will continue to increase its business based on the sales of solutions, products, and product related services. The focus is to invest in generating Run-revenue as recurring and scalable revenue with higher profit margins. We expect to grow the Run-revenue at the highest organic growth rates.

In 2024, Trifork Segment expects EURm 230-240 in revenue and EURm 38-42 in adjusted EBITDA

In 2024, we expect that the revenue mix between private and public will be at the same level as in 2023, equal to 1/3 from Public and 2/3 from Private customers.

We will continue our active acquisition strategy and target new acquisitions during 2024. No effect from potential new acquisitions is included in the guidance for 2024.

In the Trifork segment, other risks include projects not being delivered on time or delayed start of newly planned projects. If product sales decline or if maintenance and support of products prove to be too expensive, this will also pose a risk.

Mid-term financial targets

We maintain our mid-term financial targets (rolling three-year period) of:

- 15-25% annual Group revenue growth
- 10-15% annual Group organic growth
- Improving Trifork segment adjusted EBITDA margin
- Improving Trifork Group EBIT margin
- Net debt/Group adj. EBITDA leverage of up to 1.5x (may temporarily exceed)

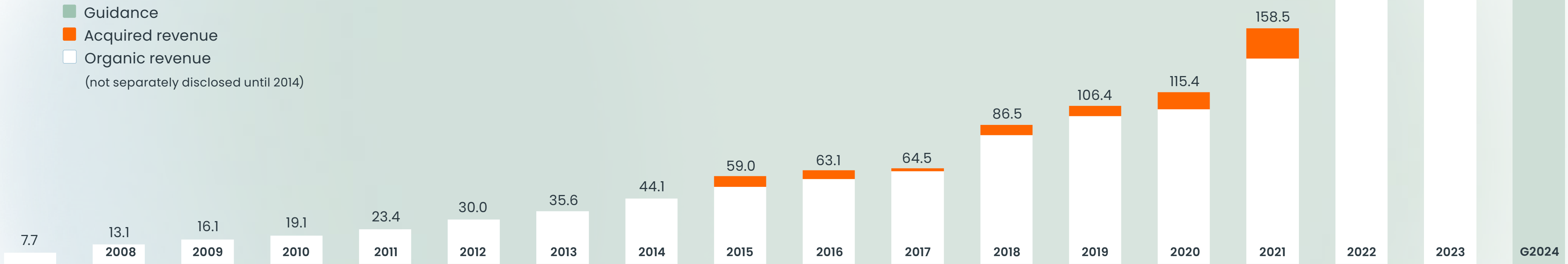
Trifork Labs segment

Trifork Labs invests in invest in software product companies that are part of the overall Trifork R&D strategy. We aim to attract external funding to these companies in order to finance their future growth and success.

We also expect to continue our current investment strategy by supporting existing investments and search for new potential investments.

The costs of running Trifork Labs are expected to result in a loss of around EURm 1.5-2.0 on EBITDA in the segment. Overall we target a positive EBT based on value increase and dividends from investments.

At Trifork Labs, risks include a decrease in valuation of investment if any of the companies we are invested in are unable to secure funding or fail to develop as expected.



04

2023 Financial Review

Trifork Group

Financial guidance

EURm	02.2023	10.2023	02.2024	Result
Revenue	205 - 215	207 - 212	207 - 209	207.9
EBIT	20 - 23	20.5 - 22.5	19.2 - 20.2	19.7

The financial review is presented in Euro and all amounts are in million (EURm), unless otherwise stated. Due to rounding, numbers presented may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

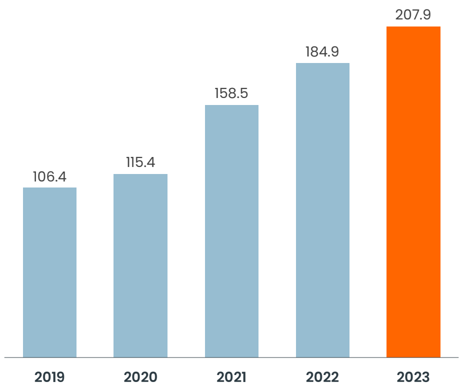
General

The Executive Management of the Trifork Group finds the results achieved in 2023 at the lower end of the acceptable range but in alignment with the initial guidance communicated (revenue) or slightly below (EBIT).

In 2023, Trifork Group increased investments in business development through the year, which led to lower EBIT compared to the expectations in the beginning of the year. These investments included EURm 0.5 into the US Smart Enterprise market, where we see significant potential.

For 2023, Trifork Group accounted for net positive fair value adjustments of EURm 6.9 for its Labs investments (of which EURm 2.2 came through an associated entity). The result satisfies the expectations of the Executive Management.

Trifork Group revenue



The Trifork Group revenue of EURm 207.9 equals 12.4% growth compared to 2022. The growth was achieved organically (9.3%) and from the acquisitions (3.1%).

For 2023, the Group due to a tougher business environment remained slightly below the lower end of its mid-term target to obtain an annual 10-15% organic revenue growth.

In 2023, Trifork Group's growth was 12.4%

Inorganic growth reported in 2023 comprises of the revenue from January to December from IBE and October to December from Chapter 5 A/S.

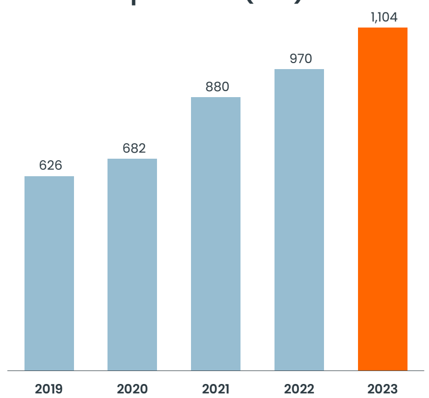
IBE was acquired in January and is a specialist in digital examination solutions to schools (online learning and testing platforms).

Chapter 5 A/S was acquired in October and brings additional expertise into the FinTech business area (digital solutions to the pension sector and funds). It will continue to contribute inorganic revenue for January to September 2024.

Trifork Group continues to focus on revenue growth in our core markets in Denmark, Switzerland, and United Kingdom. A focus for further growth outside of these markets is in the US. We always strive to improve the resilience of Trifork, which is why we prioritize growing in several markets rather than being dependent on growth from only one. Activities in more markets reduce the overall risk exposure if one market shows poor performance and it also provides more business opportunities.

Even though we had substantial activities in Trifork Labs in 2023, they do not show in the revenue of Trifork Group since the status and ownership ratio of Labs companies do not meet the requirements to be fully consolidated.

Full-time equivalent (FTE)



In 2023, the average number of FTE grew to 1,104, generally due to expansion of the current business.

At the end of 2023, the total number of employees within companies consolidated in the Trifork Group amounted to 1,210 (2022: 1,062).

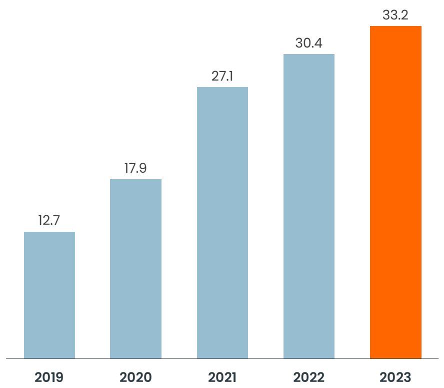
Costs

The most significant cost in the Trifork Group is personnel costs. In 2023, total personnel costs were EURm 111.1 (2022: EURm 97.8). Personnel cost per employee have remained stable compared to 2022. The challenges in relation to market demand for highly skilled specialists combined with increasing inflation rates has been addressed continously and balanced well in the organization.

Personnel costs as a proportion of revenue increased from 52.9% in 2022 to 53.4% in 2023. We estimate that this KPI will be reduced in the future, mainly driven by return on investments in new opportunities and an increased product-based revenue in the Trifork segment.

Trifork Group's EBIT margin was 9.5% in 2023

Development in adjusted EBITDA



In 2023, the Trifork Group realized EURm 33.2 adjusted EBITDA* corresponding to a 9.0% increase compared to 2022.

Adjusted EBITDA was divided in the following way between Trifork and Trifork Labs:

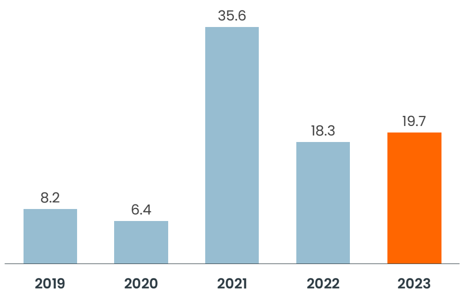
Adjusted EBITDA (EURm)	2023	2022
Trifork	35.0	31.9
Trifork Labs	-1.8	-1.5
Trifork Group	**33.2**	**30.4**

As with revenue, the primary driver for adjusted EBITDA was the Trifork segment with EURm 35.0 (2022: EURm 31.9) with 9.7% growth. The adjusted EBITDA margin was 16.9% (2022: 17.3%).

The negative EBITDA of EURm -1.8 in Trifork Labs represents all the cost of operating it. This is an expected result given the nature of Trifork Labs. Part of the costs represent a variable element based on the achieved fair value increase and profits for the Labs segment.

Overall for the Trifork Group, the results achieved in 2023 correspond to an adjusted EBITDA margin of 16.0% (2022: 16.5%). This development is considered satisfactory taking into account the growth investments made during the year, and is aligned with our target to sustainably increase the margin over the mid-term.

Development in EBIT

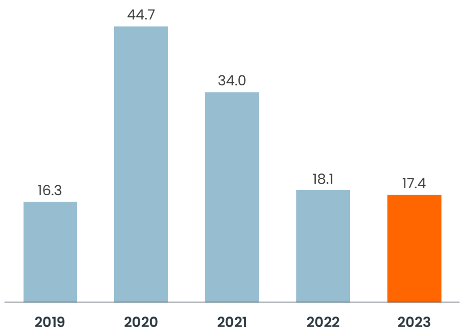


In 2023, Trifork Group realized an EBIT of EURm 19.7 (2022: EURm 18.3) which corresponds to a growth of 7.4% compared to 2022.

EBIT (EURm)	2023	2022
Trifork	21.6	19.8
Trifork Labs	-1.8	-1.5
Trifork Group	**19.7**	**18.3**

The EBIT margin in 2023 was 9.5% (2022: 9.9%).

Net income



In 2023, the Group net income was EURm 17.4 (2022: EURm 18.1).

The net financial result in 2023 amounted to EURm 2.1, compared to EURm 3.9 in 2022. Key elements were higher fair value adjustments of Trifork Labs investments and gains from associated companies (EURm +0.7), higher other financial expenses (EURm -2.1), and higher losses on foreign exchange (EURm -0.5). As the functional currencies of some Group companies differ from EUR, the currency translation adjustments (EURm 1.1) are not included in Net Income but in Other Comprehensive income.

The effective tax rate for the Group was 20.2% in 2023 (2022: 18.6%). The effective tax rate is slightly below the expected tax rate of 22.7% and primarily due to the non-taxable profits on investments in Trifork Labs.

In 2023, EURm 2.7 of the profit belongs to non-controlling interests (2022: EURm 2.9).

The result corresponds to a EUR 0.75 basic earnings per share. The result corresponds to 12.4% return on equity (2022: 13.6%).

* Adjusted for special items (IPO-preparation costs, M&A legal costs and other income from deconsolidation)

Balance and equity

TOTAL ASSETS

Total assets increased by 22.1% from EURm 249.3 as of 31 December 2022 to EURm 304.3 as of 31 December 2023.

The main contributors were

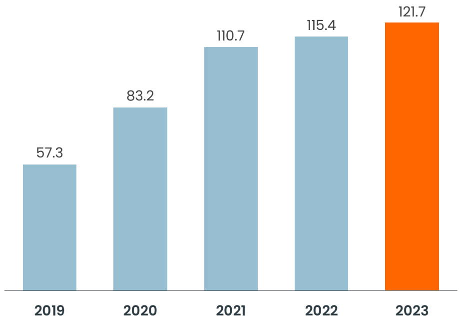
- Increase of right-of-use assets by EURm 14.6, especially due to the new office Porten in Copenhagen.
- Net investment of EURm 9.4 in Trifork Labs investments (addition to existing investments, new investments, earn-outs for the sale of Programmable Infrastructure Solutions AG and Atomist Inc. and fair value adjustments).
- Value increase of EURm 2.2 in associated companies.
- Net increase of EURm 10.6 intangible assets and PPE (acquisition of IBE and Chapter 5 A/S and CAPEX vs. amortization and depreciation).
- Increase of current receivables and contract assets by EURm 11.6 due to increased internal and external growth.
- Net cash inflow of EURm 2.2.

NON-CURRENT ASSETS

Non-current assets have increased by EURm 40.8. The most significant reasons are changes to Labs investments, the right-of-use assets and the intangible assets recognized from the acquisitions of IBE and Chapter 5 A/S as described above.

Product development capitalized at the end of 2023 accounted for EURm 5.8 (2022: EURm 2.2). The increase comes from acquisitions of development projects from Labs investments and own developments for which license requests have come up (see note 4.5 of the consolidated financial statements).

SHAREHOLDERS' EQUITY



As of 31 December 2023, Group equity amounts to EURm 121.7, which is a 5.4% increase compared to 2022. A total of EURm 0.9 of the shareholders' equity is allocated to non-controlling interests (NCI). The equity ratio (excl. NCI) at the end of 2023 was 39.7% (2022: 46.0%).

Cash flow and cash position

OPERATING ACTIVITIES

In 2023, net cash flows from operating activities amounted to EURm 26.9 (2022: EURm 22.1). This increase is mainly explained by increased revenue, a lower increase in net working capital and higher expenses of non-cash character (e.g. depreciation, amortization and impairment, share-based payments).

Trade receivables increased to EURm 43.9 (2022: EURm 35.4) corresponding to 21.1% of revenue (2022: 19.2%). The target for the Group is to have a ratio below 20%. The ratio in 2023 was affected by a high activity at the end of the year for which invoices were issued with payment terms up to 2024.

INVESTING ACTIVITIES

Cash flows from investing activities amounted to EURm -20.5 (2022: EURm -9.2).

The main contributors were

- Acquisitions of IBE and Chapter 5 A/S for EURm 5.0.
- Transactions in Trifork Labs investments, of which acquisitions of EURm 5.7, earn-outs of EURm 0.9, and dividends EURm 0.3
- Net CAPEX of EURm 8.6.
- Earn-out payments of EURm 0.8.
- Net loans granted of EURm 1.8.

FINANCING ACTIVITIES

Cash flows from financing activities amounted to EURm -4.7 (2022: EURm -26.9).

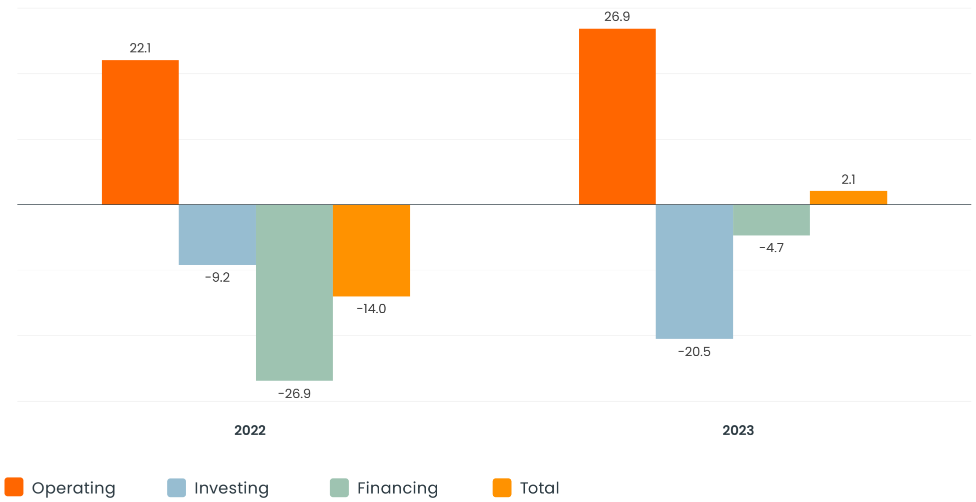
The main contributors were

- Net proceeds from borrowings of EURm 33.4.
- Net acquisition of NCI of EURm -17.6
- Dividends of EURm -5.2, paid to Trifork Holding AG shareholders and to minorities in subsidiaries
- Lease payments of EURm -6.5
- Acquisition of treasury shares for EURm -5.3
- Interest paid of EURm -3.5

CASH POSITION

As of 31 December 2023, Trifork Group has an net interest bearing debt position of EURm 28.3 (2022: net cash of EURm 3.7) and net-interest-bearing-debt-to-adjusted EBITDA-ratio of 0.85x (2022: -0.12x).
Further, it held treasury shares with a market value of EURm 4.3 as of 31 December 2023 (2022: EURm 1.3).

Trifork Group - development in Cash Flow (EUR 1,000)



Trifork Segment

Financial guidance

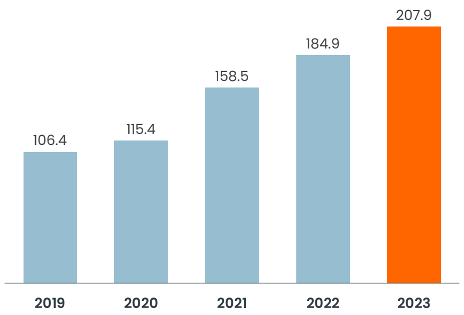
EURm	02.2023	10.2023	02.2024	Result
Revenue	205 - 215	207 - 212	207 - 209	207.9
Adjusted EBITDA	34 - 37	34.5 - 36.5	34.5 - 35.5	35.0

General

The Executive Management of the Trifork Group finds the results achieved in 2023 at the lower end of the acceptable range, but still in alignment with the narrowed guidance for the full year.

The consolidated revenue for the Trifork segment was EURm 207.9 and the adjusted EBITDA of EURm 35.0 are both in the first third of the initial guidance for the year. In the course of the year Trifork Group narrowed its guidance towards the finally achieved results.

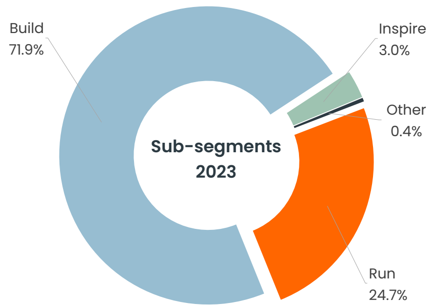
Development in revenue



The Trifork revenue of EURm 207.9 grew 12.4% compared to 2022 of which 9.3 percentage points came from organic growth and 3.1 percentage point came from acquisitions. The organic growth remained slightly below the lower end of its mid-term target to obtain an annual 10-15% organic revenue growth.

66.1% of revenue derived from the private sector and 33.9% derived from the public sector. This is at a similar level as in 2022.

Revenue streams and sub-segments



The revenue streams in the Trifork segment are internally reported in three different go-to-market sub-segment as well as "other".

The services are delivered within the three sub-segments:

- Inspire (inspirational workshops and organizing conferences and trainings on software development),
- Build (development of innovative software solutions for customers) and
- Run (delivery and operation of software products and related services for customers)

Revenue in the different sub-segments has shown the following results:

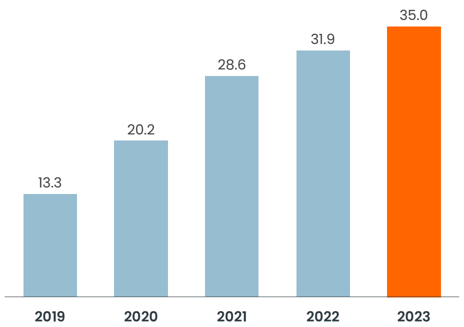
Revenue (EURm)	2023	2022
Inspire	6.3	5.7
Build	149.6	139.8
Run	51.3	38.8
Other	0.7	0.6
Trifork	**207.9**	**184.9**

- **Inspire**
  With a revenue of EURm 6.3, Inspire delivered 3.0% of total revenue. Although revenue grew by 9.2% compared to 2022, it is still below the pre-Covid-19 level. Trifork Group faces difficult market conditions as conference sponsors are hard to attract and companies have reduced their investment in the education of their employees. The conference approach and the staff organization is currently being re-defined.

- **Build**
  With a revenue of EURm 149.6, Build delivered 71.9% of total revenue. 68% of this was repeat revenue with strategic customers. Revenue growth was 7.0% compared to 2022 and organic growth was 6.5%. In 2023 inorganic revenue in the Build sub-segment was EURm 0.7.

- **Run**
  With a revenue of EURm 51.3, Run delivered 24.7% of total Trifork revenue and delivered growth of 32.1%, of which 19.2% were organic. In 2023, inorganic revenue in the Run sub-segment was EURm 5.0. The vast majority of Run-based revenue is recurring and comes from sales of Trifork's own products and related services.

Development in adjusted EBITDA



In 2023, the Trifork segment realized adjusted EBITDA* of EURm 35.0 (2022: EURm 31.9) equal to an increase of 9.7%. The adjusted EBITDA margin was 16.9% (2022: 17.3%).

Adjusted EBITDA was divided in the following way between the different sub-segments.

Adjusted EBITDA (EURm)	2023	2022
Inspire	-2.7	0.0
Build	28.0	29.3
Run	12.5	6.5
Other	-2.8	-3.9
Trifork	**35.0**	**31.9**

The effects of the Covid-19 pandemic were overcome and in-person conferences can be re-held, but the conference organization faces a new market behaviour as conference sponsors are hard to attract and companies have reduced their investment in the education of their employees. As a result, anticipated revenue did not materialize which led to a loss and the conference organization has been re-organized both in relation to employees and the way to approach sponsors and attendees.

With a contribution of EURm 28.0 in adjusted EBITDA, the Build sub-segment reported adjusted EBITDA margin of 18.8% (2022: 20.9%). The result was negatively impacted by investments in business development both in Europe and in accelerating organic growth in US.

The Run sub-segment focuses on creating recurring revenue streams by selling Trifork products and related services on long-term contracts. In 2023, significant increases in license sales were achieved and further products were developed of which future income can be generated. As a result, adjusted EBITDA in the Run sub-segment for 2023 was EURm 12.5 and a growth of 92.2% from 2022. The adjusted EBITDA margin totalled 24.3% (2022: 16.7%).

Other items

Depreciation, amortization, and impairments developed as expected. With two new acquisitions in 2023 and the capitalization of the right-of-use asset of the new office buildings in Barcelona, Copenhagen, Eindhoven, and Palma, the substance for future depreciations and amortizations was increased.

The financial result of the Trifork segment of EURm -4.6 mainly consists of interest expenses (loans to finance acquisitions and right-of-use assets and increased interest rates) and foreign exchange losses. The majority of foreign exchange losses is related to a continuous depreciation of the EUR compared to other currencies. As the functional currencies of some Group companies differ from EUR, the currency translation adjustments (EURm 1.1) are not included in Net Income but in Other Comprehensive income. The actual net-effect of foreign exchange amounts to EURm -0.4.

From 2022 to 2023, adjusted EBITDA grew from EURm 31.9 to EURm 35.0

* No adjustments for special items were recorded in 2022 or 2023.

Description of sub-segments

Inspire

The Inspire sub-segment is primarily engaged in developing and implementing the GOTO and YOW! conferences as well as partner conferences in Europe, USA, and Australia. Inspirational design thinking workshops and training in agile processes and software development are also part of the deliveries. Our YouTube channel GOTO Conferences with 52m+ views and the Instragram channel @goto_con with 10m+ views are also part of our Inspire activities.

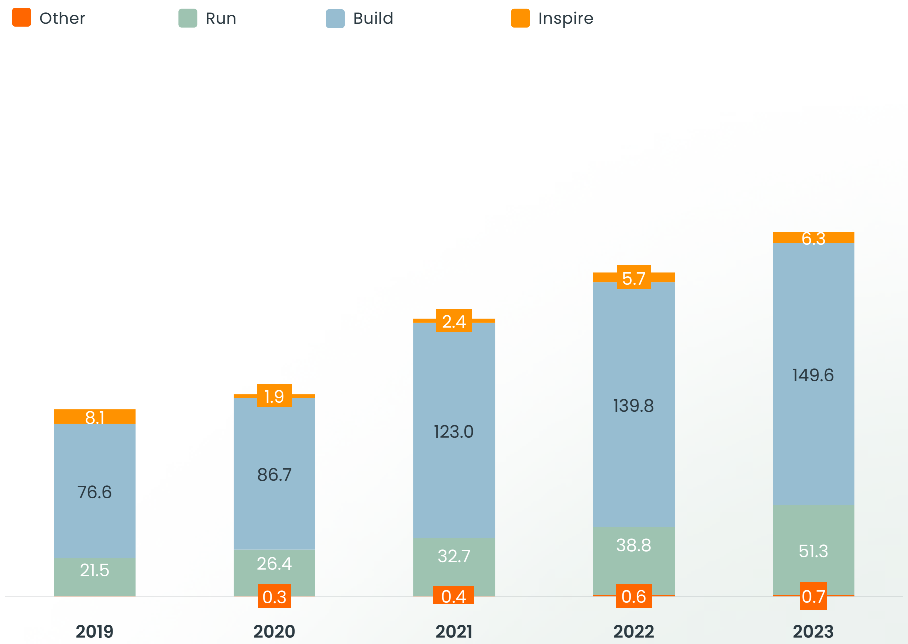
Build

The Build sub-segment is engaged in building innovative software solutions for the customers of Trifork. Our services include building solutions for e.g. financial institutions, healthcare providers, public administration, or leading industrial manufacturers. Our solutions are primarily done on a time and material basis or as fixed price deliveries in cases where Trifork is responsible for the whole implementation of a solution. Most often, Trifork engages in long-term strategic partnerships with major customers.

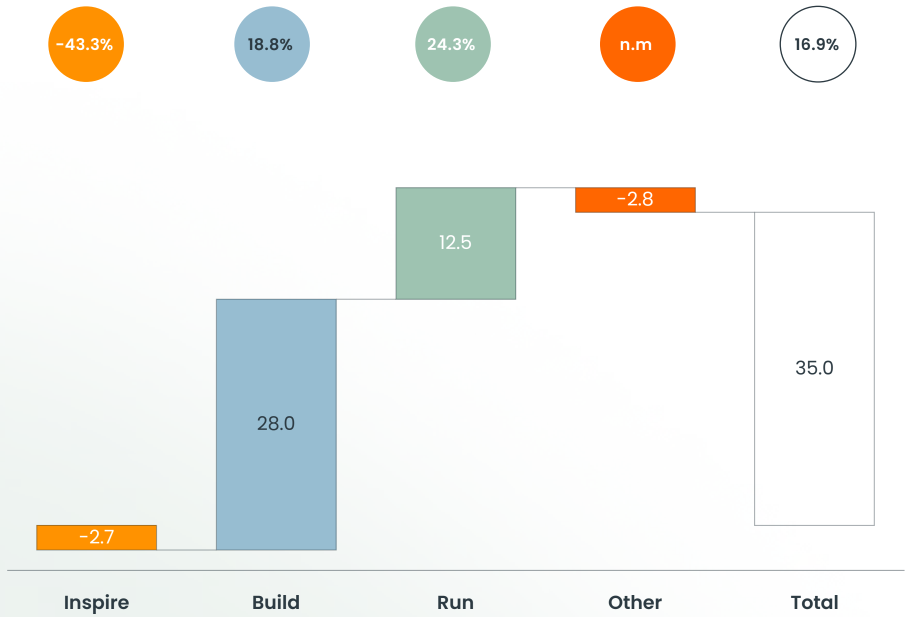
Run

The Run sub-segment is based on product development and sales of Trifork developed products as well as business related to the sale of partner products. Products are either sold separately or in relation to projects where Trifork is engaged in developing a new customer solution. Especially important business areas in Run are Cyber Protection and Cloud Operations.

Revenue by segments



Adjusted EBITDA (non-IFRS Accounting Standards) and margins by segments 2023 (EURm)



Trifork Labs Segment

General

In general, the venture capital environment has become more active after two years of low activity. Business angels and venture funds are still focusing on companies that, in the near term, are able to show a faster trajectory towards positive cash flow. The overarching theme seems to be that capital is allocated towards experienced founder teams with clear plans in place while unfocused and/or pre-revenue startups are still struggling to get funding. Companies in Trifork Labs are generally heavily skewed towards the first group, with experienced founders and clear plans in place. According to Carta, priced seed rounds in Q4/2023 were 10% above Q4/2022, while Series A valuations were 21% higher than the valuations seen in Q4/2022.

This development impacted Trifork's portfolio of startup companies as well. In some cases, Trifork has discontinued support to specific startups and made a harder prioritization of investment capital, and one of the investments attracted new VC funding in Q4 at a higher valuation.

Trifork Group maintains its conservative approach to the fair value assessment of the investments in startup companies. When a company is not following its plan (growth, cash flow, or financing), immediate fair value adjustments are made, up to the full value. On the other side, only positive fair value adjustments are made when a startup has completed a new investment round led by an external investor at a higher valuation or, in the case of profitable companies, when an approved financial report supporting a higher DCF value is received.

Trifork Labs exist to support Trifork's culture, innovation efforts and commercial strategies. It is currently prioritizing conversations about strategic partnerships and enterprise joint ventures to ensure strong synergies with Trifork's business areas and dependable ownership structures.

In 2023, Trifork Labs made the following new investments:

- Bluespace Ventures AG, a Swiss digital health company, establishing the health platform Compassana
- Ossmo ApS, a Danish company pioneering in the adoption management in the evolving technological landscape.

Trifork Labs continued the work with the existing investments and participated with follow-on investments in:

- &Money ApS
- Arkyn Studios Ltd.
- ExSeed Health Ltd.
- Upcycling Forum ApS
- Visikon ApS

In the course of 2023, the following investments were fully impaired:

- EDIA B.V.
- Kashet Group AG
- Verica Inc.

Development in EBITDA/EBIT and EBT

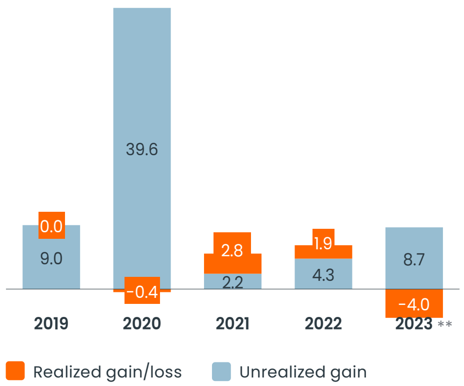
The financial focus for the Trifork Labs segment is to increase the value of the capital invested* and channel tangible revenue or cost synergies to the Trifork segment.

EURm	2023	2022
EBITDA/EBIT	-1.8	-1.5
EBT	4.9	4.4

EBITDA/EBIT of EURm -1.8 were at the expected level (2022: EURm -1.5) as this represents the management cost for the Labs segment, part of which is variable in relation to the annual fair value adjustments.

EBT (earnings before tax) for 2023 was EURm 4.9 (2022: EURm 4.4). The result comprises fair value adjustments from updated valuations, results from exits, and dividends received. In the Trifork group results an additional fair value gain of EURm 2.2 is recorded as capital gain from associated companies.

Fair value adjustments

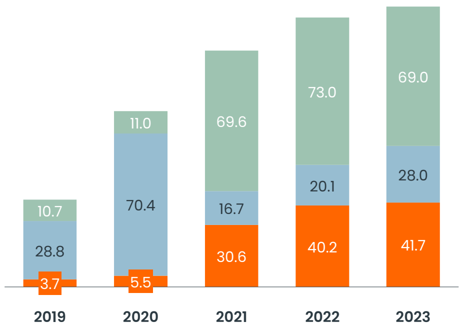


The fair value adjustments equal to 7.8% return on the value of the financial assets.

* Trifork Labs did not consolidate any of the investments since the status and ownership ratio of the investments does not meet the requirements. Therefore, no revenue is generated by Trifork Labs and EBITDA/EBIT only show the cost of running the investment activities.

** EURm 4.7 come from the Trifork Labs segment and EURm 2.2 from an investment held through an associated company, totalling to EURm 6.9.

Total profit from investments

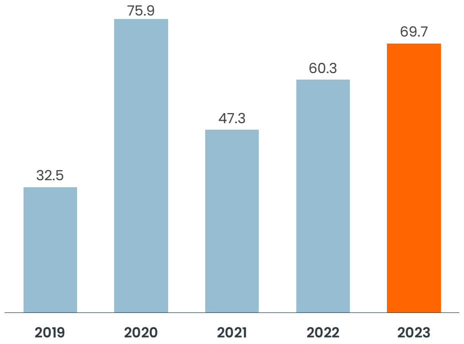


The graph shows the overall financial development and results from the Trifork Labs investments in the period from 2019 to 2023.

At the end of 2023, the total accumulated cashed in profit from exits amounted to EURm 69.0. This includes the deduction of the initial cash invested in all of the disposed investments.

At the end of 2023, the total booked value of investments in the current active Labs companies amounted to EURm 69.7. Of this EURm 41.7 was registered as initial invested amount and EURm 28.0 as accumulated unrealized gains. The EURm 41.7 of initial invested amount was divided with EURm 20.3 from deconsolidated Trifork Group companies and EURm 21.4 as cash investments.

Financial assets



The 2023 development in financial assets was affected by new investments of EURm 5.8 and fair-value adjustments of EURm 4.7 (incl. earn-outs and dividends of EURm 1.2).

In total the value of the financial assets increased to EURm 69.7 at the end of 2023 (2022: EURm 60.3), of which the five largest contributors accounted for 72.4% of the value, the following five contributors accounted for 19.5%, and the remainder for 8.1%.

EURm	2023	2022
Financial assets	69.7	60.3

In 2023, Trifork Group recognized positive fair value adjustments of its Labs investments of EURm 6.9

05

About Trifork Group

Overview

Trifork is a NextGen provider of IT services. As an innovation partner to corporates and the public sector, we help them understand how technology can improve their processes. We build and maintain customized software solutions, so that our customers can focus on their core competencies. The software industry is characterized by rapid change. Hence, Trifork always needs to be at the forefront of innovation to stay relevant for our customers. Our culture is deeply rooted in curiosity about new technologies. It means that we can attract highly skilled people, which in turn ensures competitive strength.

Trifork Group is organized into two segments. In the **Trifork segment**, we inspire our customers on how to use software and sensor technologies to improve their customer offering and effectiveness. We build customized solutions and can take care of the entire lifecycle of software with continuous maintenance, cloud operations, and cyber protection. All reported revenues in the Trifork Group come from the Trifork Segment. We also arrange conferences and design workshops that are meant to inspire our customers and our own developers about new technologies and how to make them user-centric. We invite global innovators to speak at our conferences, and based on the content from these presentations, we have built one of the largest tech channels for professional software developers on YouTube and Instagram called GOTO – with more than 62 million views in total.

TRIFORK SEGMENT

1,210
Employees

72
Business units

25
Offices

15
Countries
Denmark, Switzerland, Australia, Austria, Germany, Hungary, Latvia, Netherlands, Oman, Poland, Portugal, Spain, Sweden, United Kingdom, and USA

6
Business areas
Digital Health, Fintech, Smart Building, Smart Enterprise, Cloud Operations, Cyber Protection

In the **Trifork Labs** segment, we invest in software product companies as minority owners. At the end of 2023, Trifork Labs had 23 active investments – a mix of innovative growth companies and more established and profitable companies. Trifork Labs enables us to maximize the opportunities we meet along the way by e.g. investing into strategic partnerships with our customers. Trifork Labs also functions as risk mitigation for the Group and is where we learn about new technologies and possibilities of software. As the world of technology moves fast, it is crucial that we manage our risk exposure to software products, and by placing most of our exposure in independent companies, we share the investment risk with founders and other investors instead of bearing the risk entirely ourselves. This structure helps us retain talented employees with entrepreneurial dreams while staying close to external tech talents. When assessing investment opportunities, we always look for synergies with the Trifork segment. This could involve becoming a reseller of a product, using it in in our work with customers, or opening doors to new markets and customers.

TRIFORK LABS SEGMENT

23
Software startups

69.7 EURm
Book value

4
Categories
Strategic Collaboration, Product Innovation, Technology Inspiration, Digital Sustainability

Our culture is deeply rooted in curiosity about new technologies. It means that we can attract highly skilled people, which in turn ensures competitive strength.

Competitive strengths

Trifork has a track record of growth and profitability. Since 2007, our compounded annual revenue growth rate has been 23%, and in the last five years, despite all the turmoil happening in the world, our average growth rate has been 19%. There has never been a single year without profit on the bottom line.

The IT services market is growing steadily due to the extensive need for digitalizing both the private and the public sector in all countries. However, given Trifork's relatively small size in a global perspective, our growth is not directly explained by the overall market growth in any given year. Rather, Trifork's growth derives from our selective approach to operating within certain supporting trends within the IT market and our ability to utilize a unique organizational model to execute our go-to-market strategy effectively.

1

Early positioning to supporting trends

Since our founding in 1996, Trifork has been a technology innovation leader. We are a trusted software partner known for employing the brightest, most curious, and most technologically capable people in the industry. The Group is well positioned to continue growing in the coming years, with tailwind from several supporting trends.

ENTERPRISE MOBILITY
The widespread use of smartphones and tablets has resulted in a steadily increasing adoption of mobile solutions in the enterprise segment. However, only 15-20% of large corporates have fully adopted a "mobile-first" approach, according to one of Trifork's global business partners. Trifork has built a strong reputation within app development and ERP integration, and is well positioned to take advantage of the many opportunities arising within enterprise mobility. While the mobile trend will remain strong for years to come, spatial headset computers may extend the growth trajectory even further. Trifork is an early adopter of enterprise use cases for the Apple Vision Pro. Read more here: https://trifork.com/apple-vision/

ARTIFICIAL INTELLIGENCE
Across public and private sectors, the ever-increasing need to save costs and understand users better drive the demand for process optimization and data insights. Trifork delivers a wide range of data services customized to each customers' needs paired with innovative AI solutions, e.g. camera- and sensor-based decision systems. We share more about our work in AI and machine learning here: https://trifork.com

DIGITAL TWINS
Through advanced sensor technologies and software infrastructures, so-called 'digital twins' are emerging as a new way to engage with products and gain valuable insights into their usage. Trifork has worked on advanced digital twin technologies for several years and today offers capabilities targeting both consumer and industrial use cases with a hardware agnostic core platform that can be scaled across various sectors.

EFFECTIVE HEALTHCARE
Populations are aging in developed countries, which puts pressure on the healthcare sector to increase the quality of care while cutting costs at the same time. Hence, hospitals, clinics, public bodies, and their surrounding ecosystem need to invest in efficiency-increasing software platforms that improves e.g. coordination and decision-making. Trifork has been instrumental in building the world-leading Danish digital health infrastructure over the last 25 years. A recent Danish customer case is highlighted on page 36. We are now using our deep domain expertise to expand internationally, e.g. in Switzerland where we are building Compassana – an open platform with six large insurance- and healthcare companies.

CYBER RISK AWARENESS
Competitive espionage, geopolitical tension, cyber-crime, and terrorism can put corporates out of business instantly, and together with upcoming NIS2 regulations, cyber security will move to the top of the agenda in all types of organizations. Trifork is increasingly being asked to deliver custom cyber protection solutions and services such as penetration testing, logging, app shielding, and managed detection and response. One such case is highlighted on page 43.

SUSTAINABILITY MOVEMENT
Companies and public entities are rushing to reduce their environmental footprint. By investing in software, companies can become more effective in their supply chain sourcing and production, which leads to reduced material usage and less waste generated as well as compliance with new regulations. Trifork is met with great demand for such solutions. We have also invested in our own smart building concept, where we show the construction industry how software is key element in making buildings more sustainable. Our Kamstrup case on page 38 is an example of a solution where we apply our deep understanding of creating software that leverages data from sensors in buildings.

FINTECH REVOLUTION
Most financial institutions operate on a patchwork of legacy IT infrastructures, which limits the flexibility of operating the business and leads to underwhelming customer experiences. New technologies have emerged in recent years allowing banks, insurance companies, and payment processors to operate on light, flexible, and compliant infrastructure and to deliver the entire customer experience in a user-friendly mobile app. Trifork has built a strong reputation through well-known solutions in the Danish market, such as MobilePay and Young Money. We have delivered many state-of-the-art B2B solutions for large financial services companies across Europe. The nærpension case on page 34 is one such example.

CLOUD CONTROL
More companies want to take control over their cloud infrastructure. This trend is especially driven by regulations regarding data privacy, but also by a desire to run a flexible application setup. Being a close development partner for corporates puts Trifork in a good position to host our customers' applications fully or partially in our own data centers. On page 45 we show an example of a customer that asked us to both build and operate a business-critical solution.

2

Decentralized "Teal" organizational model

We nurture a mindset of being small and nimble as we continuously grow our family of independent business units. Instead of rigid hierarchical management structures, Trifork operates with distributed authority and collective intelligence, in which natural hierarchies emerge and dissipate depending on the situational context. This decentralized model encourages entrepreneurial spirit, motivation, innovation, agility, collaboration, talent attraction, and retention.

At the end of 2023, Trifork had 72 business units. They all share a joint DNA, culture, and philosophy but they independently manage their own units, including sales strategy, cost control, and hiring. When each unit grows to reach around 42 employees, it is divided in two, and a leader is selected for the new unit. Talents with leadership aspirations are given opportunities they would otherwise wait longer for in other organizational models. Keeping units small ensures quick decision making and a shared sense of responsibility and urgency to reach the unit's growth and profitability targets. Executive management monitors each unit's financial and operational development on a monthly basis. Quarterly workshops are arranged where business units can inspire each other with learnings, new technology capabilities, and sales opportunities.

3

Full-circle go-to-market model

Trifork's go-to-market model is based on the three sub-segments, Inspire, Build and Run, which we consider to be the three phases of our relationship with each customer. The go-to-market model is designed to ensure that our customers are at the center of all activities carried out by Trifork, and that Trifork maintains a strong customer relationship throughout the software development journey. This go-to-market model is vital to Trifork's success as it enables us to be close to and drive innovation.

INSPIRE

The aim of the Inspire phase is to enable the creation of ideas. The Inspire phase can be broken down into two parts. The first part revolves around the GOTO and YOW! brands and includes our conference activities. The conferences are a source of inspiration for both customers and our colleagues and serve as a customer acquisition channel. GOTO and YOW! conferences are enterprise software development conferences, hosted by us as developers and intended for team leaders, software developers, architects, and project managers. The ambition of each GOTO or YOW! conference is to facilitate the best content, on the most important technology topics, presented by thought leaders in the fields of software development and technological innovation. The content is shared on YouTube and Instagram, which has made GOTO Conferences one of the largest tech channels with around 63 million video views.

The second part of the Inspire phase, delivered by the Trifork Design Thinking teams, is tied to specific customers and serves as a bridge to the Build phase. This part of the Inspire phase includes specialized workshops designed to help customers refine and deliver innovative digital solutions and concepts. We inspire and build prototype software solutions in these workshops based on an approach that emphasizes system design. Getting the design and user experience right is instrumental when development software. Forrester Research estimates that 70% of software projects fail due to lack of user acceptance, and other studies show that 45-60% of product features are never used, often due to lack of user understanding or badly designed interfaces.

Of the Group's top 20 customers in 2021, the Group continued to do business with 18 of those customers in 2023.

CASE STORY

Duckwise and Trifork: Inspiring the future of diabetes care

Background

Steno Diabetes Center Aarhus (SDCA) is a specialized medical facility operating under the Danish national healthcare system, driving top-of-the-line clinical diabetes research, treatment, and education.

Nowadays, diabetes care is supported by a wealth of knowledge about successful treatments and interventions. However, SDCA has a clear vision to further improve the quality of life for the patients as well as create a more sustainable healthcare set-up for the population, by offering future care that is more tailored to individual circumstances and needs.

Setting the direction for future diabetes care in Denmark

To define the strategic direction and envision the future of diabetes care, SDCA turned to Trifork and Duckwise to help facilitate an 'inspire'-driven process. The process involved a series of design thinking workshops with SDCA management and important Subject Matter Experts, as well as several interviews with stakeholders and users. As part of the co-creation process, we identified the needs of patients and healthcare professionals, pinpointed relevant digital building blocks based on both existing and new solutions, and charted a path for a scalable, innovative digital product with a clear vision, strategy, and roadmap.

Building upon the foundation, we designed a digital concept that transitions the current one-size-fits-all treatment approach to personalized and tailored patient journeys, addressing the most critical patient care needs. To validate the concept, we continuously conducted user interviews involving patients, nurses, and doctors from across the region, alongside a range of feasibility analysis. Currently, we are laying the groundwork for an efficient 'build'-phase to launch the first version of our digital concept, INDBLIK, scheduled for a pilot in the summer of 2024.

BUILD

Following the creation of a functioning prototype or a strategic roadmap together with the customer, we are often asked to develop a fully featured solution. We estimate that the conversion rate from customer-specific Inspire workshops through to the Build phase is approximately 70%.

Build is most often carried out in the form of short development phases called “sprints”, through an agile "scrum" development process. The scrum framework for software development includes frequent customer touch-points and a series of sprints to ensure that development is constantly refined and that all parties involved in the development process are aligned on shared goals. At the end of each sprint, our teams present the outcomes to the customer to validate the developed functionality. We then set new goals with the customer for the following sprint. These sprints continue throughout the execution phase and conclude with the finalization of the product.

We believe that an agile software development process is instrumental for developing novel solutions, applying next-gen technology, and an effective means of meeting customer expectations and reducing development risks. Working closely with the customer, we develop tailormade software solutions which often include standard components, open-source components, and Trifork-owned components. The agile nature of the work process enables us to deliver bespoke software and fully functional systems in three to six months. We offer product development solutions, mobile-first solutions, SAP solutions, design and migration as well as cloud-based operations. Everything with a high focus on design and user experience.

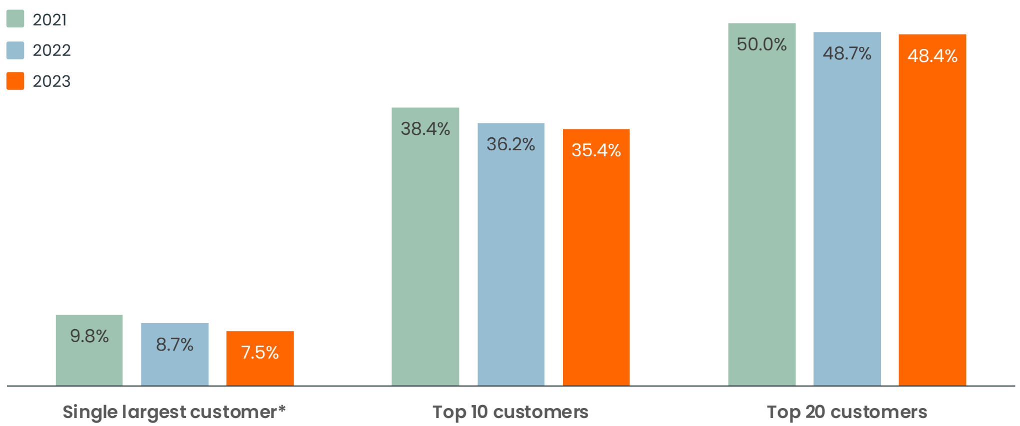
RUN

Once the Build phase has been completed and a solution implemented, Trifork offers service agreements where we operate the product solution. When operating service agreements, we continuously update our customers' platforms with the newest technology. This recurring business keeps us very close to them. We can cyber protect solutions and entire architectures in our operation centers. We also offer to operate and host our customers' private, public or hybrid cloud systems. The products that we develop are typically designed to be agnostic between public and private clouds, ensuring a high degree of flexibility for our customers.

When a particular concept has been implemented a number of times for different customers, it becomes a candidate for Trifork's standard product portfolio. Sometimes we hold the IP rights for such concepts/ products and other times our customers initially own the IP and then we later negotiate the IP back to Trifork. In general, the revenue potential from Run increases as the number of such standard products grows.

Declining customer concentration with increasing revenues

CUSTOMER CONCENTRATION, % OF GROUP REVENUE



* The largest customer in each year has been the same public customer, which is made up of several independent authorities working with Trifork.

CASE STORY

Digital Twin Platform – The key to next-gen asset control and insights

Digital twins are transforming markets through online control of physical assets across the globe. Positioned as a cornerstone for future progress, they offer the promise of enhanced efficiency, resilience, and availability. By leveraging the power of digital twins, diverse markets are charting a way forward towards a prosperous future, accessing assets remotely, optimizing resources, and mitigating environmental impact.

With years of expertise in this domain, Trifork has been at the forefront of developing its cutting-edge Digital Twin Platform. The advanced observe, decide, and act capabilities of this platform are underpinned by a hardware-agnostic foundation. These provide a rich feature-set with limitless connectivity possibilities. This flexibility is demonstrated in many use-cases, from high-value consumer products to industrial assets, and from fish migration platforms to wind turbine maintenance. Trifork's platform has the ability to drive value-chains in diverse sectors, such as: Smart Infrastructure, Healthcare Monitoring, Environmental Management, Smart Mobility, Offshore Marine, and Smart Industry.

A prime illustration of Trifork's Digital Twin Platform is demonstrated by a global mobility provider that has over 100,000 connected vehicles in the field and a year-over-year growth of 60%. For this customer, Trifork's platform plays a pivotal role in enabling new propositions that range from delivery and sharing, to road safety and traffic insights. In another customer example, the platform has proven to be successful in facilitating smart-grid stabilization. Here the platform manages a diverse array of energy assets, encompassing both fixed infrastructures such as generators and windmills, as well as mobile assets like aggregators and mobile batteries.

With the integration of AI capabilities such as streaming video analytics, scenario simulations, and autonomous decision making, our Digital Twin Platform offers foresight and agility. As such it does not only address today's challenges, but it also anticipates and adapts to tomorrow's needs. As we build upon our successes and collaborate across markets, the continued advancement of these technologies holds immense promise for driving sustainable development, fostering a more resilient and prosperous future, while driving bottom-line impact. Shaping a world where sustainability is not just a goal but a tangible reality for generations to come.

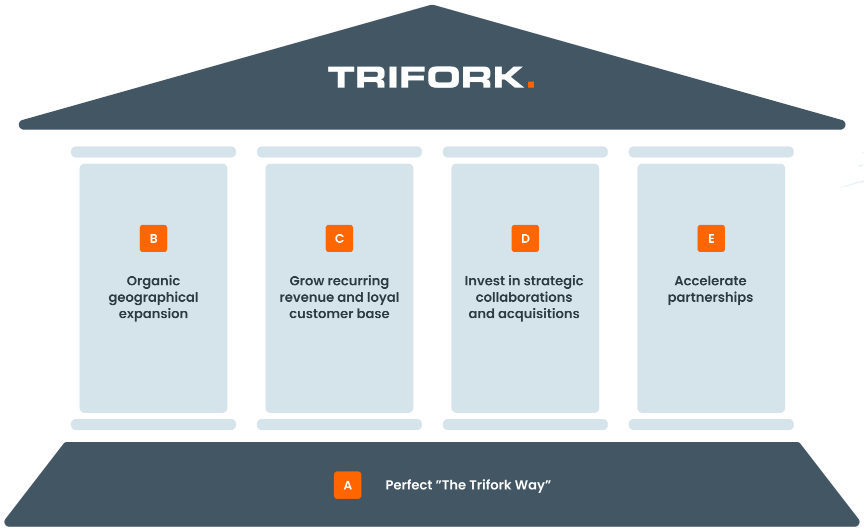
Strategy

Our key strengths have positioned us well to take advantage of the continued growth in demand for innovative solutions in the next-gen technology market. Our strategy consists of the following building blocks:

A Perfect "The Trifork Way"

The Trifork Way is a reference to our philosophy and way of doing business. Since our industry is ever-changing, we must constantly learn about new technologies through education or research by experiments. Therefore, we focus on:

1. **Promoting a learning environment** and next-gen capabilities by continued focus on inspiring our staff via our GOTO universe and developing their technical skills through education and experimentation through e.g. hackathons and internal knowledge networks.
2. **Supporting our culture** by advancing the Teal organizational model, where we ensure decentralized decision-making and an unbureaucratic way of interacting with our customers.
3. **Being the best place to work** by making room for people to take initiative, work with solutions they are passionate about, deliver quality work and/or launch their ideas to improve the world with software.
4. **Supporting our Trifork Labs** innovation model by promoting and praising entrepreneurship. We have a solid track record of helping early-stage companies enter a pathway towards scalable business success. We focus on prioritizing ideas with real business potential and using the right technologies.



B Organic geographical expansion

Building on Trifork's existing competences and business areas, we focus on growing our geographical footprint. Our strategy is to deepen and strengthen our position in the geographies where we already do business and where the need for our solutions still leaves a large untapped potential for growth.

OUR ORGANIC INTERNATIONAL EXPANSION RESTS ON TWO PILLARS:

1. **Growing our business units organically:** Trifork will continue to strive to outperform the market in organic growth by seeking to constantly develop and cross-utilize our know-how and assets between our business units and lab companies. Our organizational teal structure also means that we can tactically expand geographically when a new unit is spun off from an existing one.
2. **Internationalizing selected solutions**: Trifork has developed certain first-mover solutions that receives international attention. One example is our deep know-how within digital health data. With our participation in the European HL7 standardization work, Trifork is well positioned to offer our experience in an international context. Our work with Compassana in Switzerland is a recent example of such expansion, and we are getting interest from other countries currently as well. Another example is our new business unit in Oman, where we initially have leveraged our capabilities within Cyber Protection to deliver a state-of-the-art platform, and where we are going to expand into Digital Health, FinTech, and Smart Enterprise solutions. Our work with airline booking systems and in-flight apps in Switzerland and Germany have gained international attention and could lead to growth in new countries too. We also see great opportunity to internationalize our FinTech capabilities from UK and Denmark, while our many customer cases in Smart Enterprise are gaining interest from large US companies.

C Grow recurring revenue and loyal customer base

In today's world, applications and systems need continuous development, making us move away from isolated projects and towards deeper customer relationships. By being a full-cycle service provider across Inspire-Build-Run, we focus on developing Trifork's revenue mix with an emphasis on loyal customers and recurring revenue growth. Historically, "Run" revenue has shown the highest organic growth rates and is a solid base of recurring business, i.e. in long-term maintenance contracts, cloud operations, and cyber protection. Our strategy is to expand these offerings and grow across existing Trifork markets. Within our "Build" revenue, we have a loyal customer base, where around 2/3 of the revenue historically has come from repeat customers (defined as being a customer for minimum two years). This revenue is technically not classified as recurring, but it nevertheless still contributes strongly to the stability of Trifork Group's revenue growth.

D Invest in strategic collaborations and acquisitions

Trifork has a long track record of creating value for our shareholders through acquisitions and investments in companies formed through strategic partnerships. In the medium term, which we define as a rolling three-year period, we aim to achieve up to 10% annual revenue growth from acquisitions. Our balance sheet is strong with a net debt/adjusted EBITDA ratio of 0.8x. We are comfortable with a gearing up to 1.5x but have the option to temporarily move above 1.5x if a solid opportunity arises.

1. PARTNERSHIPS

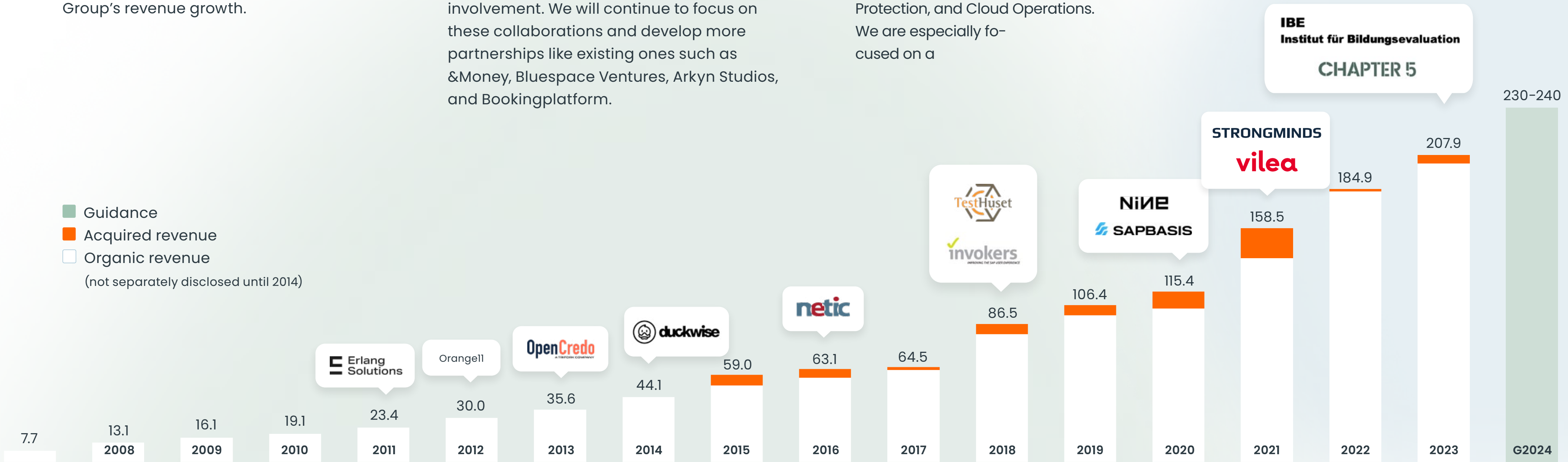
Trifork aims to continue to identify strategic collaborations with customers and partners to develop solid companies solving specific needs in the market. This is typically done with the partner(s) in a model that creates a close strategic collaboration, enabling us to create high value and competitiveness together while ensuring Trifork's continued involvement. We will continue to focus on these collaborations and develop more partnerships like existing ones such as &Money, Bluespace Ventures, Arkyn Studios, and Bookingplatform.

2. ACQUISITIONS

Closely linked to our organic growth strategies, we seek to carry out tactical and strategic acquisitions. In doing so, we diligently pursue "sweetspot investments". Our usual and preferred way of introduction to a potential acquisition is through customers or strategic partners. We often work on customer solutions with other software providers, which is an excellent way for Trifork to carry out an informal due diligence of competence and delivery model of such providers. Trifork's close partners also know which type of companies would match well with Trifork, and they sometimes support us with recommended introductions. Targets are in a sweetspot if they meet the following criteria:

- **Strategic match**: We focus on capability-driven majority stake acquisitions within our six business areas Fintech, Digital Health, Smart Building, Smart Enterprise, Cyber Protection, and Cloud Operations. We are especially focused on a strong mobile offering anchored in design-thinking, solid reference clients, and solutions that are mission critical to customers. The latter ensures revenue stability when opex/capex cycles turn down.
- **Cultural match**: We look for businesses that are led by committed founders with strong domain knowledge, preferably from a technical background, with good communication skills, appealing personalities, and broad networks. The Trifork Way and teal organization provide a unique space for such entrepreneurs to thrive after becoming a part of Trifork Group.

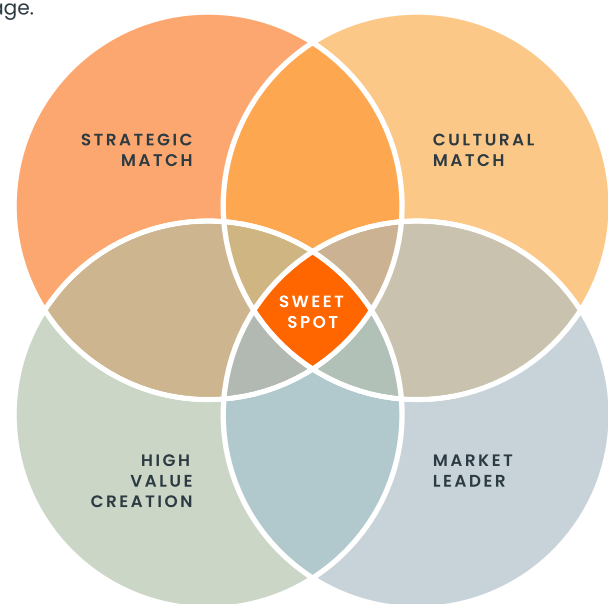
The founders remain in leadership control of their business after the acquisition while keeping a significant minority



stake that can later be sold in tranches to Trifork if they wish to do so. We are proud to say that almost all founders have remained in the Trifork Group after we acquired the majority of their company. Trifork prefers smaller M&A targets of 10-50 employees which presents a greater potential upside, allows for seamless integration in Trifork's teal organization, and offers higher degrees of operational flexibility. Important elements of our due diligence are the employee turnover and seniority, their motivation and passion for technology innovation, and the team members' collective and individual skillset.

- **High value creation:** In general, Trifork rarely engage in M&A auctions, we very rarely consider exit-cases, and we employ a high degree of pricing discipline in our acquisitions. Historically, Trifork has acquired companies at valuation levels that have fostered multiple arbitrage. We only consider companies with a track record of good profitability, and where we believe an acquisition can contribute to sustained double-digit organic sales growth and a higher operating margin of Trifork Group over the medium and long term. We engage in cases where the founders want to continue within their company and seek options to develop and scale up their business. By becoming part of a network of like-minded business units, the acquired companies can collaborate selectively with other Trifork business units, which results in a stronger opportunity set within their existing offering, but also the possibility to sell other capabilities that they can leverage from Trifork's 72 business units. Ultimately, this leads to increased revenue growth. In addition, Trifork's management provides coaching and sparring on organizational development, strategy and business plans.

- **Market leader:** When assessing a company's growth and value potential, we also pay close attention to its relative competitiveness. In our view, being a market leader does not necessarily mean being the largest in a field, but rather being the best or the frontrunner in defining a new technology or market.



E Accelerate partnerships

We seek to constantly strengthen and grow our partnerships, i.e., in the form of reseller relationships, business development partnerships, and operational partnerships with leading companies in the technology industry. With these partnerships, Trifork deepens its know-how in specific technologies and products, and a number of Trifork experts are certified in leading partners' technologies.

Trifork presents the partners' products and services, when they are suitable for a customer solution – i.e. delivering specific competencies or offerings. Trifork is particularly focused on developing its relationships with vendors within the Smart Enterprise business area, as such relationships enable us to offer additional flexibility in addressing our customers' needs. We focus on augmenting with smart layers to improve performance and develop better user experiences for employees. Current strategic partners include Apple, SAP, Google Cloud, Microsoft, and Amazon Web Services. We also have operational partnerships with e.g. NVIDIA, AxonIQ, and Arkyn (the two latter are investments in Trifork Labs).

Business Areas

Trifork delivers its services across three distinct verticals (FinTech, Digital Health and Smart Building) and three horizontals (Smart Enterprise, Cyber Protection and Cloud Operation). Where the verticals are focused on specific markets, the horizontals are more agnostic to the markets and support both the vertical markets as well as other markets. In the verticals we have deep domain knowledge, and in the horizontals, Trifork has very strong technical capabilities and operational skills developed over many years. In all business areas, we are creating solutions and concepts for our customers and support them on an ongoing basis.

12.2%
FinTech

12.0%
Digital Health

3.5%
Smart Building

Smart Enterprise 46.2%

Cyber Protection 6.2%

Cloud Operations 16.4%

FinTech

STRATEGIC PRIORITIES

- Build new partnerships around new eco-systems and third-party offerings
- Create products from services and acquire specialist companies
- Further invest in new Fintech resources and capabilities

REVENUE (EURM)

The FinTech Market

Technology is increasing its importance for the financial sector, as any company lacking a strong technology strategy will struggle to succeed. Banks are no longer monopolistic standalone entities. Technological advances drive an ongoing disruption, and incumbents must look at themselves as part of a larger ecosystem.

In 2023, the modernization in the financial sector continued, and customer experience in the finance sector continues to become increasingly digital and gain importance. An example of this is the trend towards a cash-less society. In one of our core markets – Denmark – cash usage has fallen below 10%. Criminal activity is moving into the digital space, posing a significant challenge for the industry to protect itself and its clients.

The sector has experienced critical data leaks, and consequently we see an increased demand for strengthening security and modernizing systems and infrastructure. Customers also continue to focus on building solutions against money laundering to fulfil regulatory requirements.

Looking outside the Nordic region, online banking is continuing to grow across markets, and a significant untapped potential still exists. The penetration rate varies from 15-96% across Europe and the average is estimated to be around 60% (Statistica, 2023).

The emerging trends in open banking, and platform companies offering banking-as-a-service, are changing the playing field and the structure of the industry, as barriers to entry are lowered. We expect that the banking and insurance sector will continue to invest heavily in digital and user-friendly solutions.

Our FinTech Business

At Trifork, we are specialists in developing customer facing solutions, digital advisory tools, infrastructure, and ecosystems. With our Inspire-Build-Run model, we empower our customers in banking, investments, and life- and non-life insurance to reach their digital ambitions and cost targets.
With 20 years of dedicated industry experience, we have won new customers in Sweden, UK, Switzerland, and Denmark, thereby increasing our FinTech service offering and geographical footprint.
The FinTech business in Trifork is driven by a range of our Trifork business units but also by our sub-brands. The revenue in Trifork FinTech grew 10.1% to EURm 25.4 in 2023.

Nine digitalizes public and private Denmark by partnering with various public administrations and authorities.

Duckwise brings businesses into the digital age. Their team is experienced, creative, and knows how to make success happen through their proven design process.

Netic makes digitalization happen through secure IT operations. They are an operations partner to business-critical IT solutions.

Erlang Solutions builds transformative solutions for some of the most ambitious fintech companies in Europe and US.

OpenCredo specializes in complex technology problems and has delivered excellence to the UK financial services and FinTech industry since 2009.

TestHuset assures the quality of FinTech software by providing tests and advisory.

Through **Trifork Labs**, we are owners in **&money**, a strategic collaboration between Trifork, Spar Nord, Nykredit, and Arbejdernes Landsbank, which in 2023 succesfully onboarded other banks to the platform.

In 2023, Trifork acquired **Chapter 5**, a Danish specialist developing and maintaining mission-critical systems for Danish financial institutions. Chapter 5 has deep domain expertise in pension operations and fund administration.

Our FinTech teams worked on several solutions with different Danish pension providers (see case on the next page), and banks such as Jyske Bank and Spar Nord.

Automating work processes through data orchestration for leading pension company

CUSTOMER
nærpension

INDUSTRY
Financial Services

BUSINESS AREA
FinTech

CASE STORY

nærpension – a fully owned subsidiary of the 4th largest pension company in Denmark, AP Pension – sought to digitize and automate manual workflows in pension management, enhancing data quality, and gaining a competitive edge towards their financial partners through a holistic solution.

Advisory process automation and integration across policy lifecycles

The goal is to deliver a 360-degree solution for managing insurance and savings products in the pension sector through the entire lifecycle of the policies (creation, modification, payouts, and termination). The focus is on automating the advisory processes and integrating various back-end systems to facilitate efficient creation and modification of policy offers between the financial partners and nærpension. Furthermore, the solution should handle reporting and invoicing across sales channels.

Orchestrating efficiency: A unified solution

The solution acts as an orchestrator of interactions between core systems, advisory systems, and various other internal and external systems. It allows both manual and automated requests, and for the advisors to remain in their familiar IT systems, offering a unique selling point to the financial partners. This is achieved through integration with the three IT-centrals (Bankdata, BEC and SDC). The solution handles all policy-related data such as coverages, tax codes, premium payments, refunds, hazard classes, exclusions, etc.

> *"Chapter 5 has been a trusted partner and advisor for more than a decade. The team understands our domain and strategic objectives, which enables them to translate our business needs into agile, robust and tailormade solutions."*

Peter Nielsen
SVP Business Development, AP Pension

During 2023 several key services were added. The most significant services are automation in premium collection and refunds. Furthermore, monthly terminations, personalized costs on savings products, together with enhanced KYC procedures, were released.

Successful deployment delivers increased revenue and reduced costs

The project was successfully deployed on time and within budget, continuing to evolve with ongoing development. This contributed to increased revenue, cost reduction, and enhanced brand value for nærpension. Through this collaboration, the Trifork company Chapter 5 reaffirmed its role as a strategic technology partner in highly regulated industries.

Digital Health

STRATEGIC PRIORITIES

- Prioritize interoperability and the integration of emerging next-gen technologies.
- Internationalize solutions to improve patient journeys and enhance collaboration across sectors.
- Expand telemedicine services and solutions to additional medical fields for wider reach.
- Develop and implement SaMD to advance healthcare innovation.
- Leverage AI and data analytics for more effective, data-driven healthcare solutions

REVENUE (EURM)

The Digital Health Market

In Western economies, the growing challenge of an aging population and a rise in chronic diseases is pushing healthcare costs up and increasing the demand for innovative medical services and products.

This expanding demand is met with a critical shortage of skilled healthcare workers, underscoring the urgency for innovative, efficient solutions.

Digitalization stands as a cornerstone for enhancing healthcare delivery, although it faces challenges like fragmented and decentralized systems that hinder the seamless flow of information between patients and healthcare professionals, and also between sectors.

The healthcare sector is shifting towards more digital solutions, such as CE-marked apps for patients and Software-as-Medical-Device (SaMD), which strengthen healthcare professionals' decision-making capabilities.

The integration of emerging technologies like artificial intelligence (AI), telemedicine, and patient-reported outcomes is critical, marking a shift towards more efficient and patient-focused healthcare solutions.

Our Digital Health Business

Trifork's mission is to improve the lives of patients and healthcare professionals through our deep expertise in digital health. This includes interoperability, adherence to international standards, and specialized knowledge in treatment and medical domains.

The revenue in Trifork Digital health grew 29.0% to EURm 25.0 in 2023. The year marked our international expansion, strengthening of our teams, and enhancement of our portfolio through partnerships, notably with Bluespace Ventures in Switzerland. Trifork Labs' investmented in the business in 2023 and signifies our deep commitment to the Swiss digital health landscape.

Our achievement of the ISO 13485 certification is a testament to our capability to deliver regulated digital health solutions. Our focus on telemedicine and shared care solutions has enabled seamless online consultations between doctors and patients.

The rapid evolution of AI in healthcare underscores the importance of leveraging its potential to improve care delivery. Trifork is at the forefront of this movement, engaging in various AI initiatives, including collaborations with public organizations to develop ML platforms for compliant, research-based clinical solutions.

Data-driven solutions are critical for improving treatment, ensuring effective diagnosis, increasing preventive measures, and prioritizing care efficiently. However, the deployment of data and technology must be well thought-out to prevent further strain on the healthcare system, which, as mentioned, is already facing numerous challenges.

This underlines the importance of our collaboration with our customers and with healthcare professionals, ensuring that our technological advancements support rather than complicate the healthcare landscape. Our collaboration is key to making technology a seamless part of healthcare, enhancing patient care without adding unnecessary burdens.

Our approach to digital health is collaborative, involving five Trifork business units and additional Trifork Group subsidiaries.

As we continue our journey in digital health, our focus remains on transformative healthcare solutions, underpinned by innovation, collaboration, and the responsible use of technology. Our case story on the next page exemplifies the work that we do across the ecosystem. Many more digital health customer cases can be found on trifork.com.

Hospital on wheels: A unified operational platform for prehospital services

CUSTOMER
Central Denmark Region

INDUSTRY
Healthcare

BUSINESS AREA
Digital Health

CASE STORY

Central Denmark Region's prehospital service is a mobile hospital that annually treats over 150,000 citizens and transports 400,000 seated patients to hospital visits. This service plays a critical role in providing emergency care to seriously ill or injured patients from the moment a 112 call is made until the patient is either treated on-site or received at a hospital.

A shared communication platform for a rapidly growing organization

The regional council's decision to internalize parts of the ambulance service introduced new needs within the organization. There was a requirement for a common IT system that could be used across both the AMK emergency control center and the Department of Ambulances and Emergency Medical Cars. The system needed to facilitate the reporting of daily logs in both departments and to report all matters concerning vehicles and personnel. Additionally, a fleet management system was necessary to always have an overview of the vehicles' locations and their status.

Furthermore, there was a desire for a common platform for targeted communication to the right employees, primarily about operational matters, but also for news and information from the management and staff. The need was not for another intranet but for a unified operational platform.

A truly unique joint development project

Trifork's expertise in critical public health IT and the region's knowledge within the specific prehospital healthcare domain created a joint development project that fostered mutual inspiration and learning. It ensured that the Central Denmark Region could configure and adapt the solution independently afterward.

Throughout the project, there was an urgency in the need, but also a technical understanding from the management at the prehospital service in the Central Denmark Region, which became the guiding principle that allowed for the rapid development of the first version.

The final rollout of the completed platform was smooth and efficient as the solution is so intuitive that users could use it without training. The solution quickly created value by improving communication and efficiency within the prehospital service. The platform supports a range of workflows, including reporting malfunctions of ambulances, follow-ups, an overview of vehicle operational status, expense management, and much more.

"Trifork is modern and has many different angles, and it's important and inspiring that they are not afraid to try something new. What we have created in a short time has really added value."

Jørgen Gustafsson
Senior Software Specialist, Central Denmark Region

Smart Building

STRATEGIC PRIORITIES

- Market and implement the potential of AI and ML in connected services across Smart Building, Smart Factory, and Industry 4.0 sectors.
- Expand our building portfolio with TSBThree, aiming to attract new partners, tenants, and investors to our next Smart Building project in "Water Valley."
- Pioneer the introduction of Spatial Computing to asset owners, architects, and buildings, showcasing its transformative potential in smart infrastructure.

REVENUE (EURM)

The Smart Building Market

In 2023, Denmark set new climate rules for buildings to cut CO2 emissions, requiring all new projects to report their 50-year environmental impact. While this is certainly a step in the right direction, 70% of a buildings lifetime CO2 emissions are emitted during operation. The demand for Smart Building solutions thus remains robust, propelled by ambitious CO2 reduction targets and the demand is echoed worldwide as commercial real-estate tenants demand granular data to optimize their operational efficiency.

Connected services in industrial production and the building sector harness new data technologies, supporting a transition towards digitalization and sustainability. By integrating advanced internet of things (IoT), artificial intelligence (AI), and analytics, these technologies provide operational insights and resource optimization. Success for our customers depends on delivering exceptional customer experiences, ensuring secure hosting, and maintaining robust cybersecurity measures which not only enhances efficiency and environmental objectives but also aligns with our standards for usability, reliability, and security.

AI's integration into IoT is changing industry interactions with complex systems. Vision Machine Learning (ML) for Quality Assurance (QA) automates defect detection with high precision, enhancing quality control. Predictive maintenance through ML anticipates equipment failures, reducing downtime and prolonging equipment lifespan. Generative AI enables more natural human-machine interactions, significantly improving user experiences.

Spatial computing, such as that enabled with the Apple Vision Pro, is set to enhance the building sector with sophisticated visualization and modeling. Beyond virtual model exploration, it assists in employing new or upcycled materials for construction, enabling precise planning and sustainability in building practices. Spatial computing also aims to improve maintenance through accurate, real-time 3D visualizations.

Our Smart Building Business

Digital technologies are crucial for the green transition. Implement Consulting Group estimates that digital enablement is essential for achieving 20-25% of the greenhouse gas reductions needed for Denmark's 2030 climate target, showcasing Trifork's contributions to this vital effort.

In 2023, revenue in the Smart Building business area grew by 16.8% to EURm 7.4. We continue to invest in our capabilities and offering within Smart Building and IoT solutions to be a relevant partner for public and private asset owners. Customers in 2023 included e.g. the large Danish supermarket owner Salling Group, where we helped them optimize their energy usage in the stores, and the leading smart metering company Kamstrup (read more on the next page).

As we move into our own first building, TSBOne, it is set to serve a dual purpose: a highly functional office space and a inspiring demonstration and development platform for digital solutions. TSBOne already functions an inspiration for customers, researchers, and other stakeholders through showcasing advancements like waste water management, building dashboards, and digital facility controls. TSBOne embodies the future of smart, green buildings, driving inspiration and development in the field.

Trifork's unique family of offerings – from design, through hardware-design, cloud operations and data-analytics – makes us a unique strategic partner for forward thinking asset owners.

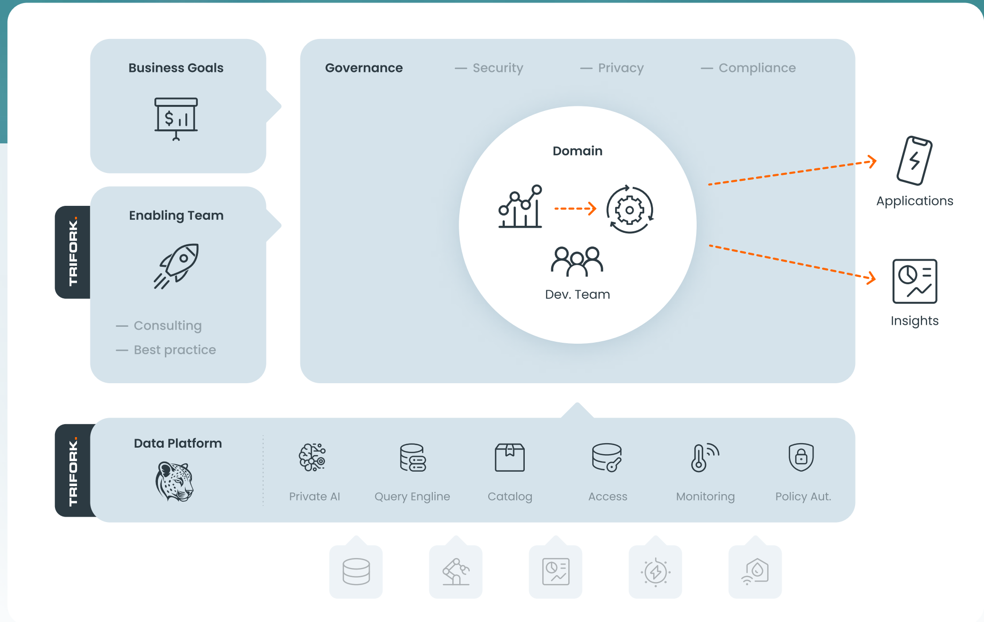
Data platform driving business value and sustainability

CUSTOMER
Kamstrup

INDUSTRY
Metering systems

BUSINESS AREA
Smart Building

CASE STORY



Kamstrup A/S is a global provider of sustainable metering solutions for water, power, and heating. They design, manufacture, install, and service metering systems across the globe with local presence in 12 countries. In a strategic move to focus on their core business, Kamstrup decided to purchase – rather than build – a secure data platform and a cloud stack based on proven technology and a flexible architecture, enabling them to focus in-house development teams on realizing business goals through customer centric integrations/applications and to gain new insights through consolidated, centralized data. Enter Trifork.

Empowering customer value creation and efficiency

A growing number of utility customers request a SaaS solution instead of trying to build software themselves. Kamstrup needed to rethink their service delivery. Kamstrup selected Trifork's data platform called Cheetah and Netic's cloud stack called Contain as the foundation for their digitalization journey, making data-driven decisions and building customer facing applications.

Trifork's Enabling Team plays a pivotal role in Kamstrup's adoption and utilization of the data platform, empowering the organization to focus on its customers, resting assured that security, scalability, and stability of the streaming processes is handled by the Trifork Group.

Many companies fall prey to the lure of shiny new tech that fails to deliver in stability, support, and a mature community. With Cheetah, Kamstrup has chosen a data platform that leverages proven technologies essential to a reliable platform and open-source software means extensive and accessible support from strong communities.

Efficiency boost and clean data

With Trifork handling the development and maintenance of Kamstrup's data platform - and the underlying eclectic choice of the best components - Kamstrup frees up time to focus on their core business. Furthermore, the guidance of Trifork's Enabling Team boosts the efficiency of Kamstrup's own developers when creating applications for their users. Also, developers need easy access to data but often do not know how to get them. Cheetah has an internal developer platform with built-in data and service discovery, enabling Kamstrup's developers to find what they need at speed.

A platform for successful cooperation

At Trifork we are proud to play a part in Kamstrup's journey to provide sustainable metering solutions and services for water, power, and heating. It is gratifying to provide behind-the-scenes empowerment of our customers as they create value in the world - all the while maintaining a high level of security.

"Strategically, the Kamstrup Data Platform is of great importance to us. We are thrilled to see that our new system is well received by our development teams and how it accelerates our ability to create customer value. With Trifork as our trusted partners, we have succeeded in creating a great foundation for our growth without making a vendor lock."

Lars Enevoldsen
Senior Vice President, Software Technology
Kamstrup

Smart Enterprise

STRATEGIC PRIORITIES

- Market expansions into the US and the Netherlands, with a large focus on AI, Apple Vision Pro, and enterprise mobile apps
- Growth based on our core competencies through the creation of new business units and expansion into new industries
- Increase the revenue share of both 'Inspire' and 'Run' business by developing our offering within DesignLabs and Operations, and offering these in new geographies
- Continuous focus on leveraging and building strong partnerships with Apple, NVIDIA, and SAP

REVENUE (EURM)

The Smart Enterprise Market

The Smart Enterprise market encompasses IT and services spending by private and public organizations on enterprise software, including mobility and AI solutions.

2023 started with a continued focus on cost savings and efficiency from the market due to the economic environment. However, demand remained relatively stable from organizations investing in enterprise software with the aim of optimizing, streamlining, and automating business processes.

We see good growth potential in enterprise mobility and spatial headset computers as ERP systems transform to the cloud – allowing for implementation of new solutions where data can be consumed in real-time from all corners of the organization.

According to one of our global partners, only around 15-20% of large enterprises have adopted mobility in their core business processes. This leaves a large untapped potential to help organizations utilize the many benefits of mobile apps, by creating simple user-friendly solutions that remove complexity and empower users, and typically with a very fast ROI.

Furthermore, we are met with strong demand for scalable concepts where software vendors take full responsibility of the developed applications, including security and continuous enhancements.

Our Smart Enterprise Business

In 2023, our Smart Enterprise business continued to focus on industry leaders and large public organizations in a broad spectrum of sectors including discrete manufacturing, transport, energy, logistics and warehousing, FMCG and retail, and aviation.

While customers' decision cycles took longer in 2023 than in previous years, we invested in Smart Enterprise business development and overall ended the year with satisfactory growth given the market circumstances.

We delivered on public sector tenders, working with customers such as Andel, The National Agency for IT and Learning, The Danish Road Traffic Authority, and Energinet – to mention a few. In 2023, revenue in the Smart Enterprise business area grew by 13.9% to EURm 96.1.

Our Trifork Labs company, Arkyn, completed a successful proof-of-concept of their work order processing app on top of SAP for a large customer within the German automotive industry. Based on the positive feedback from users, the customer decided to roll out the solution in their organization. With several large European brand names in their customer portfolio, Arkyn has begun their expansion to the US market.

We are focusing on strengthening our partnership with SAP even further and creating meaningful impact with and for our SAP customers. We aim at becoming the leading SAP Business Technology Platform (BTP) and innovation partner in Denmark.

Our approach to building enterprise solutions is grounded in the value of design thinking and user-centricity, which is essential in today's business landscape where employee expectations are rising amidst a shortage of qualified personnel. By implementing our proven design thinking methodologies with our customers, we ensure the development of effective solutions that promote high adoption rates, employee satisfaction, and retention. This approach is encapsulated in the work we did with TV4 in Sweden (read more on page 40) and the Danish Ministry of Defence (page 41).

In 2023, we also engaged in and hosted several events and workshops on SAP BTP, S4/HANA migration, AI, Design Thinking, Adoption Management and more, as well as progressed in projects and collaboration with Energinet, Vestas, and SAP AppHaus, to name a few of our esteemed customers and partners.

These strategic activities underscore Trifork's commitment to delivering timeless, next-gen enterprise solutions and cementing enduring partnerships with our customers.

Transforming broadcasting excellence: TV4's unified streaming platform

CUSTOMER
TV4

INDUSTRY
Broadcasting

BUSINESS AREA
Smart Enterprise

CASE STORY

TV4, a prominent Nordic broadcasting company, faced a pivotal challenge - how to consolidate user information spread across multiple databases into a singular, competitive streaming platform.

Several million subscribers, zero downtime

With the growing dominance of major streaming services like Netflix and Disney Plus, TV4 needed to enhance its platform's competitiveness. The migration also aimed at catering to the needs of advertisers, ensuring flexible ad space, and unifying the brands of TV4, C More, and MTV (in Finland) for a seamless user experience.

Erlang Solutions, a Trifork company, successfully migrated several million subscribers from an external service to a user management application with zero downtime. Recognizing the integral role broadcasting plays in society, the approach prioritized resilience to cyber threats. Meticulous execution ensured an uninterrupted service during the migration, providing the resilience TV4 needed.

Empowered through effortless migration

Executing one of the world's largest migrations with zero downtime demanded a robust technological foundation. Leveraging the Elixir programming language, known for its fault tolerance and efficiency, delivered a seamless transition. The language's unique features ensured efficient maintenance and continued operation without faults, guaranteeing effortless functionality.

The inherent efficiency of the Elixir language has also translated into reduced server consumption for TV4, aligning with environmental consciousness. Its ability to operate on fewer servers led to a significant reduction in infrastructure costs, reflecting a commitment to sustainability.

"We have had the pleasure of working with Erlang Solutions for an extended period of time and they have become our trusted partner for all things related to Erlang/Elixir. We are extremely satisfied with their quality of work, seniority, and technical expertise which has helped us create a trusted hybrid streaming service for our customers."

Kristian Saebdal
Head of Integrations Development, TV4

TV4's future-ready broadcasting landscape

The collaboration between TV4 and Erlang Solutions has not only consolidated user data but has fortified the broadcasting giant's position in the competitive streaming market. The seamless migration of several million subscribers, the adoption of Elixir for efficiency, and the focus on sustainability underscore TV4's commitment to a future-ready broadcasting landscape.

Streamlining maintenance processes for the Danish Defence

CUSTOMER
Danish Defence

INDUSTRY
Public

BUSINESS AREA
Smart Enterprise

CASE STORY

The Danish Ministry of Defence Estate Agency (MDEA) handles all construction projects for the Danish Ministry of Defence authorities. Responsible for property assessments, buying and selling, legal consultations, preservations, and environmental issues, MDEA oversees 700 rental properties.

The challenge MDEA faced was the complex nature of their internal processes. The utility and equipment maintenance department, serving military and non-military personnel, struggled with a complicated and time-consuming system. The existing process involved receiving requests through their SAP system, which proved to be ineffective, non-flexible, and prone to manual errors. Handyman tasks, from fixing windows to acquiring utilities, suffer due to an outdated system, causing inefficiencies, miscommunication, and delayed responses.

Enhancing internal processes while safeguarding data

The primary need was to enhance and automate the internal processes, making them more efficient and reducing the risk of data loss. The current system, with its reliance on paper-based requests and workflows, hindered the timely completion of tasks.

The department required a solution that would streamline request handling, task management, and time tracking for the handyman workforce. The work ahead highlights Trifork's role as a catalyst for change, addressing challenges that management might not have been aware of previously.

Design thinking approach

To address the challenges, Trifork approached the situation with our proven design thinking methodologies. Our team conducted fieldwork, interviewing both administrative staff and handyman personnel to gain comprehensive insights into their workflows and challenges. We organized two workshops, emphasizing collaboration between different levels of staff.

The first workshop focused on setting the scene and on problem exploration, while the second delved into solution ideation through detailed wireframes, encouraging hands-on input from those directly involved in task execution, emphasizing minimal viable product (MVP) principles. It became evident that transitioning from manual to automated processes would significantly save time, improve efficiency, and minimize the risk of errors. Trifork's engagement fostered collaborative decision-making and prioritization, ensuring alignment with user needs and business objectives.

Simplified, real-time, stress-free

The outcome was a tailored high-fidelity mobile app design for handyman workforce needs, addressing requisition management, task prioritization, and time tracking. It featured a user-friendly interface for task execution and provided real-time overviews of assignments. Introducing a "direct task creation" feature streamlined processes and eliminated unnecessary steps. The design also included a map feature for task location, optimizing daily schedules.

Overall, the workshops revealed insights into daily task complexities and inefficiencies. This collaboration highlights potential for impactful improvements via focused workshops and user-centric design. While further collaboration is possible, immediate achievements underscore the value of an efficient, collaborative problem-solving approach.

"It was impressive to see how Trifork's design thinking approach challenged our way of thinking and really pushed us out of our habits. The results of the workshops have given our business team the tools to describe our work processes. It has also provided us an understanding and importance of which stakeholders are necessary participants."

Marianne Sletten
SAP IT Consultant, The Danish Ministry of Defence Acquisition and Logistics Organisation

Cyber Protection

STRATEGIC PRIORITIES

- Concentrate on serving medium-sized and large enterprises across Trifork's primary geographic markets.
- Enhance the consulting business by collaborating with top-tier vendors while continuing to approach the market in a holistic and technology-agnostic approach.
- Develop analytics and big data solutions, leveraging Trifork's established presence.
- Pursue growth through strategic acquisitions to augment capabilities and reinforce our market standing.

REVENUE (EURM)

The Cyber Protection Market

The digital landscape has become a battleground, with criminal groups, nation-states, and lone actors all exploiting the interconnectedness of our world. Public and private entities alike face a relentless barrage of cyberattacks, targeting everything from sensitive data to critical infrastructure. These threats have escalated geopolitical tensions, rocked companies with high-profile breaches, and awakened even the most complacent leadership to the urgency of cybersecurity.

Fueling this urgency is the escalating cost of cybercrime. As our reliance on technology deepens, McKinsey estimates that cyberattacks could inflict USD 10.5 trillion in annual damage by 2025 – a 300% increase from 2015. For organizations, security is no longer a peripheral concern; it is a license to operate. A single breach can shatter reputations, erode customer trust, and inflict lasting financial wounds.

The sophistication of attacks grows alongside the attack surface, while skilled cybersecurity professionals remain scarce. This shortage creates a crucial gap that pushes organizations towards external service providers. By partnering with experts, businesses can gain the expertise, resources, and constant vigilance needed to navigate the ever-evolving threat landscape.

Our Cyber Protection Business

In 2023, Trifork's cyber protection business revenue declined by 17.4% to EURm 12.9. The decline was partly explained by internal reorganization to improve our sales and delivery model to customers, but also partly explained by extraordinarily large license sales in 2022, which is volatile in nature.

Trifork now has three business units jointly offering a unique range of consulting services and end-to-end capabilities before, during, and after a cyber attack.

Trifork stands as a cybersecurity sentinel for diverse industries, including critical infrastructure, commerce, finance, publishing, education, insurance, defense, and more. We empower organizations to harness the power of technology while mitigating the ever-present threat of cyberattacks.

Our comprehensive approach ensures that our customers' data remains accessible, confidential, reliable, and secure. We leverage our expertise to:

- Identify: Understand the business from a cyber- and information security perspective, identifying critical services and assets.
- Protect: Implement measures to minimize impact of potential cyberattacks
- Detect: Proactively detect security incidents using appropriate monitoring and detection tools.
- Respond: Respond swiftly to identified threats, containing damage and business impact.
- Recover: Fostering resiliency, ensuring plans are in place to recover systems and services after an attack.
- Governance, Risk and Compliance (GRC): Establish clear leadership and structures for managing cyber risks and ensuring compliance with regulations.

We go beyond reactive solutions, offering:

- Continuous improvement: We continuously analyze security and operational data to provide actionable insights and visualize potential service disruptions.
- Tailored intelligence: Gain comprehensive understanding of cyber threats specific to the industry and operational environment.
- Comprehensive solutions: We provide access to leading hardware and third-party licenses, streamlining the cybersecurity journey.

All in all, organizations partner with Trifork to navigate the complex digital landscape with confidence, knowing their data and infrastructure are secure and compliant.

Safeguarding critical infrastructure

INDUSTRY
Transportation

BUSINESS AREA
Cyber Protection

CASE STORY

A large player in the transportation sector operating within the critical infrastructure domain, faced an escalating threat landscape of cyber-attacks. With the transportation sector becoming a prime target for malicious actors targeting critical national infrastructure, the company recognized the need to fortify its cybersecurity posture to safeguard sensitive data, ensure operational continuity, and adhere to stricter regulatory requirements.

After coming to the realization that it was difficult to attract qualified employees with the needed capabilities, the company made a shift from the initial strategic decision to build an internal red team to working with an external partner.

Red team testing and compliance adherence

Trifork Cyber Protection engaged with the company to conduct comprehensive red team testing, a proactive approach simulating real-world cyber threats to assess vulnerabilities in the company's digital infrastructure. The collaboration aimed not only to identify weaknesses but also to fortify the company's cybersecurity defenses against evolving threats.

Moreover, recognizing the sector's compliance intricacies, Trifork Cyber Protection tailored its services to ensure adherence to international cybersecurity standards and regulatory frameworks. This included aligning the company's cybersecurity practices with industry-specific guidelines, ensuring data protection, and compliance with regional and global regulations.

"Trifork Cyber Protection's tactical approach to red team testing and compliance adherence has fortified our cybersecurity defenses. This partnership has not only enhanced our operational stability but also helped us to bring back focus on our core business."

Senior IT manager of a large transportation company

Staying on top of the relevant cyber risks

The collaboration between Trifork Cyber Protection and the company yielded significant results:

1. Enhanced security posture: Through red team testing, vulnerabilities were identified and promptly addressed, bolstering the company's security posture – both in production as well as before pushing new products to production.
2. Regulatory compliance: Trifork Cyber Protection's expertise in navigating complex regulatory landscapes ensured that the company met and exceeded compliance requirements, providing a secure environment for critical infrastructure operations.
3. Operational stability: The company experienced improved operational stability as a result of strengthened cybersecurity measures, mitigating the risk of disruptions due to cyber threats.

Trifork's Cyber Protection customers prefer to remain anonymous.

Cloud Operations

STRATEGIC PRIORITIES

- Develop new services and products that ensure reliable and secure operations in the private, public, and hybrid cloud
- Deepen our market penetration in existing markets, and scale our services to other Trifork markets
- Continue organic investments in future assets like datacenters and infrastructure
- Add competencies via selective bolt-on acquisitions
- Drive automation and ease of doing business with Trifork, and provide best-in-class DevOps

REVENUE (EURM)

The Cloud Operations Market

The cloud operations market continues to increase its importance for Trifork and our customers. Cloud is becoming the new norm across our markets as a 'deployment model' for both applications and infrastructure.

Cloud-based architecture gives developers greater flexibility and efficiency in DevOps and better accessibility to users. The cloud operations market continues to be dominated by large American 'hyperscalers' who set the standard for many of the services and price levels in the market.

But at the same time, we also observe that organizations are increasingly prioritizing privacy concerns as a result of EU regulations. They want to know who controls the assets, where the applications are hosted, and how their data is stored. This makes private cloud providers relevant in the market.

Cloud operations is becoming increasing business critical while the required technical capabilities are becoming more complex. At the same time, the regulatory landscape is constantly evolving. This drives demand for solutions that are secure, flexible, and capable of being migrated from local storage to private or public cloud, and vice versa.

The development of new cloud applications exceeds the capabilities of most in-house IT departments. The introduction of multiple cloud environments drives the increasing need for external service providers.

Our Cloud Operations Business

At Trifork, our ambition in cloud operations remains to improve the work of developers in our customers' organizations. Our services range from advising and designing infrastructure solutions to implementing and maintaining complete cloud-based solutions that suit each individual organization.

Our product offering spans from on-premises data storage to multi- and hybrid-cloud solutions as well as public cloud platforms from Amazon, Microsoft, and Google. We often develop solutions that are agnostic between cloud environments, ensuring a high degree of flexibility for our customers.

In 2023, Trifork Cloud Operations revenue grew by 14.1% to EURm 34.1, largely driven by our subsidiary company Netic. We continued our efforts to expand our offering through the year.

Cloud Native is the business area that has attracted the most attention and the area where we have experienced the most significant and increasing demand for our services, primarily because of our Cloud Stack. Our in-house developed application platform called Contain has gained strong traction. It is based on Kubernetes and designed to provide a comprehensive and secure infrastructure. Our hosting business also performed well in 2023.

We participated in events to a greater extent than ever before. Just to name a few: DevOpsDays in Copenhagen, GOTO in Aarhus, and the new KCD Denmark, which with 400 attendees, was a resounding success.

An increasing number of customers who work with Trifork on developing new software decide to enter into operations agreements. We consider this an important part of our overall growth strategy. One such example is the Kamstrup customer case on page 38 and 45 where our Smart Building and IoT teams developed a data platform, which is now operated and fully managed in Contain.

Further, when Cloud Operations grows, it contributes to increased stability in the Group's revenues due to the long-term nature of customer contracts.

The margins in Cloud Operations were satisfactory in 2023; a year which saw fewer physical investments than 2022. Having physical assets allow for operational leverage when the utilization of our modern data centers increases.

A seamless transition to cloud-based solutions

CUSTOMER
Kamstrup

INDUSTRY
Metering Systems

BUSINESS AREA
Cloud Operations

CASE STORY

Modernization of software platform

Kamstrup stands as the global leader in manufacturing system solutions for intelligent energy and water metering. To maintain its market-leading position, they initiated a modernization initiative, including a new platform for running applications. The solution involved the Trifork company Netic and its Contain cloud stack as a fully managed service.

Contain is our in-house developed application platform, based on Kubernetes and designed to provide a comprehensive and secure infrastructure. It supports container and hardware scaling, resource management, workload prioritization, and application isolation.

Public cloud platform

Kamstrup wanted a public cloud model that would give them full data control in terms of both operations and hosting, and they prioritized a solution adhering to ISO 27000. The new platform solution is hosted in Azure Public Cloud, chosen to meet data requirements, including GDPR and data security. The solution can easily be deployed in countries with Azure data centres, and as these are located in many countries, it is easy for Kamstrup to meet customer requirements for "local hosting". Thus, Kamstrup already has the solution running in several places around the world, including the US – still with the same security, stability and flexibility they have been used to.

A complete solution with multiple benefits

The combined efforts of Trifork and Netic resulted in significant resource savings for Kamstrup, accelerating development, and making their setup more flexible, scalable, faster, and secure. The solution has also enabled better control and observability, and now Kamstrup can offer faster delivery of new innovations in the future, making it easier for them to adapt and fulfil their customers' needs around the world.

"Netic and Trifork support our new setup in the best possible way with an even faster startup than we had thought possible. The solution fits perfectly into our way of working and we don't have to worry about anything. Instead, we can use our resources on other value-creating tasks."

Torben Duvald Prang
Global Head of Operations & Engineering, Kamstrup

Trifork Labs

Rationale behind Trifork Labs

Trifork has been active in founding, co-founding, and investing in innovative software companies for more than 20 years, and currently hold minority stakes in 23 companies. Trifork Labs has participated in founding or making early investments in several successful companies including Humio, Tradeshift, and Chainalysis.

Our strength lies in our deep understanding of developing new products to customers within Trifork's six business areas (Digital Health, Fintech, Smart Building, Smart Enterprise, Cyber Protection, Cloud Operations), while our partnerships with growth investors and our business network is a solid foundation for success.
The main reason behind the existence of Trifork Labs is that we gain valuable know-how about emerging technologies at an early stage, and we learn about new ways of commercializing software in niche markets.

- Strategic collaboration
- Product innovation
- Technology inspiration
- Digital sustainability

Book value	Company[1]	Investment Thesis	Business Area	Entry year	Ownership	Stage / Owners	Valuation change	Valuation Method	Website
Top 5	AxonIQ B.V.	Product innovation	Multiple	2017	21.4%	A-round	Q4 2020	Fin. round	https://www.axoniq.io/
	Bluespace Ventures AG	Strategic collaboration	Digital Health	2023	10.6%	Strategic owners	Q4 2023	Fin. round	https://compassana.ch/en
	Dawn Health A/S	Strategic collaboration, Product innovation	Digital Health	2016	32.6%	A-round	Q4 2021	Fin. round	https://dawnhealth.com/
	Promon AS	Strategic collaboration, Product innovation	Cyber Protection	2022	5.4%	Private equity owners	Q4 2021	Fin. round	https://promon.co/
	XCI Holding A/S	Product innovation	Cyber Protection	2018	20.0%	Self-funded	Q4 2023	DCF	https://www.xci.dk/
6-10	Arkyn Studios Ltd	Strategic collaboration, Product innovation	Smart Enterprise	2020	47.1%	Seed	Q1 2022	Fin. round	https://www.arkyn.io/
	C4 Media Inc.	Technology inspiration	Inspire	2011	9.8%	Self-funded	Q4 2023	DCF	https://c4media.com/
	Develco A/S	Strategic collaboration, Digital sustainability	Smart Building	2021	40.0%	Self-funded	Q4 2023	DCF	https://www.develco.com/
	ExSeed Health Ltd	Product innovation	Digital Health	2017	28.0%	Seed	Q4 2021	Fin. round	https://www.exseedhealth.com/
	Visikon ApS	Strategic collaboration, Product innovation	Digital Health	2021	28.0%	Seed	Q2 2023	Fin. round	https://www.visikon.com/
11-23	&Money ApS	Strategic collaboration, Product innovation	FinTech	2021	25.0%	Strategic owners	Q2 2021	Fin. round	https://www.andmoney.dk
	Container Solutions	Technology inspiration	Cloud Operations	2015	6.2%	Self-funded	Q2 2022	DCF	https://www.container-solutions.com/
	DRYP ApS	Digital sustainability	Smart Building	2021	21.8%	Seed	Q4 2023	Fin. round	https://www.drypdata.com/
	Fauna ApS	Product innovation	Digital Health	2022	20.0%	Seed	Q4 2023	Fin. round	https://www.faunaapp.dk/
	Feats ApS	Technology inspiration	Multiple	2022	5.0%	Seed	Q1 2022	Fin. round	https://www.feats.co/join
	Frameo ApS	Product innovation, Technology inspiration	Multiple	2015	6.2%	Self-funded	Q4 2023	DCF	https://frameo.net/
	Implantica Mediswiss AG	Technology inspiration	Digital Health	2016	0.1%	Public	Q4 2023	Listing	https://www.implantica.com/
	Ossmo ApS	Strategic collaboration	Smart Enterprise	2023	23.0%	Seed	Q4 2023	Fin. round	https://ossmo.io/
	TSBone ApS	Digital sustainability	Smart Building	2020	25.0%	Strategic owners	Q2 2020	Fin. round	https://trifork.com/work/smart-building/
	TSBThree ApS	Digital sustainability	Smart Building	2021	35.7%	Strategic owners	Q4 2021	Fin. round	https://trifork.com/work/smart-building/
	Unhaze ApS	Product innovation	Smart Enterprise	2020	15.1%	Seed	Q2 2023	Fin. round	https://unhaze.ai/
	Upcycling Forum ApS	Strategic collaboration, Digital sustainability	Smart Building	2020	22.7%	Seed	Q4 2020	Fin. round	https://www.upcyclingforum.dk/
	Youandx.com ApS	Technology inspiration	Inspire	2019	2.2%	Seed	Q4 2023	Fin. round	https://www.youandx.com/

1 Each group is sorted in alphabetical order

Furthermore, Trifork Labs contributes to minimizing risks and stabilizing margins in the Trifork Segment. Instead of bearing the entire investment risk of in-house development projects, Trifork shares the risk with other investors, while still harvesting sales and competence synergies. Even when some investments do not materialize the way we expect, we often manage to get synergies flowing to Trifork during their lifespan, and in some cases can take over the IP rights and reuse it later.

By employing a formalized and standalone venture model, Trifork Labs supports the entrepreneurial culture of the rest of Trifork Group, and it allows us to keep competences within the Group. If an employee has a good idea which meets all of our investment criteria, they can move full-time to their new Labs company, which we seed with capital and where they become co-owners with significant personal upside potential. This tested and proven model ensures clear ownership of each business idea, which increases motivation and responsibility to get the idea successfully commercialized. Examples of employee-started companies are Humio, AxonIQ, Dawn Health, and Arkyn Studios.

Our model of co-founding with entrepreneurs and partners is unique and a solid test of idea quality and commitment. By investing in ideas formed in individual companies, we do not solely depend on good ideas coming from inside the Trifork organization, but we can also support external founders whose knowledge and solutions, in turn, support Trifork's constant competence improvement.

Investment criteria

Trifork Labs primarily focuses on promising early-stage companies that we can help shape and accelerate. These entrepreneurs' young companies gain access to our network, management sparring, technology sparring, and the possibility to collaborate commercially with the business units in the Trifork segment.

Trifork Labs is focused on three overall criteria when assessing a potential investment:

1. The company must be a software product company that invents new technology aimed at business use cases. At Trifork, we have strong opinions about software. Hence, we scrutinize potential investments for their ability to push Trifork's innovation capabilities, delivery models, and commercial execution.
2. The company should build technology to support Trifork's go-to-market model (Inspire, Build, Run). There are four sub-categories we look for when assessing this fit:

   - Strategic collaboration: Forming partnerships through co-ownership with customers and partners has become a successful model for creating mutual success. This model represents a number of strategic advantages for both sides, as it forms a natural and mutual interest in making things work and is developed for long term shared success. Furthermore, the partnership brings stakeholders closer together and makes it easier to collaborate. Trifork will continuously work to identify strategic collaborations with customers and partners. The objective will always be to generate extraordinarily high value and competitiveness through software. Examples of such partnerships are the ones we have with &Money, Bluespace Ventures, Visikon, Arkyn, Ossmo, and Develco.

   - Product innovation: These are companies which contribute directly to Trifork's innovation of new solutions. We focus on next-generation technology, new scalable products, or businesses that, at the same time, match and provide synergies to our business areas.

   - Technology inspiration: Companies that help Trifork developers learn about emerging technologies, either through a product or a platform used in our work with customers.

   - Digital sustainability: Companies that support Trifork in delivering impactful solutions in the Smart Building business area, or otherwise contribute to Trifork's sustainability solutions.

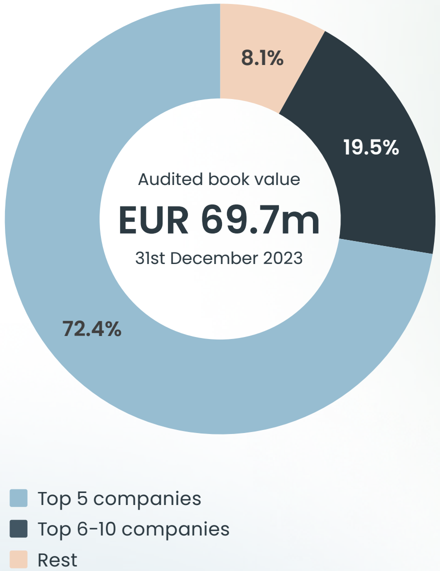
3. The company should operate within one of the six business areas of Trifork, or provide a solution that fits across multiple areas, with scope for Trifork to accelerate the value creation as a long-term tech- or sales partner.

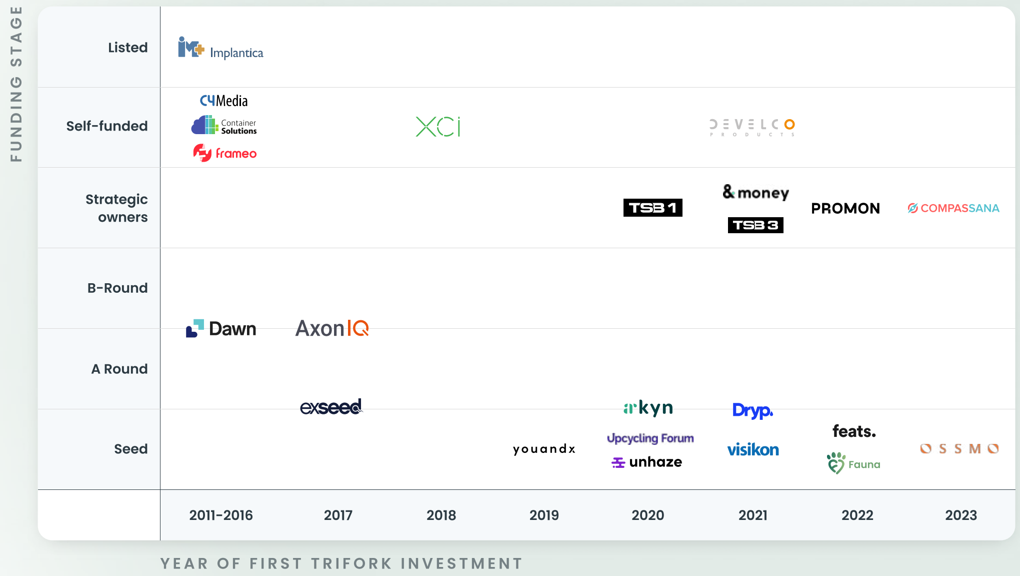
Financing model

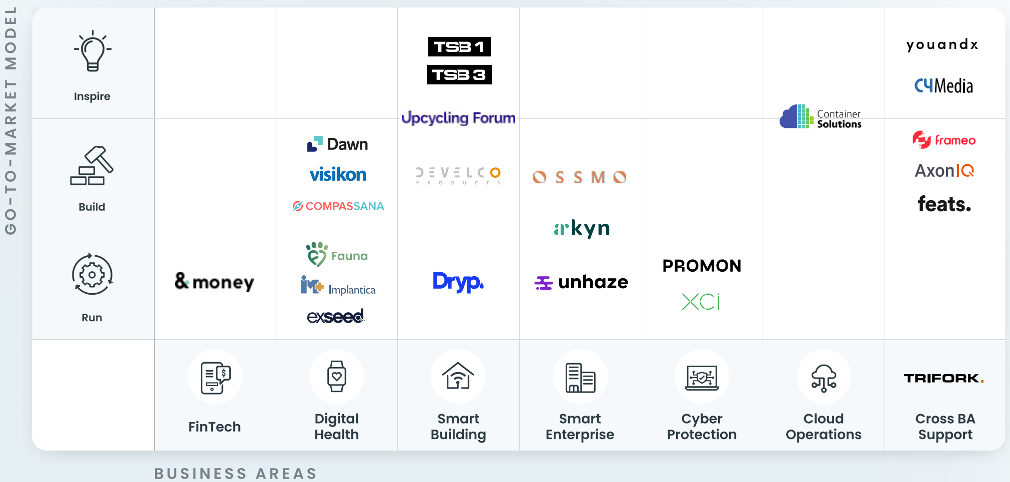
As early-stage investors, we usually have relatively large (but always minority) ownership stakes, which leaves room for dilution in later financing rounds, which in turn means that we do not necessarily have to commit further capital after the initial investment. It makes it easier to plan the allocation of capital to Trifork Labs in relation to other sources of returns on capital, such as organic investments, M&A, or shareholder returns.

Exit strategy

Product companies inventing new technologies and solutions go through a development cycle where value creation happens relatively fast after establishing a commercial footprint in the market and when exhibiting continuous growth. However, software product cycles are usually measured in years, and not in decades. Hence, software reaches a point where it becomes more mainstream and where competition increases significantly. At that point, valuation growth slows down, and it eventually enters a decline. We aim to sell our stake before the developed solutions reach the mainstream phase to balance the risk and return profiles of our investments.







Book value of Trifork Labs

As of 31 December 2023, the book value of Trifork Labs was EUR 69.7m. As with most venture portfolios, the distribution of value in Trifork Labs is skewed towards a few successful companies. This does not mean that we do not believe in our investments outside our top 10, but rather that they, in combination, represent upside that we believe has a good probability of materializing in the coming years.

The top five investments account for 72.4% of the book value in Trifork Labs. These are (in alphabetic order): AxonIQ, Bluespace Ventures, Dawn Health, Promon, and XCI.

The following five investments completing the top 10 by book value are (in alphabetic order): Arkyn Studios, C4 Media, Develco, ExSeed Health, and Visikon. These five companies account for 19.5% of the book value in Trifork Labs.

In combination, the top 10 investments account for 91.9% of the book value in Trifork Labs. The remaining 13 companies account for 8.1% of Trifork Labs' book value.

Accounting of Trifork Labs in Trifork Group

Since Trifork Labs does not own controlling stakes of more than 50%, these investments are not consolidated in the Trifork Group financial reporting of Revenue, EBITDA, and EBIT. Fair value adjustments and exits will impact Trifork Group's EBT. This may create some volatility when looking at EBT, net profit, earnings per share and cash flow in single years with significant exits or value changes.

The investments are recorded as non-current assets in Trifork Group's balance sheet. In 17 out of our 23 investments, we mark the value of our stake to the valuation from the most recent external financing round. One company is listed and we use the quoted share price on the stock exchange to value our stake. In five companies (C4 Media, XCI, Develco, Container Solutions, and Frameo), we use an auditor-approved DCF valuation model. Our DCFs are based on conservative assumptions and are used when companies are profitable and hence when no more funding rounds are expected. For more information about valuation methods and fair value adjustments in Trifork Labs, please read section 5, page 112 in the notes.

TRIFORK LABS TOP 5 INVESTMENTS

AxonIQ B.V. (21.4%)

Tools for software developers

In 2017, Trifork co-founded AxonIQ with Jeroen Speekenbrink (CEO) and Allard Buijze (CTO). Jeroen was successful in the role of director at Trifork Amsterdam, while Allard was the creator of the Axon Framework, so it was a perfect foundation to launch this new company. The AxonIQ offering is perfect for event-sourced Java application development. It allows developers to change the way they design and deliver applications. In short, they can create apps that can do things that regular apps cannot do. AxonIQ offers the open-source Axon Framework and Axon Server as well as Enterprise, Cloud, and Data Protection solutions. The Axon Framework has millions of unique downloads and the company has around 50 employees in seven countries. Organizations like Ford, Nets, BNP Paribas, Toyota as well as governments around the world trust AxonIQ and use their products. Apart from Trifork and the founders, the owners are two European venture capital funds. AxonIQ is facing a positive growth outlook.

www.axoniq.io

Bluespace Ventures (10.6%)

Digital health platform

Bluespace Ventures AG was founded in 2021 and is owned by seven companies as a joint effort to create a Swiss digital ecosystem called Compassana where healthcare professionals, insurance companies, and patients can exchange information and services. The owners are the three large healthcare companies Medbase, Hirslanden, and LUKS Group; the three large insurance companies Groupe Mutuel, Helsana, and Swica; and Trifork as tech partner since 2022 and co-owner since Q4 2023. Trifork's ownership will increase to 14.3% in 2024. Compassana is open to all actors in the Swiss health market. A platform is the heart of the Compassana ecosystem and optimizes the integrated care of healthcare providers and the coordination of patient pathways. Patients can use all the advantages of Compassana via an app. It enables patients to easily orient themselves in the healthcare market and communicate with healthcare providers. Treatments and documents can be accessed quickly and viewed at any time.

www.compassana.ch/en

TRIFORK LABS TOP 5 INVESTMENTS

Dawn Health (32.6%)
Software as a medical device

Dawn Health is a frontrunner in providing software as a medical device (SaMD) and is a certified legal manufacturer of medical devices. In 2016, Trifork co-founded Dawn Health with a focus on creating digital solutions to medtech and pharma companies. The ambition was to save lives by bringing research, care, and technology together. In the first years, the company worked closely together with other Trifork Digital Health business units and has since managed to grow significantly. The number of employees is above 100 and customers are global industry leaders. In late 2021, new investors with considerable pharma expertise joined as partners and provided Dawn Health with new funding of DKKm 130 to expand the global footprint and accelerate revenue growth. In 2023, the company executed on this strategy and new partnerships were formed with global customers. Dawn Health is a leader in their field and is facing strong growth as digital solutions will become even more crucial when administering drugs or medical devices.

www.dawnhealth.com

Promon AS (5.4%)
Protecting apps from malware attacks

Trifork invested in Promon in 2022. Promon is a global market leader in application protection and shielding technology. Today, Promon ultimately safeguards applications used by more than one billion end users from malware attacks and application tampering. While ensuring the utmost security and flexibility, Promon SHIELD™ makes mobile app protection not just possible, but painless. The platform is easy to integrate with customers' programming language of choice, so that they do not have to change their coding workflow to use the solution. Promon has hundreds of customers (including Raiffeisenbank, DNB, and Moneta), +25 strategic partners globally, and offices in Norway, Germany, UK, US, India and around Asia Pacific. The company's growth journey is expected to continue, as the demand for application security solutions is expected to accelerate significantly in response ever increasing malware attacks.

www.promon.co

PROMON

XCI (20.0%)
Software for cybercrime investigations

Trifork invested in XCI in 2018. The company was founded on the idea to take a different approach when analyzing cybercrime adversaries. With automation and machine learning technology, XCI's experienced team develops products that help organizations investigate cybercrime. They develop intuitive products that are easy to install and use. Based in Aalborg, Denmark, XCI serves customers around the world (who naturally prefer to remain anonymous). In the past year, the company grew from around 45 employees to around 65 employees. XCI has grown revenue at a remarkable pace with a solid profit margin every year. This positive development is expected to continue in the coming years as cybercrime is increasing, but also because XCI delivers a very strong value proposition to its customers based on deep technical capabilities.

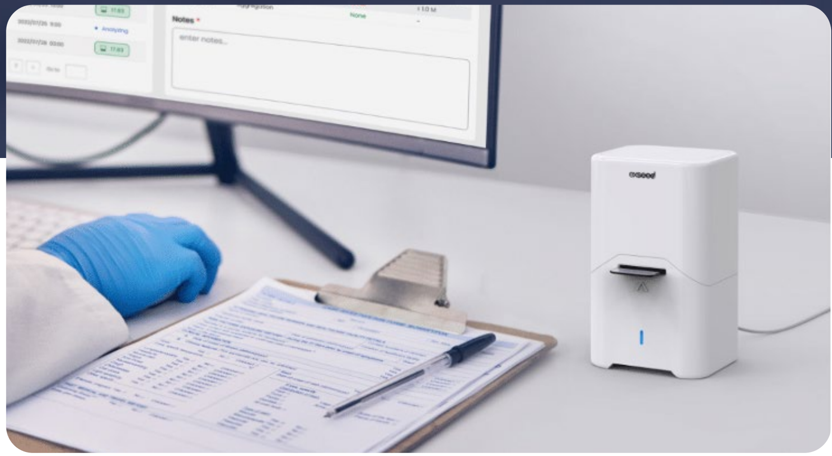
www.xci.dk

XCi

ExSeed Health – Pushing the frontiers of fertility technology

LABS COMPANY
ExSeed Health

INDUSTRY
Healthcare



TRIFORK LABS CASE STORY

ExSeed Health are male reproductive health experts addressing the 40% of infertility attributed to male factors but often neglected in the current treatment paradigm across the world.

They have built a comprehensive point-of-care medical device platform leveraging cloud computing, AI, computer vision, and sophisticated digital microscopes coupled with a patient management system. The cloud-based diagnostics platform democratizes access to healthcare, both for patients at home and now also in a clinical or lab setting, by providing highly accurate fertility diagnostics at a fraction of the cost of traditional lab-based systems.

After proven product-market fit of their Home Sperm Test Kit and reaching 35,000+ tests on the platform, they are now expanding their product offering into the attractive B2B segment with a highly advanced clinic-based diagnostics system – the CASA Lite.

CASA Lite is an IVD Class A Medical Device (the Home Test is Class B), intended to be used by professionals in a clinical setting. Released for commercial sale in Q1 2024, the CASA Lite has already been met with enthusiastic reception in the medical community and, by offering highly accurate fertility diagnostics at a fraction of traditional costs, ExSeed Health are on a path of accelerating commercialization and continuing to revolutionize both at-home and clinical fertility assessments.

A testament to the usefulness of ExSeed's diagnostics platform is their research partnership with one of the largest pharmaceutical companies in the field of reproductive health where the Home Test and a dedicated app developed by ExSeed are being deployed in a clinical trial alongside pharmacological intervention. This collaboration, involving their technology in a major clinical trial, has not only validated their solutions in a clinical setting but also shows the versatility of their technology platform.

"We've greatly benefitted from Trifork's knowledge on a range of technical challenges. Trifork were there with us right from the beginning, giving us access to their pool of highly talented medtech developers and knowledge of GDPR compliance as we set out to build a highly secure cloud solution carrying personal medical information.

2024 will be a pivotal year for us with the launch of our advanced clinic offering for medical professionals. The CASA Lite marks a significant milestone for our company; it is the fruition of years of hard work and technological advancements of our engineers and researchers."

Morten G. Ulsted
CEO & Co-founder, Exseed Health

Developed by:

exseed®

A Trifork Labs investment since 2017

06

Corporate Governance

Introduction

Trifork reports on certain statutory requirements relating to ESG and corporate governance in our ESG Report and our Corporate Governance Report which supplements the Annual Report.

The ESG report and the Corporate Governance Report have been prepared in accordance with the Annual Report for the financial year 2023 covering the period 1 January – 31 December 2023 and form part of the management's review.

Sustainability governance

Trifork has adopted policies for sustainable and responsible business practices that support the overall business strategy to deliver value for customers, investors, employees, and the local societies in which Trifork operates.

Our sustainable business practices are aligned with the recommendations of the UN Global Compact, which is further elaborated in the ESG Report.

Our ESG Report contains the full data overview (including reporting on the EU Taxonomy Regulation) and our accounting policies related to our ESG performance. Our ESG Report constitutes our statutory report cf. the Danish Financial Statements Act sections 99(a), 99(b), and 107(d).

In 2023 the Board decided to implement Sustainability further in the Audit & Risk Committee, and the Committee decided to plan an extra meeting fully devoted to Sustainability, risks, and opportunities.

Corporate Governance Report

Our Corporate Governance Report includes a description of Trifork's management structure, a review of how Trifork considers the Danish Recommendations on Corporate Governance issued by the Committee on Corporate Governance in December 2020 as well as a description of the main elements of the internal control and risk management systems in connection with Trifork's financial reporting.

Our Corporate Governance Report constitutes our statutory report cf. the Danish Financial Statements Act Section 107 b and is available on our website: https://investor.trifork.com/statutes/.

Remuneration Report

Our Remuneration Report provides an overview of the total remuneration received by each member of the Board of Directors and of the Executive Management for the financial year 2023. The report satisfies the requirements set out in articles 734 to 734f of the Swiss Code of Obligations (SCO), which entered into force on 1 January 2023, and the Danish Recommendations on Corporate Governance. Trifork's remuneration report is available on p. 60 of this report.

Governance model/ management structure

The supreme governing body of the company is the shareholders, who exercise their rights at the Annual General Meeting. The shareholders elect the Board of Directors, and the auditor, approve the annual report, and adopt the company's Articles of Association.

Trifork has a two-tier management structure comprising the Board of Directors and the Executive Management.

The Board of Directors is entrusted with the ultimate direction of the Group and has the overall responsibility for the business and affairs of the Group. Following Trifork's articles of association and its organizational rules, the Board of Directors has delegated the operational management of the Company to the Executive Management, which the Company's CEO heads.

The Board of Directors supervises the work of the Executive Management and is responsible for the overall management and strategic direction as well as financial and other material matters, including the appointment of the members of the Executive Management.

The Board of Directors represents Trifork vis-à-vis third parties and attends to all matters that have not been delegated to or reserved for another corporate body of Trifork by law, Trifork's articles of association, or internal organizational rules.

Board of Directors

According to the articles of association, the Board of Directors shall consist of not less than three members elected by the Company's general meeting. Currently, the Board of Directors consists of six members, including a chairperson of the Board of Directors, elected by the general meeting. The Board of Directors elects a deputy chairperson of the Board of Directors among its members. Under the current Danish Corporate Governance Recommendations issued by the Committee on Corporate Governance in December 2020, 5 out of 6 members of the Board of Directors have been assessed by Trifork to be independent.

The members of the Board of Directors comprise a group of professionally skilled business people representing diversity and broad international experience.

Currently, the Board of Directors consists of 3 women and 3 men. Pursuant to section 139c of the Danish Companies Act, this is considered equal gender representation in the Board of Directors, and no policy or further reporting is thus required.

The members of the Board of Directors are elected for a term of one year until the next annual general meeting. Members of the Board of Directors may be re-elected. The Board of Directors meets at least seven times a year and, on an ad hoc basis when deemed necessary.

Evaluation of the Board of Directors

Each year the Board of Directors conducts an evaluation assessing, inter alia, the composition of the Board of Directors with a focus on competencies and diversity, the Board of Directors and each individual member's contribution and results, the cooperation on the Board of Directors, the chairperson's leadership of the Board of Directors, the work in the committees and the board members' preparation for and active participation in the board meetings.

In 2023, an external and anonymously Board evaluation was conducted and all members participated in the evaluation. The evaluation revealed an overall good performance by the Board of Directors, that the Board of Directors has the right competencies, and a good collaboration between the Board of Directors and the Executive Management. The results were discussed by the Board of Directors during a board meeting, and initiatives for improvement were implemented.

The Board of Directors has identified and annually assesses the competencies which each individual board member or the Board of Directors as a whole must possess. This can be found in the Competence Profile of the Board of Directors which is available at our website https://investor.trifork.com/statutes/.

Board Member Profiles

CHAIRPERSON

Julie Galbo

Danish. Born 1971. Woman.
Independent. First elected 2020. Term AGM 2024.

4,190 shares registered.

Member of the Nomination & Remuneration Committee.

Educational background

Master in Law - University of Copenhagen / Aarhus University-Management program - INSEAD

Corporate governance, Risk management and compliance, Strategy, People leadership, Financial reporting, Change management

Professional background

2014 - 2019: Nordea - Various positions in, including member of the Group Executive Management of Nordea and the Executive Management in Nordea Asset Management

2009 - 2014: Various public sector positions, including Head of State Capital Injections with the Danish Ministry of Business and Deputy Director General with the Danish Financial Supervisory Authority

Other directorships and executive roles

Chairperson of the Board of Directors of GRO Capital A/S, member of the Board of Directors of Commonwealth Bank of Australia Ltd. (incl. member of the Audit Committee and the Risk & Compliance Committee) and DNB Bank ASA (incl. member of the Risk Committee and the Audit Committee).

Competencies

Corporate governance, Risk management and compliance, Strategy, People leadership, Financial reporting, Change management.

VICE-CHAIRPERSON

Olivier Jaquet

Swiss. Born 1969. Man.
Independent. First elected 2019. Term AGM 2024.

64,145 shares registered.

Chairperson of the Nomination & Remuneration Committee.
Member of the Audit & Risk Committee.

Educational background

PhD/Master in Law - University of Basel

Professional background

2016 –: Jaquet Partners AG - CEO and Vice Chairman of the Board of Directors

2015-2016: Jaquet Technology Group - Vice Chairman of the Board of Directors

2012-2014: Centrum Bank - CEO

2011: Clariden Leu Bank - CEO and Member of the foundation board of the Credit Suisse Pension Fund

1999 – 2011: Credit Suisse Group - Multiple CEO and Board Member functions (incl. Credit Suisse Life and Credit Suisse Trust)

Other directorships and executive roles

Chairperson of the Board of Directors of OJA Invest AG (family company), Vice Chairperson of the Board of Directors and CEO at Jaquet Partners AG (family company), Chairperson of the Board of Directors at Parashift AG.

Competencies

Strategy, Corporate Governance, Risk Management, M&A/Finance, Human capital management.

MEMBER

Maria Hjorth

Danish. Born 1972. Woman.
Independent. First elected 2020. Term AGM 2024.

3,940 shares registered.

Chairperson of the Audit & Risk Committee.

Educational background

Master in Economics - University of Copenhagen

Master in Business Psychology - University of Westminster

Professional background

2019 - 2021: VP Securities (Central Securities Depository of Denmark) - CEO & Deputy CEO

2014 – 2019: Mercer Denmark - CEO & Partner

2005 – 2014: Danske Bank - Investor relations, Head of International Corporate Banking, Head of Business Development for Business Banking Denmark

2000 - 2003: Carnegie Investment Bank - M&A

Other directorships and executive roles

Chairperson of the Board of Directors of Thylander Gruppen A/S, member of the Board of Directors of Topdanmark A/S, Asetek A/S, Maj Invest Holding A/S and Adform A/S.

Competencies

Strategy, Risk management, Financial reporting
M&A, Human capital management, ESG.

MEMBER

Erik Theodor Jakobsen

Norwegian. Born 1988. Man.
Not independent. First elected 2023. Term AGM 2024.

0 shares registered.
(employed at Ferd AS that holds 2,015,840 shares)

Not member of any Committees.

Educational background

2010-2012: Master in Business and Economics - BI Norwegian Business School

2011: Exchange MBA, IE Business School

2007-2010: Bachelor in Business and Administration, BI Norwegian Business School

Professional background

2016 - present: Investment Professional, Ferd Capital AS

2012-2016: Senior Associate, Transaction Advisory Services, Ernst & Young

Other directorships and executive roles

Member of the Board of Directors of TRY AS, Mnemonic AS, Unicus Holding AS and Mesterguppen AS.

Competencies

M&A, Strategy, Business Development.

MEMBER

Casey Rosenthal

American. Born 1978. Man.
Independent. First elected 2019. Term AGM 2024.

3,031 shares registered.

Member of the Nomination & Remuneration Committee.

Educational background

Bachelor in Philosophy - Ohio University

Professional background

Expert on the topics of Chaos Engineering and complexity in large scale software systems

2023 - present: ProwlerPro Inc. - Founder and CEO

2018 - 2023: Verica.io - Founder and CEO

2015 - 2018: Netflix - Engineering manager in the Traffic Engineering and the Chaos Engineering Teams

Other directorships and executive roles

CEO of Prowler Inc.

Competencies

Software Architecture, Cloud Technology, Startup Management, Enterprise Software Infrastructure, System Reliability, Cyber security.

MEMBER

Anne Templeman-Jones

Australian. Born 1961. Woman.
Independent. First elected 2022. Term AGM 2024.

No shares registered.

Member of the Audit & Risk Committee.

Educational background

Chartered Accountant (Australia/New Zealand)

Master in Risk Management from the University of New South Wales

Executive MBA from the Australian Graduate School of Management and a Bachelor of Commerce from the University of Western Australia.

Professional background

2007-2013: Westpac Banking Corporation - Various positions

2004-2007: Australia and New Zealand Banking Group Ltd - State Director

1995-2004: Westpac Banking Corporation - Various positions

1988-1995: Bank of Singapore - Various position

Other directorships and executive roles

Member of the Board of Directors ofof Commonwealth Bank of Australia Ltd., Worley Ltd, NSW Treasury Corporation and the Cyber Security Research Centre.

Competencies

Risk management, Governance, Strategy, ESG transformation, Change management, Cyber security.

Board Committees

The Board of Directors has established an Audit & Risk Committee (ARC), and a Nomination & Remuneration Committee (NRC) for the purpose of assisting the Board of Directors with preparing decisions and submitting recommendations for the entire Board of Directors. Each of the committees has a charter setting forth, among other things, the composition, tasks, duties and responsibilities of the committee. These are available on the company's website.

Audit and Risk Committee

The ARC consists of three members, including a chairperson appointed by and among the Board of Directors for a one-year term. The majority of the Committee members are independent.

The ARC assists the Board of Directors with the oversight of the financial reporting process, the statutory audit of Trifork's financial report, internal control and risk management systems, social and environmental reporting (CSR/ESG), the Company's whistleblowing procedures and complaints, the supervision of the external auditor's independence and the procedure for the election of the external auditor.

In addition to the committee meetings, the Chairperson of the ARC held two additional meetings with the Group Auditor in charge. A further description of the ARC's duties and responsibilities is available in the ARC charter.

Some of the most significant topics covered by the committee was review of risks related to the invasion of Ukraine, review of the group-wide insurance programme, new requirements related to transfer pricing and financial counterpart exposure.

Nomination and Remuneration Committee

The NRC consists of three members elected by the General Meeting among the Board of Directors for a one-year term. The Chairperson of the NRC is appointed by the General Meeting. All of the Committee members are independent.

The NRC assists the Board of Directors by preparing and presenting decision proposals and recommendations on matters related to the remuneration of Trifork's Board of Directors and Executive Management and the composition of the Company's Board of Directors and the Executive Management, including the nomination of candidates.

A further description of the NRC's responsibilities is available in the NRC charter.

Some of the most significant topics covered by the NRC were related to the enhancement of succession planning, evaluating composition, competencies, and diversity of the Board of Directors as part of the annual Board evaluation, and identifying and evaluating candidates for membership of the Board of Directors.

Board meetings

In 2023, the Board of Directors held 8 board meetings. The agenda for the meetings of the Board of Directors follows an annual wheel ensuring that strategic and operational aspects are regularly assessed.

Besides the meetings of the Board of Directors and its committees, its chairpersons meet frequently with the Executive Management members to understand the current developments of the Group about operations and governance and to pre-discuss upcoming agenda items.

Member	BoD Meetings	NRC Meetings	ARC Meetings
Total	8	3	5
Members			
Julie Galbo	8	3	-
Olivier Jaquet	8	3	5
Maria Hjorth	8	-	5
Erik Jakobsen[1]	6	-	-
Casey Rosenthal	8	2	-
Anne Templeman-Jones	8	-	5
Christoffer Holten[2]	2	-	-

1 From 12 April 2023
2 To 12 April 2023

Executive Management

The Executive Management, currently comprising the CEO, the CFO, and the CRO, is responsible for the day-to-day operations and management of the Company and is in charge of ensuring that the Company and its operations are compliant with applicable legislation as well as the Board of Directors' guidelines and instructions.

The Executive Management includes leaders with very long tenure within Trifork as well as leaders with experience from outside the company. All of whom with very deep industry knowledge and leadership skills

CEO

Jørn Larsen

Danish. Born 1966. Man.
Executive Management since 1996.

3,918,627 shares registered.

Educational background

Master degree in Mechanical and civil engineering (Computer Science) – University of Aalborg

Professional background

Serial entrepreneur in the Nordic technology sector with co-foundation of >50 startups

From 1996: Founder and CEO of Trifork

1994 – 1995: Project Manager with Dator A/S

1984 – 1989: Technical Naval engineer with A.P. Møller Maersk

Other directorships and executive roles

Member of the Board of Directors of Arkyn Studios Ltd. (Labs company), Dawn Health A/S (Labs company), ExSeed Ltd. (Labs company) and &Money ApS (Labs company).

CFO

Kristian Wulf-Andersen

Danish. Born 1971. Man.
Executive Management since 2007.

238,237 shares registered.

Educational background

Bachelor in Economics - Aarhus Business School, Denmark

Professional background

1999-2007: Co-founder and CFO of the IT-infrastructure company Interprise Consulting A/S (acquired by Trifork)

1996–1999: IT consultant, trainer and management consultant at Siemens Nixdorf A/S / Siemens Business Services A/S

1989-2000: Officer at the Royal Danish Airforce

Other directorships and executive roles

None.

CRO

Morten Gram

Danish. Born 1971. Man.
Executive Management since 2023.

52,963 shares registered.

Educational background

Master degree in Mechanical and civil engineering (Computer Science) – University of Aalborg

Professional background

2021-2022: VP of International Sales, Crowdstrike, (Logscale/Humio)

2019-2021: CRO of Humio Ltd.

2017-2019: COO Trifork Labs

2011-2016: Nordic VP of Sales, Itelligence

Other directorships and executive roles

Chairperson of the Board of Directors of Arkyn Studios Ltd. (Labs company).

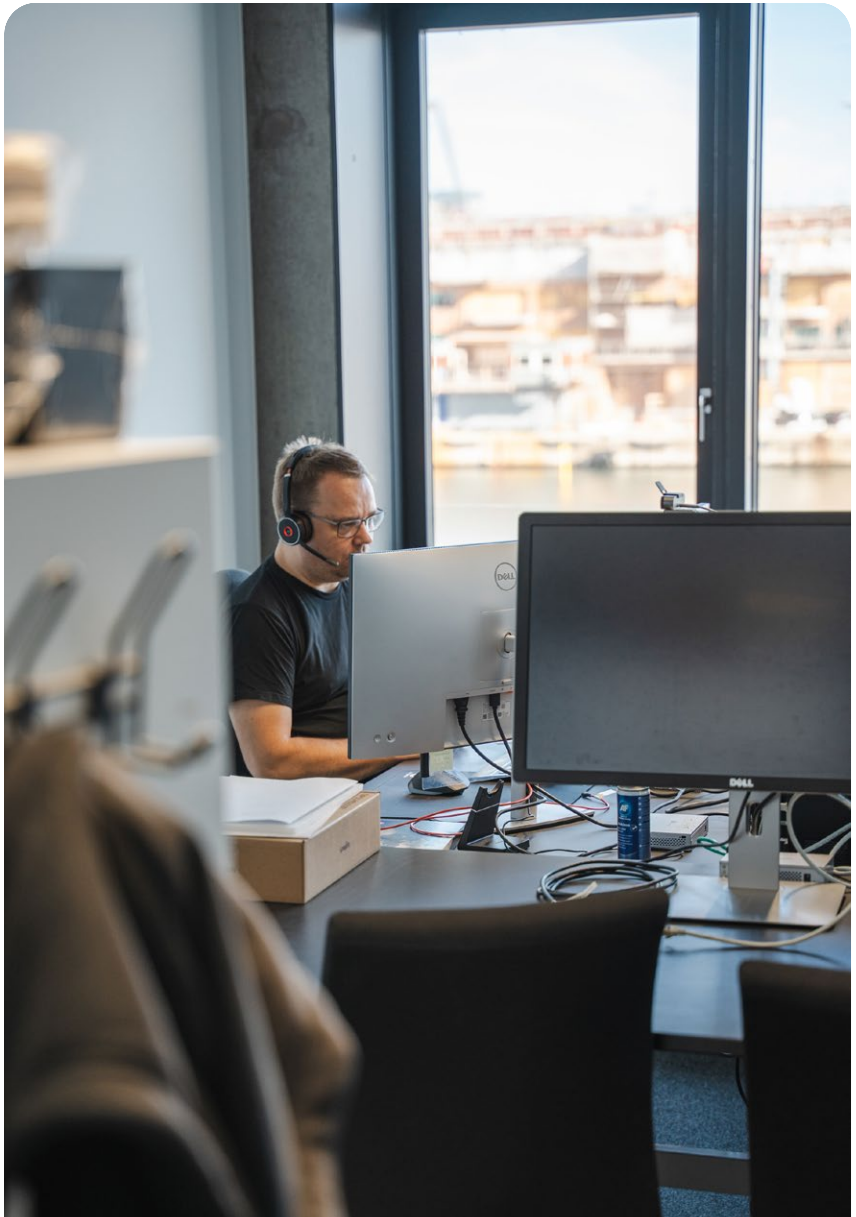
Recommendations on Corporate Governance

Under the Nordic Main Market Rulebook for Issuers of Shares on Nasdaq Copenhagen, Trifork shall either apply the corporate governance code or corporate governance recommendations, applicable in its jurisdiction of incorporation or establishment or the corporate governance code applicable in the jurisdiction of the stock exchange.

Trifork observes and reports on its compliance with the recommendations prepared by the Danish Committee on Corporate Governance. Trifork complies with the recommendations in all material respects, however, noting that with respect to recommendation 3.4.5, Trifork's remuneration policy itself will not be approved by the general meeting, but the remuneration report, which refers to the remuneration policy, is subject to approval by the general meeting.

The statutory corporate governance statement for Trifork Holding AG forms part of the Management review of the Annual Report and includes the status of compliance with the 'Recommendations for Corporate Governance' issued by the Danish Committee on Corporate Governance 2020 and implemented by Nasdaq Copenhagen.

For further information and detailed reporting on each recommendation please refer to our Corporate Governance Report 2023 which is available on our website https://investor.trifork.com/statutes/.



Remuneration Report

1. Introduction

The Trifork remuneration report describes the policies, organisation and elements of the remuneration for the Board of Directors (BoD) and Executive Management (EM) of the Group in a qualitative manner and provides quantitative information of the remuneration for the financial years 2023 and 2022.

This report satisfies the requirements set out in articles 734 to 734f of the Swiss Code of Obligations (SCO), which entered into force on 1 January 2023 and the Danish Recommendations on Corporate Governance.

The remuneration of the Board of Directors and the Executive Management was determined in accordance with the Company's remuneration policy.

2. Remuneration principles

Trifork's employees are the main driver for the Group's success and value. This makes it elementary to attract, motivate and retain the best talent over the long term in a highly competitive labour market. Performance-based and share-based components of remuneration are included with the aim of encouraging employees to align thoughts and acts with the interests of the shareholders.

To support these goals, Trifork has set out the following remuneration principles:

- Remuneration is competitive and comparable with other players in the market
- The Group's and individual performance is linked to remuneration
- The remuneration system aligns Trifork's long-term strategy with the interests and commitment of the employees
- Decisions taken on remuneration are fair, transparent and gender-neutral

The remuneration of the BoD consists of a fixed fee and is not performance related in order to support an objective focus.

The Group's and individual target achievement influence the remuneration of the EM.

The share ownership program reflects the Group's performance and strengthens our managers' loyalty and aligns their interests with those of our shareholders.

3. Remuneration policy

A. Organisation

The Nomination & Remuneration Committee (NRC) defines and designs the Company's remuneration policy for approval by the BoD and supports the BoD with the identification and nomination of possible candidates for the BoD and EM. Amongst others, tasks are:

- Preparation and planning of nominations and staffing decisions on top management level
- Preparation and periodic review of the remuneration policy and principles and the performance criteria related to remuneration
- Periodic review of their implementation as well as submission of proposals and recommendations to the BoD
- Preparation of all relevant decisions of the BoD in relation to the remuneration of the members of the BoD and of the EM as well as submission of proposals and recommendations in this respect

For the detailed description, please refer to the NRC Charter.

In 2023, the NRC met for three times. All members were present at all meetings.

B. Approval process (for prospective AGM voting)

Decision on:	CEO	NRC	BoD	AGM
Remuneration of EM members (w/o CEO)	Proposal	Proposal	Decision	Binding vote on maximum amount
Remuneration of the CEO		Proposal	Decision	Binding vote on maximum amount
Remuneration of the BoD and its Committees		Proposal	Decision	Binding vote on maximum amount
Remuneration report		Proposal	Approval	Consultative vote

C. NRC composition

The NRC consists of three members that are non-executive and independent. The member are elected annually by the AGM for a term of one year.

For the reporting period Olivier Jaquet, Julie Galbo and Casey Rosenthal formed the Committee. All members bring comprehensive practical experience and professional knowledge to their work in the Committee. They were re-elected at the AGM of 12 April 2023.

NRC meetings generally take place prior to meetings of the BoD so that proposals can be discussed and approved by the full BoD.

4. Remuneration of the Board of Directors

The remuneration of the BoD is governed in section IV of the Company's articles and in the Company's remuneration policy.

With reference to the SCO, the BoD has decided to have the AGM voting prospectively for the total remuneration of the BoD. Therefore, the AGM as of 12 April 2023 has voted for remuneration for the office term starting as this date and a maximum amount of EURk 600 - approval of 99.9% (AGM of 20 April 2022: EURk 600 - approval of 99.7%).

For the reporting period, the remuneration of the BoD comprises the following elements:

A. Fixed remuneration

The members of the BoD receive a fixed remuneration for all of their work for the BoD. The fees paid to members of the BoD are reviewed periodically and were last adjusted for term from the annual general meeting 2022 to the annual general meeting 2023. The fees are applied pro-rata for members of the BoD that are elected or resign during the year. For the reported office term, fees are as follows:

(in CHFk)	Board of Directors	Audit & Risk Committee	Nomination & Remuneration Committee
Chairperson	110	15	15
Vice-Chairperson	95	-	-
Member	30	10	10

B. Variable remuneration

The members of the BoD do not receive any variable remuneration.

C. Shares and options

The members of the BoD do not receive any remuneration in shares and/or options.

D. Social charges and pension benefits

Remuneration paid to the Swiss members of the BoD is subject to social charges according to Swiss law. Both parties bear an equal share. The employee contribution is included in the remuneration paid (gross presentation) and the employer contribution is reported separately.

Members of the BoD are not entitled to pension benefits.

E. Expenses

Trifork is entitled to reimburse members of the BoD for out-of-pocket expenses in the form of actual or lump sum expense payments. This is not considered as remuneration.

F. Loans and credits

The granting of loans and credits to members of the BoD is excluded according to art 31 of the Company's articles. Therefore, no loans or credits are outstanding.

5. Remuneration of the Executive Management

The remuneration of the EM is governed in section IV of the Company's articles and in the Company's remuneration policy.

With reference to the SCO the BoD has decided to have the AGM voting prospectively for the total remuneration of the EM. Therefore, the AGM as of 20 April 2022 has voted for remuneration for the fiscal year 2023 and maximum amounts of EURk 1,750 (fixed) / EURk 3,000 (variable) - approval of 99.7%. (The AGM as of 12 April 2023 has voted for remuneration for the fiscal year 2024 and maximum amounts of EURk 1,850 (fixed) / EURk 3,150 (variable) - approval of 99.9%).

In case the maximum aggregate amounts approved by the AGM is not sufficient, an additional amount for the remuneration of EM members who are appointed to the EM after the remunerations for the EM have been approved.
This additional amount per remuneration period shall not exceed 40% of the maximum aggregate amount of remuneration of the EM last approved.

In accordance with the internal processes, the remuneration paid to EM is proposed by the NRC and decided by the BoD. It consists of the following components:

	Remuneration			Assets
Components	FIXED REMUNERATION	VARIABLE REMUNERATION		(Rights to) shares of Trifork Holding AG
	▪ Base salary (cash and in kind) ▪ Social charges ▪ Pension benefits	Short-term incentive: Performance-related component in cash (50%)	Long-term incentive: Performance-related component in RSU (50%)	
Factors	▪ Responsibility ▪ Market value ▪ Qualification and experience	Achievement of annual performance targets	Achievement of annual performance targets	Long-term growth of enterprise value
Goals	▪ Recruitment ▪ Retention ▪ Protection	Focus on annual targets	Focus on sustainable development	Alignment of shareholders interests

Meeting the annual performance targets at a 100% gives the following remuneration mix for the EM:

Fixed remuneration	Variable remuneration	
50%	25% - STI (cash)	25% - LTI (RSU[1])

1 Under the condition of a shareholding above a defined threshold, the respective member can choose between an LTI of 100% RSU or a reduction of the LTI to 50% RSU, whereas the other 50% will be added to the STI.

A. Fixed remuneration

Fixed remuneration for the EM depends on the responsibilities, market value, qualifications and experience of the individual position. It is paid monthly in cash.

B. Variable remuneration

The variable remuneration of the EM is linked to the achievement of financial and strategic targets of the Group. It ranges from 0 to 200% of the fixed remuneration upon target achievement, whereas the highest share of an individual target is 30% of the total variable remuneration (CRO: 100%).

The performance targets are defined by the BoD as part of the budget approval process for the upcoming financial year.

For the financial year 2023, the defined targets were achieved as follows and result in a variable remuneration allocation of 127% (CRO: 0%), whereas the maximum would be 200% (cap):

I. SHORT-TERM INCENTIVE

Half of the variable remuneration to the members of the EM is paid in cash after the consolidated financial statements have been audited.

II. LONG-TERM INCENTIVE

Half of the variable remuneration to the members of the EM is paid in form of restricted Trifork share units (RSU).

Having the EM to receive a significant part of its remuneration in the form of RSU is designed to ensure that the incentive system is consistent with the long-term development of the company, encourage a management

KPI	Weight	Actual performance	Target	Achievement	Actual allocation
Financial					
CEO/CFO					
Group revenue growth	25%	12.4%	15%[1]	Between minimum target and target	40%
Trifork segment EBITDA-margin	30%	16.9%	15%[2]	Between target and maximum target	140%
Labs EBT (3-year average)	15%	EURm 4.9	2.0% (CEO)/ 1.3% (CFO) share of KPI with cap	Between minimum target and target	102%
CRO					
Group revenue growth	100%	12.4%	33%	Below target range	0%
Strategic					
CEO/CFO					
ESG initiatives	10%	Numerous initiatives implemented		On target	200%
Growth outside Denmark (DK)	10%	Growth outside DK was higher than growth in DK		On target	200%
Views on GOTO Youtube channel	10%	52.4m		Above target (capped)	200%
CRO					
ESG compliance	Condition	Met	Revenues must comply with the Group ESG goals	On target	Bonus on revenue growth can be paid

1 Mid-term target of 10-15% organic revenue growth and 20-25% total revenue growth. The key objective in 2023 was organic growth.

2 Mid-term target of sustainable increase in margin.

philosophy which takes due account of risk, and reflect shareholder interests. One RSU converts into one share of Trifork Holding AG.

The RSUs are calculated based on the weighted average share price of 3 last trading days of the financial year.

The RSU are granted on the first day of the month following the publication of the annual results. A staggered vesting of the RSU in equal instalments over a period of 3 years applies, if the members of the EM are employed with the Group at these vesting dates. The BoD may, however, lift the restriction on the transfer of shares allocated under the RSU programme in certain cases, such as in the event of a change of control.

In case an EM member holds shares above a threshold defined by the Board of Directors, the respective member can choose between an LTI of 100% RSU or a reduction of the LTI to 50% RSU, whereas the other 50% will be added to the STI. The thresholds are as follows:

- CEO: 5.0%
- Other EM members: 1.0%

(For 2023, no EM member chose this option.)

III. CLAW BACK

Trifork is entitled to reclaim in full or in part - and the EM is obliged to repay in full or in part – a variable remuneration (i) that has been paid on the basis of data which proved to be misstated or (ii) that has proved to be excessive due to misconduct, negligence or inappropriate execution of leadership duties.

In the financial years 2023 and 2022, no variable remuneration was reclaimed.

C. Social charges and pension benefits

Remuneration paid to the EM is subject to social charges and pension benefits according to local law. Both parties bear an equal share. The employee contribution is included in the remuneration paid (gross presentation) and the employer contribution is reported separately.

D. Expenses

Trifork is entitled to reimburse members of the Executive Management for out-of-pocket expenses in the form of actual or lump sum expense payments. This is not considered as remuneration.

E. Loans and credits

The granting of loans and credits to members of the EM is excluded according to art 31 of the Company's articles. Therefore, no loans or credits are outstanding.

F. Contract terms

The contracts of the members of the EM are concluded for an unlimited term with a notice period of twelve months.

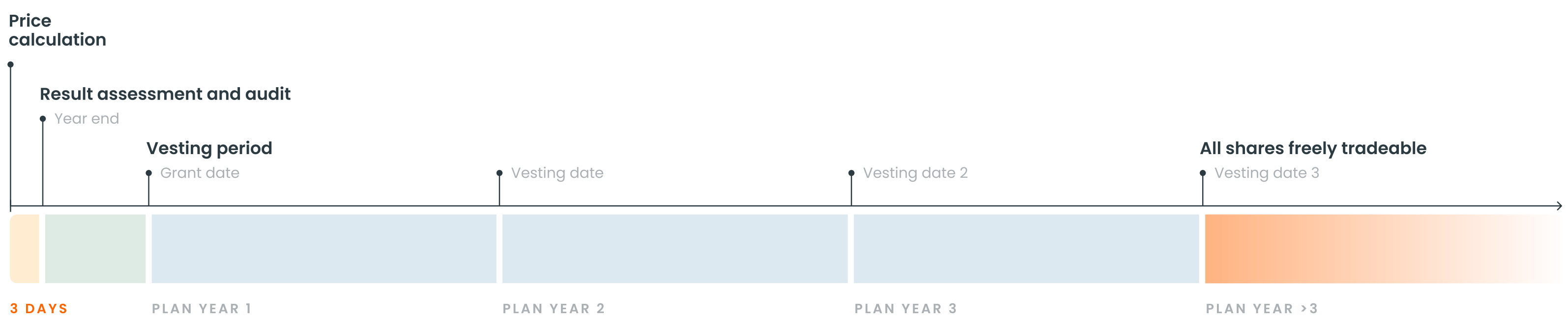
They include a non-competition clause for its term and for the CEO for additional twelve months after the termination. The non-competition terms are not compensated.

The amounts are defined in CHF for the fixed remuneration and in EUR for the variable remuneration.

6. Related parties

One related party has an ordinary employee agreement with a Group company and is compensated for her service.

No loans or credits to related parties granted or outstanding.



7. Disclosure of remuneration to the Board of Directors and Executive Management and related parties

2023

The AGMs as of 12 April 2023 and 20 April 2022 approved the following maximum remuneration amounts:

Part of remuneration	Period		Amount	(Equivalent to CHFk)
Remuneration to the BoD	AGM 2023 to AGM 2024	EURk	600	591
Fixed remuneration to the EM	Financial year 2023	EURk	1,750	1,787
Variable remuneration to the EM	Financial year 2023	EURk	3,000	3,063
Additional amount to the EM AoA Art. 28	Financial year 2023	EURk	1,900	1,940

(in CHFk)	Fixed remuneration	Variable remuneration		Remuneration in kind	Social charges / pension benefits[8]	Total
	Cash (gross)	Cash (gross)	RSU[9]			
Julie Galbo, Chairperson[1]	120	-	-	-	-	120
Olivier Jaquet, Vice Chairperson[2/3]	120	-	-	-	9	129
Maria Hjorth[4]	45	-	-	-	-	45
Erik Theodor Jakobsen[5]	20	-	-	-	-	20
Casey Rosenthal[1]	40	-	-	-	-	40
Anne Templeman-Jones[3]	40	-	-	-	-	40
Christoffer Holten[6]	10	-	-	-	-	10
Board of Directors	**395**	**-**	**-**	**-**	**9**	**404**
Jørn Larsen, CEO	705	381	576	-	177	1,839
Kristian Wulf-Andersen, CFO	470	254	384	24	124	1,256
Morten Gram, CRO[7]	280	-	-	28	43	351
Executive Management	**1,455**	**635**	**960**	**52**	**344**	**3,446**
Related parties	**14**	**-**	**-**	**-**	**1**	**15**

1 Member of NRC
2 Chairperson of NRC
3 Member of ARC
4 Chairperson of ARC
5 Member of the BoD from 12 April 2023
6 Member of the BoD until 12 April 2023
7 From 1 May 2023, remunerated with the additional amount in accordance with Art. 28 of the Company's articles
8 Includes employer contributions to social security for Swiss Members of BoD and EM and pension (BVG) for members of EM
9 As per 1 March 2023, 51,146 RSU were granted to the Executive Management (CEO: 30,697 / CFO: 20,449) with a total value of CHFk 1,138. The costs are allocated evenly over the vesting period of up to three years.

7. Disclosure of remuneration to the Board of Directors and Executive Management and related parties (continued)

2022

The AGMs as of 20 April 2022 and 29 April 2021 approved the following maximum remuneration amounts:

Part of remuneration	Period		Amount
Remuneration to the BoD	AGM 2022 to AGM 2023	EURk	600
Fixed remuneration to the EM	Financial year 2022	CHFk	1,600
Variable remuneration to the EM	Financial year 2022	CHFk	2,800

(in CHFk)	Fixed remuneration	Variable remuneration		Remuneration in kind	Social charges / pension benefits[8]	Total
	Cash (gross)	Cash (gross)	RSU[8]			
Julie Galbo, Chairperson[1]	120	-	-	-	-	120
Olivier Jaquet, Vice Chairperson[2/3]	120	-	-	-	7	127
Maria Hjorth[4]	45	-	-	-	-	45
Christoffer Holten[5]	20	-	-	-	-	20
Casey Rosenthal[1]	40	-	-	-	-	40
Anne Templeman-Jones[3/5]	27	-	-	-	-	27
Lars Lunde[3/6]	13	-	-	-	-	13
Board of Directors	**385**	**-**	**-**	**-**	**7**	**392**
Jørn Larsen, CEO	655	583	346	43	187	1,814
Kristian Wulf-Andersen, CFO	438	388	231	15	128	1,200
Executive Management	**1,093**	**971**	**577**	**58**	**315**	**3,014**
Related parties	**14**	**-**	**-**	**-**	**1**	**15**

1 Member of NRC
2 Chairperson of NRC
3 Member of ARC
4 Chairperson of ARC
5 Member of the BoD from 20 April 2022
6 Member of the BoD until 20 April 2022
7 Includes employer contributions to social security for Swiss Members of BoD and EM and pension (BVG) for members of EM
8 As per 1 April 2022, 27,050 RSU were granted to the Executive Management (CEO: 16,235 / CFO: 10,815) with a total value of CHFk 798. The costs are allocated evenly over the vesting period of up to three years.

8. Disclosure of interests held by the Board of Directors and Executive Management

	2023			2022		
	Number of registered shares as of 31 December	Number of restricted share units (RSU) as of 31 December	(Potential) share of voting rights	Number of registered shares as of 31 December	Number of restricted share units (RSU) as of 31 December	(Potential) share of voting rights
Julie Galbo (Chairperson)	4,190	-	0.0%	4,190	-	0.0%
Olivier Jaquet (Vice-Chairperson)	64,145	-	0.3%	64,145	-	0.3%
Maria Hjorth (Member)	3,940	-	0.0%	3,940	-	0.0%
Christoffer Holten (Member)[1]	n/a	n/a	n/a	2,000	-	0.0%
Casey Rosenthal (Member)	3,031	-	0.0%	2,058	-	0.0%
Jørn Larsen (CEO)	3,918,627	47,516	20.1%	3,880,868	28,224	19.8%
Kristian Wulf-Andersen (CFO)	238,237	31,676	1.3%	230,616	18,848	1.3%
Morten Gram (CRO)[2]	52,963	-	0.3%	n/a	n/a	n/a

1 Member until 12 April 2023
2 From 1 May 2023

9. BoD and EM members with external mandates
(according to Art. 734e)

31 DECEMBER 2023

		Listed company	Investment in Trifork Labs	BoD Chairperson[1]	BoD Member[1]	CEO	EM Member
Board of Directors							
Julie Galbo, Chairperson	Gro Capital A/S			X			
	Commonwealth Bank of Australia Ltd.	X			X		
	DNB Bank ASA	X			X		
Olivier Jaquet, Vice Chairperson	Parashift AG			X			
	OJA Invest AG			X			
	Jaquet Partners AG				X	X	
Maria Hjorth	Thylander Gruppen A/S			X			
	Topdanmark A/S	X			X		
	Asetek A/S	X			X		
	Maj Invest Holding A/S				X		
	Adform A/S				X		
Erik Theodor Jakobsen	TRY AS				X		
	Mnemonic AS				X		
	Unicus Holding AS				X		
	Mestergruppen AS				X		
Casey Rosenthal	ProwlerPro Inc.					X	
Anne Templeman-Jones	Commenwealth Bank of Australia Ltd.	X			X		
	Worley Ltd.	X			X		
	NSW Treasury Corporation				X		
	Cyber Security Research Centre				X		
Executive Management							
Jørn Larsen, CEO	Arkyn Studios Ltd.		X		X		
	Dawn Health A/S		X		X		
	ExSeed Ltd.		X		X		
	&Money Ltd.		X		X		
Morten Gram, CRO	Arkyn Studios Ltd.		X	X			

1 Non-executive

To the General Meeting of Trifork Holding AG, Feusisberg

Zurich, 28 February 2024
Ernst & Young Ltd

Report of the statutory auditor on the remuneration report

Opinion

We have audited the remuneration report of Trifork Holding AG (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) contained in paragraphs 7 to 9 on pages 65 to 68 of the of the remuneration report.

In our opinion, the information pursuant to Art. 734a-734f CO in the remuneration report (pages 65 to 68) complies with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the remuneration report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the information in paragraphs 7 to 9 on pages 65 to 68 in the remuneration report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is 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 Swiss law and SA-CH 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 this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, 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.

We communicate with the Board of Directors or its relevant committee 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.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

Tobias Meyer
Licensed audit expert
(Auditor in Charge)

Nicole Meister
Licensed audit expert

ESG & Key Figures

For further details, and the comprehensive results of the screening, please see the Trifork Group 2023 ESG Report (investor.trifork.com/statutes)

At Trifork, we are driven by our vision to change the world with software, and sustainability is an integral element of how we operate as a business. Trifork's engagement with ESG is not only a focus area in relation to our customers but also an integrated part of how we work internally, reflected in the investments we make. Our ESG efforts and focus areas are outlined in our ESG Report 2023.

In 2023, Trifork reported its carbon emissions across scope 1-3 categories for the year and embarked on continuous assessment of methods to reduce our climate footprint, including CO2 emissions. Additionally, we took the first step toward ambitious climate reduction targets by committing to the Science Based Targets initiative. Further, we finished the construction of our first Trifork Smart Building, and we are almost ready to move in. This project embodies Trifork's vision and showcases how software plays a pivotal role in the sustainability agenda. We anticipate the construction of several smart buildings in the years ahead.

At Trifork we are a people business, and thus our employees are at our highest priority. We aim to attract and develop expertise in system development, embrace new technologies, and provide a platform for our employees to excel at the forefront of technological innovation. We believe that diversity is essential for realizing our vision, as it brings numerous advantages, including increased creativity and better solutions. This commitment requires us to provide equal opportunities for individuals of all ages, genders, nationalities, religions, cultures, skin colors, political beliefs, and sexual orientations.

In 2023, we updated our Diversity, Equity, and Inclusion Policy, which outlines specific guidelines applicable to Trifork. This policy ensures equal opportunities for all and promotes gender balance in managerial roles within our organization.

As a next-gen software company, we want to support future talent and contribute to society through thought leadership. This is enforced in different ways throughout the organization with, e.g., our GOTO universe as well as business unit initiatives such as Hackerdays.

Our ESG Report 2023 also highlights our ongoing dedication to the UN Global Compact and the Sustainable Development Goals 4, 5, 8, 12, and 14.

EU Taxonomy

The EU Taxonomy is a classification system, which provides a common definition of which economic activities may be characterized as sustainable. The classification system consists of an exhaustive list of eligible economic activities as well as screening criteria that an economic activity must comply with to qualify as an aligned economic activity. The economic activities and the screening criteria are listed in the different delegated Acts and the Annexes belonging thereto of the EU Taxonomy.

We have reviewed the extensive criteria for our eligible economic activities "Data processing, hosting, and related activities" in Annex I as well as "Computer programming, consultancy, and related activities" in Annex II. Based on this review, we have concluded that none of our eligible activities are aligned with the EU taxonomy in 2023, as we do not have all the required documentation in place for the contributing criteria. Consequently, we cannot characterize our eligible activities as taxonomy-aligned.

During 2024, we will work actively towards fulfilling the criteria necessary to have economic activities aligned with the EU Taxonomy.

Key figures	Unit	2023	2022
Environment			
CO2e, Scope 1 (direct GHG emissions)	Tons per FTE	0.11	0.16
CO2e, Scope 2, market-based (Indirect GHG emissions)	Tons per FTE	0.13	0.23
CO2e, Scope 2, location-based (Indirect GHG emissions)	Tons per FTE	0.86	1.19
CO2e, Scope 3 (other indirect GHG emissions)	Tons per FTE	7.86	7.81
Renewable energy share	%	91.4%	87.6%
Water consumption	m3 per FTE	4.9	5.7
Social			
Average full-time employees	FTE	1,104	970
Employee gender diversity	UG/M*	23.4% / 76.6%	21.0% / 79.0%
Management gender diversity	UG/M*	21.8% / 78.2%	21.0% / 79.0%
Sick leave	%	3.6%	2.7%
Employee churn	%	15.8%	15.4%
Country diversity (# of different nationalities)	#	50	48
Governance			
Gender diversity BoD	W/M	50% / 50%	50% / 50%
Attendance at BoD meetings	%	100%	95.7%

* Underrepresented genders (UG) include women and employees not identifying as men (M)

Whistleblower protocol

Trifork has an implemented Whistleblower channel adopted by the Board of Directors. The whistleblower channel is described in the Trifork Group Whistleblower Protocol and provides everyone with the opportunity to report serious infringements or suspicions hereof.

When submitting a report through Trifork's whistleblower channel, the Chairperson of the Board of Directors, the Chief Legal Officer, and an external legal counsel will receive the report and initiate a proper investigation of the reported incident in accordance with the Trifork Group Whistleblower Protocol. Independency of the investigation will be ensured by the external legal counsel. Any serious infringement or suspicion hereof may also be reported directly to the external legal counsel.

All relevant persons are strongly encouraged to report any serious infringements or suspicion hereof to ensure that Trifork will continue to be a transparent and fair business that is committed to detecting and preventing fraud, harassment, breach of security, and data protection as well as other types of misconduct.

No incidents have been filed via Trifork's whistleblower channel during 2023.

https://trifork.com/whistleblower/
Whistleblower form

Data ethics

Trifork has in place a Data Ethics Policy cf. section 99 d of the Danish Financial Statements Act which sets out Trifork's approach to data ethics and describes the ethical principles that Trifork and its group companies must adhere to when using data and applying new technologies.

As a software company Trifork processes various types of data including personal data. The personal data processed by Trifork internally is primarily data received from employees and job applicants.

As part of our operations, we process data for customers primarily in connection with the development and maintenance of IT systems, IT Infrastructure services, IT consultancy services, and digital services.

We recognize that data might be targeted for misuse or used for unintended purposes. Consequently, we are committed to demonstrating the absolute highest standards within data ethics. We assess risks related to data protection on an ongoing basis and we have developed detection mechanisms enabling us to respond to data breaches. Likewise, we ensure that suppliers provide relevant protection capabilities as well as we require suppliers to have appropriate detection and response processes in place.

In the Trifork Group, we use a broad range of technologies and help our customers adapt to new technologies. We carefully analyze the impact on all involved parties when using new technologies to ensure that new technologies will not be used to harm any persons (including avoiding any unintentional biases).

The recent development within the technologies of Artificial Intelligence (AI) creates huge opportunities, which we at Trifork are committed to pursuing. We are however very much aware that further risks arise. Risks such as automated decisions, profiling, and unintentional bias are just some, and we engage in these new technologies adhering to the highest standards of ethical behavior and data protection.

Trifork's Data Ethics Policy is approved by the Board of Directors, and the data ethics initiatives are anchored by the Chief Information Security Officer together with the Executive Management. The Executive Management and the Chief Security Officer are responsible for developing and maintaining procedures and training programs to ensure that employees of the Group comply with the data ethics principles set out in the Data Ethics Policy. For more information about Trifork's approach to data ethics, we refer to our Data Ethics Policy https://investor.trifork.com/statutes/.

07

Shareholders

The Trifork Holding AG share

The Trifork Holding AG share was priced at DKK 105.00 on 31 December 2023, which represents a 27% decline during 2023. During 2023, the OMX Nordic Mid Cap index increased by 7%. In this period, technology shares saw a volatile performance as interest rates increased.

Trifork's 2023 year-end market capitalization amounted to approximately DKK 2.1 billion, equivalent to approximately EUR 278 million.

Share capital and ownership

On 31 December 2023, Trifork had a share capital of CHF 1,974,489.90 consisting of 19,744,899 shares with a nominal value of CHF 0.10.

At the end of 2023, Trifork held 302,544 treasury shares (1.5%) that may be used for employee compensation, financing of acquisitions, and other purposes.

The General Meeting of 12 April 2023 authorized the Board of Directors to increase the share capital registered in the commercial register within a certain range, namely up to a maximum of 107% (upper limit), or to reduce it to a maximum of 95% (lower limit). The authorization is limited to five years. The Board of Directors is entitled to exclude shareholders' subscription rights under the capital band in the course of capital increases.

As of 31 December 2023, conditional capital of CHFk 50 (by issuing a maximum of 500,000 registered shares with a nominal value of CHF 0.10 (EUR 0.10) each, to be fully paid up, excluding shareholders' subscription rights) is available.

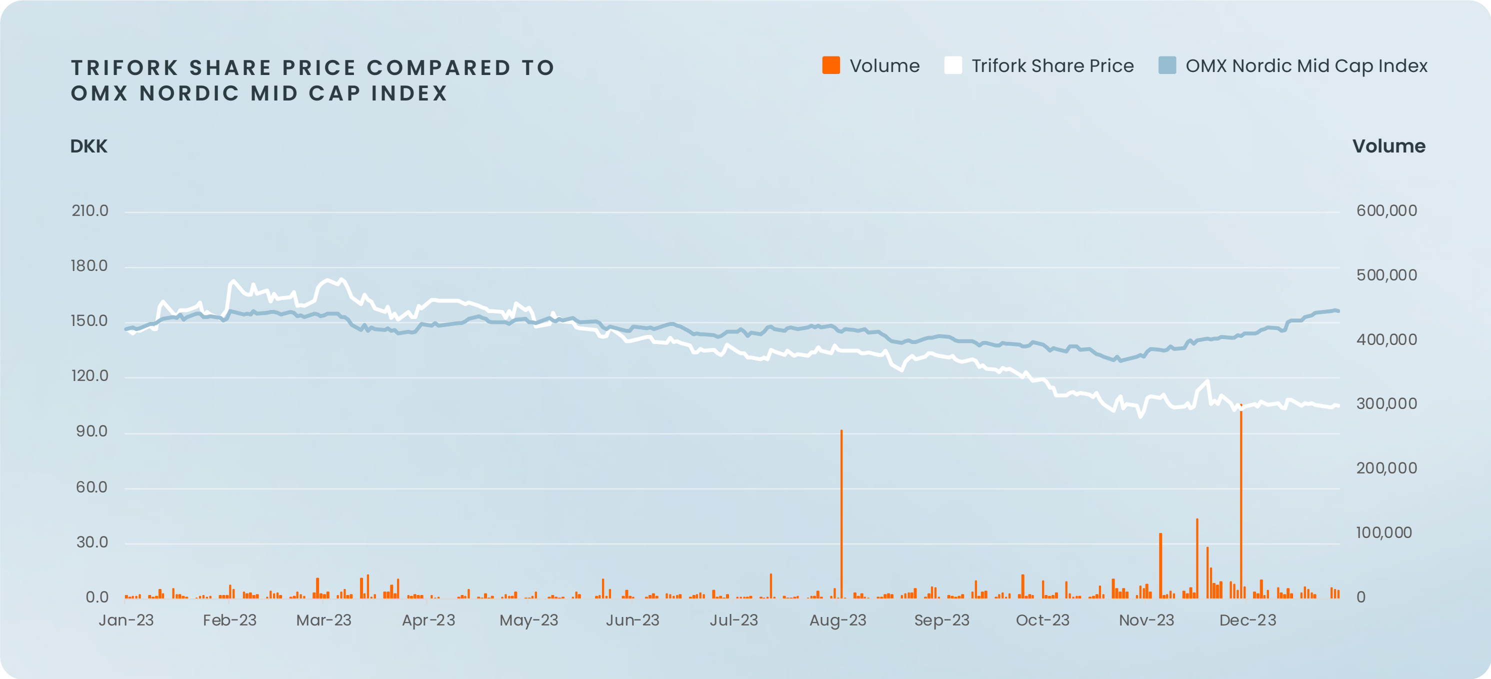
At the end of 2023, Trifork had 6,462 shareholders. Major shareholders, based on regulatory announcements and voluntary disclosure, were Jørn Larsen, Co-founder and CEO of Trifork, with 19.8% ownership of shares outstanding, Ferd AS with 10.2%, Kresten Krab Thorup with 6.6%, and Chr. Augustinus Fabrikker with 5.1%.

On 2 November 2023, Trifork initiated a share buyback program in accordance with Regulation No. 596/2014 of the European Parliament and Council of 16 April 2014 (MAR) and Commission Delegated Regulation (EU) 2016/1052, (Safe Harbour regulation). The share buyback program runs from 2 November 2023 up to and including no later than 31 March 2024.

Under the share buyback program, Trifork will purchase shares for up to a total of DKK 15 million (approximately EUR 2 million). Trifork publishes details from the buyback program on a weekly basis.

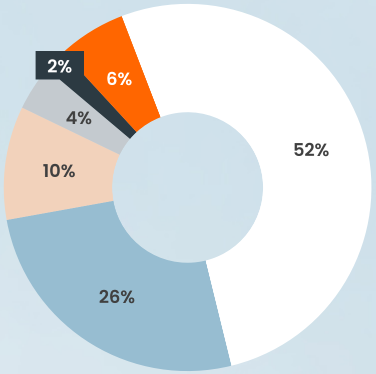
As of 31 December 2023, Trifork had purchased 70,047 shares amounting to DKKm 7.5. It is expected that the entire buyback mandate will be utilized before 31 March 2024.

Market information for 2023	
Price at 31 December (DKK)	105.00
Price at 31 December (EUR)	14.09
Price high (DKK)	173.90
Price low (DKK)	98.90
Market value at 31 December (DKK)	2.073 billion
Market value at 31 December (EUR)	278 million
Share performance in 2023	-27.1%
Average number of shares traded daily	16,005

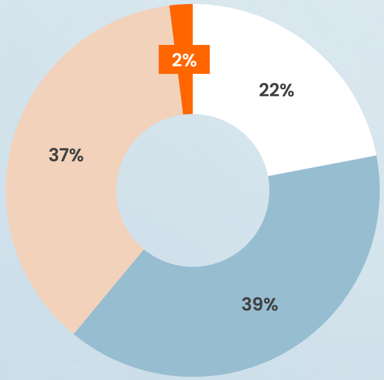


Shareholder Overview

SHAREHOLDER STRUCTURE BY COUNTRY



SHAREHOLDER STRUCTURE BY INVESTOR TYPE



SHARE INFORMATION

Stock exchange	Nasdaq CPH A/S
Index	Mid Cap
Share capital (CHF)	1,974,489.90
Number of shares	19,744,899
Nominal value (CHF)	0.10 per share
ISIN code	CH1111227810
Trading symbol	TRIFOR
Treasury shares at 31 December 2023	302,544

FINANCIAL CALENDAR

28 February 2024	Annual and Q4/2023 report
19 April 2024	Annual General Meeting
7 May 2024	Q1/2024 report
29 May 2024	Capital Markets Day
20 August 2024	Q2 & 6M/2024 report
1 November 2024	Q3 & 9M/2024 report

Dividends

Trifork's dividend policy is to retain earnings to support organic and acquisitive growth. Accordingly, it proposes a dividend of EUR 0.10 per share for the financial year 2023, which corresponds to 25% of the earnings per share in 2023, not taking into account the unrealized gains from Labs investments and other non-cash profit items. For the financial year 2022, Trifork paid a dividend of EUR 0.14 per share for the financial year 2022, which corresponds to 25% of the earnings per share in 2022, not taking into account the unrealized gains from Labs investments.

Dividends will be declared in Swiss Francs and paid out in Danish Kroner. The exchange rate will be determined at the time of the resolution to distribute dividends by the Annual General Meeting.

Annual General Meeting

Trifork's Annual General Meeting will be held physically and virtually on 19 April 2024.

Investor relations

Trifork aims to provide full transparency and engage in an open dialogue with investors and research analysts about the company's business and financial performance. Trifork seeks to provide all investors with timely information on our investor website (investor.trifork.com), where interested parties also can subscribe to Trifork's distribution of company announcements.

Statement by the Board of Directors and Executive Management

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Today, the Board of Directors and the Executive Management have considered and approved the Annual Report of Trifork Holding AG for the financial year 1 January to 31 December 2023.

The consolidated financial statements are prepared in accordance with IFRS Accounting Standards as issued by the IASB, the requirements of the Swiss Code of Obligations ("Swiss GAAP") and additional requirements according to the Danish Financial Statements Act applying to listed entities.

The separate financial statements are prepared in accordance with the requirements of Swiss GAAP and additional applicable requirements according to the Danish Financial Statements Act applying to listed entities.

In our opinion, the accounting policies applied are appropriate and the Group's internal controls relevant to the preparation and presentation of the Annual Report are adequate. The consolidated financial statements and give a true and fair view of the Group's financial position on 31 December 2023 and of the results of the Group's operations and cash flows for the financial period 1 January to 31 December 2023.

In our opinion, the separate financial statements for the period from 1 January to 31 December 2023 comply with Swiss GAAP, additional applicable requirements according to the Danish Financial Statements Act and the company's articles of association.

In our opinion, the management commentaries contain a fair review of the development in the operations and financial matters of the Group and the Parent Company, the results for the year and of the Parent's financial position and the position as a whole for the entities included in the consolidated financial statements, together with a review of the significant risks and uncertainties faced by the Group.

The consolidated environmental, social and governance data contained in the management commentary have been prepared in accordance with customary and appropriate reporting principles and calculation methods and gives a true and fair view of the Group's environmental, social and governance performance.

In our opinion, the Annual Report of the Trifork Group with the file name Trifork-2023-12-31.zip for the financial year 1 January – 31 December 2023 for the Group and the Parent Company is conducted in compliance with the ESEF Regulation.

We recommend the Annual Report be approved at the Annual General Meeting.

Schindellegi, 28 February 2024

Julie Galbo	Chairperson
Olivier Jaquet	Vice-Chairperson
Maria Hjorth	Board member
Erik Jakobsen	Board member
Casey Rosenthal	Board member
Anne Templeman-Jones	Board member
Jørn Larsen	CEO
Kristian Wulf-Andersen	CFO
Morten Gram	CRO

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TRIFORK GROUP

Consolidated Financial Statements 2023

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Consolidated financial statements

Consolidated Income Statement
for the year ended 31 December

(in EURk)	Notes	2023	2022
Revenue from contracts with customers	2.1/2	207,900	184,936
Rental income		202	1,181
Other operating income	4.7	1,661	492
Operating income		**209,763**	**186,609**
Cost of goods and services purchased		-42,233	-37,514
Personnel costs	3.1	-111,076	-97,762
Other operating expenses	2.3	-23,282	-20,890
Operating expenses		**-176,591**	**-156,166**
Earnings before financial items, tax, depreciation and amortization		**33,172**	**30,443**
Depreciation, amortization and impairment	2.4	-13,470	-12,102
Earnings before financial items and tax		**19,702**	**18,341**
Fair value adjustments on investments in Trifork Labs	5.1	4,695	6,154
Share of results from associated companies	4.4	2,230	8
Other financial income	2.5	354	615
Other financial expenses	2.5	-3,726	-1,897
Result on foreign exchange	2.5	-1,459	-975
Financial result		**2,094**	**3,905**
Earnings before tax		**21,796**	**22,246**
Income tax expense	2.6	-4,408	-4,146
Net income		**17,388**	**18,100**
Attributable to shareholders of Trifork Holding AG		14,639	15,211
Attributable to non-controlling interests		2,749	2,889
Earnings per share of Trifork Holding AG, basic (in EUR)	2.7	0.75	0.77
Earnings per share of Trifork Holding AG, diluted (in EUR)	2.7	0.74	0.77

Consolidated Statement of Comprehensive Income
for the year ended 31 December

(in EURk)	2023	2022
Net income	**17,388**	**18,100**
Items that may be reclassified to profit or loss, after tax		
Currency translation adjustment for foreign operations	1,095	1,164
Items that will not be reclassified to profit or loss, after tax		
Remeasurements of the net defined benefit liabilities	-749	510
Other comprehensive income	**346**	**1,674**
Total comprehensive income	**17,734**	**19,774**
Attributable to shareholders of Trifork Holding AG	15,009	16,878
Attributable to non-controlling interests	2,725	2,896

Consolidated Statement of Financial Position

for the year ended 31 December

Assets (in EURk)	Note	2023	2022
Intangible assets	4.5	84,231	73,838
Right-of-use assets	4.6	47,568	33,001
Property, plant and equipment	4.7	10,120	7,914
Investments in Trifork Labs	5.1	69,673	60,312
Investments in associated companies	4.4	2,218	5
Other non-current financial assets	4.8	3,989	2,125
Deferred tax assets	2.6	411	194
Total non-current assets		**218,210**	**177,389**
Trade receivables	6.1	43,859	35,441
Contract assets	6.1	3,876	1,438
Other current receivables		1,335	663
Prepaid expenses		4,047	2,752
Work in progress		142	939
Cash and cash equivalents		32,794	30,652
Total current assets		**86,053**	**71,885**
Assets		**304,263**	**249,274**

Liabilities and shareholders' equity (in EURk)	Note	2023	2022
Share capital	7.1	1,663	1,663
Treasury shares	7.1	-6,118	-1,635
Retained earnings		121,598	112,000
Currency translation adjustment		3,645	2,601
Equity attributable to shareholders of Trifork Holding AG		**120,788**	**114,629**
Non-controlling interests	8.2	897	780
Total shareholders' equity		**121,685**	**115,409**
Non-current financial liabilities	7.3	83,099	37,718
Other non-current liabilities	3.3	3,245	2,153
Deferred tax liabilities	2.6	5,271	4,978
Total non-current liabilities		**91,615**	**44,849**
Current financial liabilities	7.3	53,403	63,149
Trade payables		8,441	5,544
Contract liabilities		6,873	3,637
Current tax liabilities		4,494	4,178
Other current liabilities	6.2	17,752	12,508
Total current liabilities		**90,963**	**89,016**
Total liabilities		**182,578**	**133,865**
Liabilities and shareholders' equity		**304,263**	**249,274**

Consolidated Statement of Changes in Shareholders' Equity

for the year ended 31 December

(in EURk)	Share capital	Treasury shares	Retained earnings	Currency translation adjustment	Equity attributable to the shareholders of Trifork Holding AG	Non-controlling interests	Total equity
1 January 2022	**1,663**	**-994**	**107,696**	**1,433**	**109,798**	**938**	**110,736**
Net income	-	-	15,211	-	15,211	2,889	18,100
Other comprehensive income	-	-	510	1,157	1,667	7	1,674
Total comprehensive income	**-**	**-**	**15,721**	**1,157**	**16,878**	**2,896**	**19,774**
Dividends	-	-	-7,624	-	-7,624	-3,295	-10,919
Transactions with treasury shares	-	-843	-	-	-843	-	-843
Changes in liabilities towards non-controlling interests	-	-	-4,203	11	-4,192	241	-3,951
Share-based payments	-	202	410	-	612	-	612
31 December 2022	**1,663**	**-1,635**	**112,000**	**2,601**	**114,629**	**780**	**115,409**
Net income	-	-	14,639	-	14,639	2,749	17,388
Other comprehensive income	-	-	-648	1,018	370	-24	346
Total comprehensive income	**-**	**-**	**13,991**	**1,018**	**15,009**	**2,725**	**17,734**
Dividends	-	-	-2,723	-	-2,723	-2,522	-5,245
Purchase of treasury shares on settlement of contractual earn-out arrangement	-	-3,962	4,077	-	115	-	115
Other transactions with treasury shares	-	-1,326	-	-	-1,326	-	-1,326
Additions from business combinations	-	-	-	-	-	685	685
Acquisition of non-controlling interests	-	411	-505	-	-94	133	39
Changes in liabilities towards non-controlling interests	-	-	-6,185	26	-6,159	-921	-7,080
Share-based payments	-	394	943	-	1,337	17	1,354
31 December 2023	**1,663**	**-6,118**	**121,598**	**3,645**	**120,788**	**897**	**121,685**

Consolidated Cash Flow Statement

for the year ended 31 December

(in EURk)	Notes	2023	2022
Net income		**17,388**	**18,100**
Adjustments for:			
Depreciation, amortization and impairment	2.4	13,470	12,102
Non-cash other operating income		-792	-32
Fair value adjustment from investments in Trifork Labs	5.1	-4,695	-6,154
Share of result from associated companies	4.4	-2,230	-8
Other financial result	2.5	4,831	2,257
Income tax expense	2.6	4,408	4,146
Other non-cash items		1,223	580
Changes in net working capital		-1,035	-6,028
Income taxes paid		-5,637	-2,869
Cash flow from operating activities		**26,931**	**22,094**
Acquisition of Group companies, net of cash acquired	4.1	-5,012	-
Acquisition of Group companies, settlement of contingent consideration liabilities	4.2	-747	-789
Purchase of intangible assets	4.5	-3,766	-1,274
Purchase of property, plant and equipment	4.7	-5,016	-4,724
Sale of property, plant and equipment		200	3,681
Dividends received from associated companies	4.4	17	24
Purchase of investments in Trifork Labs	5.1	-5,730	-9,628
Sale of investments in Trifork Labs	5.1	855	3,279
Dividends received from investments in Trifork Labs	5.1	310	287
Loans granted		-1,852	-899
Repayment loans granted		72	812
Interest received		184	28
Cash flow from investing activities		**-20,485**	**-9,203**

(in EURk)	Notes	2023	2022
Proceeds from borrowings	7.3	40,738	11,566
Repayment of borrowings	7.3	-7,325	-11,937
Payment of lease liabilities	7.3	-6,496	-5,856
Interest paid		-3,524	-1,392
Acquisition of non-controlling interests, net	4.2/8.2	-17,601	-7,481
Purchase of treasury shares on settlement of contractual earn-out arrangement		-3,962	-
Purchase of treasury shares	7.1	-1,326	-843
Dividends paid		-5,245	-10,919
Cash flow from financing activities		**-4,741**	**-26,862**
Exchange differences on cash and cash equivalents		437	-5
Change in cash and cash equivalents		**2,142**	**-13,976**
Cash and cash equivalents at the beginning of the period		30,652	44,628
Cash and cash equivalents at the end of the period		**32,794**	**30,652**

Contents

Notes to the Consolidated Financial Statements

The notes are grouped into eight sections related to key areas. The sections contain the relevant financial information as well as a description of the significant accounting estimates, assumptions and judgments and the material accounting policies applied for the topics of the individual notes.

SECTION 1

SECTION 2

SECTION 3

SECTION 4

Contents

Notes to the Consolidated Financial Statements

SECTION 1

Basis of preparation

This section introduces the general accounting policies and significant accounting estimates, assumptions and judgments of the Trifork Group.

The detailed description of accounting policies and significant estimates, assumptions and judgments related to reported amounts is presented in the respective notes.

The purpose is to provide transparency on the disclosed amounts and to describe the relevant accounting policy, and significant estimates, assumptions and judgments for each note.

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NOTE 1.1

General information

Trifork Holding AG ("the Company") is a company incorporated in Switzerland with its registered offices at Neuhofstrasse 10, 8834 Schindellegi (Feusisberg).

The Company is the parent company of Trifork Group ("Group").

The Group's principal activities are divided into two segments:

- "Trifork" focuses on software development and operations of IT-systems, including conferences and trainings.
- "Trifork Labs" focuses on investments in tech startup companies and is the Group's driver for R&D innovation.

These consolidated financial statements of the Trifork Group have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB").

The historical cost principle is applied, except for certain financial instruments (investments in Trifork Labs, contingent consideration liabilities).

The consolidated financial statements are presented in Euro and all amounts are in thousand (EURk), unless otherwise stated. Due to rounding, numbers presented throughout this report may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

The registered shares of the Company are traded on the NASDAQ Copenhagen.

§ Accounting Policies

The overall material accounting policies applied to the consolidated financial statements as a whole are described below. The material accounting policies related to specific line items are described in the notes to which they relate:

2.2	Revenue from contracts with customers
2.6	Income taxes
3.1	Personnel costs
3.2	Share-based payments
3.3	Pension and similar obligations
4.1	Acquisition of businesses
4.3	Redemption amount of put-options
4.4	Investments in associated companies
4.5	Intangible assets
4.6	Right-of-use assets
4.7	Property, plant and equipment
4.8	Other financial assets
5.1	Investments in Trifork Labs
6.1	Trade receivables and contract assets
7.1	Shareholders equity
7.2	Financial instruments
7.3	Financial liabilities

Consolidation

The consolidated financial statements are prepared based on the financial statements of Trifork Holding AG and its subsidiaries as of 31 December 2023, all of which are prepared in accordance with uniform accounting principles. The consolidated financial statements of the Trifork Group include all companies which the Group controls.

The list of the principal subsidiaries is provided in the Note 8.6 Trifork Group companies.

Changes in the scope of consolidation are disclosed in Notes 4.1 Acquisition of businesses.

All assets and liabilities, equity, income, expenses and cash flows relating to transactions between Group companies are eliminated in full on consolidation.

Foreign currencies

The Group's consolidated financial statements are presented in EUR, which is the primary currency for the Group's activities. The parent company's functional currency is CHF.

For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

NOTE 1.1

General information (continued)

TRANSACTIONS AND BALANCES

Transactions in foreign currencies are initially recorded by Group entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates at the reporting date.

Differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of monetary items that are considered as part of the Group's net investment in a foreign operation. These are recognized in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

TRANSLATION OF FOREIGN OPERATIONS

On consolidation, the assets and liabilities of foreign operations are translated into EUR at the rate of exchange prevailing at the reporting date and income and expenses are translated at the average rates for the period, as an approximation of exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

The following exchange rates are used for the translation into EUR for the Group's most relevant currencies:

		Exchange rates at period end		Average exchange rates for the period	
	Unit	2023	2022	2023	2022
DKK	1	0.1342	0.1345	0.1342	0.1344
CHF	1	1.0799	1.0155	1.0294	0.9957
GBP	1	1.1507	1.1275	1.1497	1.1733
USD	1	0.9050	0.9376	0.9247	0.9509

NOTE 1.2

Changes in accounting policies

The accounting policies adopted in these consolidated financial statements 2023 are consistent with those applied in 2022 except as outlined below:

Adoption of new and revised IFRS Accounting Standards

The Group has applied new and amended IFRS Accounting Standards on 1 January 2023:

Standard	Subject
IAS 1	Disclosure of accounting policies (amendment)
IAS 8	Definition of accounting estimates (amendment)
IAS 12	Deferred tax related to assets and liabilities arising from a single transaction (amendment)

The changes do not materially impact the financial position and performance or cash flow of the Trifork Group nor have they led to additional disclosures in these financial statements.

Other minor changes in IFRS Accounting Standards also became effective but are not relevant for the Group.
The IASB has issued amendments to standards that are not yet effective. The Group has not early adopted any of these.

The following changes are potentially relevant and applicable for reporting periods from 2024 onwards:

Standard	Subject
IAS 1	Classification of liabilities as current and non-current (2024)

No material impact on the financial position and performance or cash flow of the Trifork Group are expected from these amendments.

NOTE 1.3

Accounting estimates, assumptions and judgments

Determining the carrying value of certain assets and liabilities requires estimates, assumptions and judgments regarding future events. These are based on historical experience and other factors that management considers reasonable under the circumstances, but which are uncertain and unpredictable.

Assumptions may be incomplete or inaccurate, and unanticipated events or circumstances may arise. It may be necessary to change previous estimates due to changes in the facts underlying the previous estimates, or because of new information.

Furthermore, the Group is subject to risks and uncertainties that may cause the actual outcome to differ from these estimates. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described in the notes to which they relate.

Significant accounting estimates, assumptions and judgments

2.6	Income taxes
4.2	Contingent consideration liabilities
4.3	Redemption amount of put-options
4.5	Intangible assets
5.1	Investment in Trifork Labs

SECTION 2

Results for the year

This section covers notes related to the performance for the financial year, including segment information showing operating segment and sub-segment revenues and operating results.

NOTE 2.1

Segment information

The business and operations of the Trifork Group comprise of the two main segments, Trifork and Trifork Labs. Trifork is further divided into the three sub-segments Inspire, Build and Run the results of which are reported to the Executive Management (Chief operating decision maker) for performance measurement and resource allocation and represent operating segments. Trifork has therefore concluded that it has four operating segments, namely Inspire, Build and Run, which are aggregated into the Trifork column, and Trifork Labs.

The results of the segments are monitored by the Executive Management at the level of Earnings before financial items, taxes, depreciation and amortization (Trifork) and of EBT (Trifork Labs).

Trifork

Trifork is focused on delivering services to the customers of Trifork. The services are delivered within three sub-segments: Inspire (organizing conferences and trainings on software development), Build (development of innovative software in customer projects) and Run (delivery and operation of software products and related services for customers).

'Other' mainly comprises of general corporate costs and management services to individual Labs investments.

Trifork Labs

Trifork Labs is focused on founding new tech startups and investing in selected tech companies that are at the forefront of the technological development with new and innovative software products.

For internal management reporting and performance measurement, all Trifork Labs investments are monitored on a fair value basis with changes recognized in profit or loss and thus presented as such in the segment reporting.

2023 (in EURk)	Inspire	Build	Run	Other	Trifork	Labs	Elimination	Total
Revenue								
- from external customers	6,265	149,559	51,265	811	207,900	-	-	207,900
- from other segments	-	-	-	1,842	1,842	-	-1,842	-
Total segment revenue	**6,265**	**149,559**	**51,265**	**2,653**	**209,742**	**-**	**-1,842**	**207,900**
Earnings before financial items, tax, depreciation and amortization	**-2,713**	**28,045**	**12,467**	**-2,763**	**35,036**	**-1,864**	**-**	**33,172**
Depreciation and amortization	-427	-7,208	-4,523	-1,312	-13,470	-	-	-13,470
Earnings before financial items and tax	**-3,140**	**20,837**	**7,944**	**-4,075**	**21,566**	**-1,864**	**-**	**19,702**
Financial result	n/a	n/a	n/a	n/a	-4,637	6,731	-	2,094
Earnings before tax (EBT)	**n/a**	**n/a**	**n/a**	**n/a**	**16,929**	**4,867**	**-**	**21,796**
Average number of employees	**26**	**771**	**208**	**96**	**1,101**	**3**	**-**	**1,104**

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NOTE 2.1

Segment information (continued)

2022 (in EURk)	Inspire	Build	Run	Other	Trifork	Labs	Elimination	Total
Revenue								
- from external customers	5,736	139,749	38,816	635	184,936	-	-	184,936
- from other segments	-	-	-	1,466	1,466	-	-1,466	-
Total segment revenue	**5,736**	**139,749**	**38,816**	**2,101**	**186,402**	**-**	**-1,466**	**184,936**
Earnings before financial items, tax, depreciation and amortization	**-37**	**29,273**	**6,488**	**-3,800**	**31,924**	**-1,481**	**-**	**30,443**
Depreciation and amortization	-295	-6,376	-4,056	-1,302	-12,029	-	-	-12,029
Impairment	-	-	-73	-	-73	-	-	-73
Earnings before financial items and tax	**-332**	**22,897**	**2,359**	**-5,102**	**19,822**	**-1,481**	**-**	**18,341**
Financial result	n/a	n/a	n/a	n/a	-1,933	5,838	-	3,905
Earnings before tax (EBT)	**n/a**	**n/a**	**n/a**	**n/a**	**17,889**	**4,357**	**-**	**22,246**
Average number of employees	**18**	**685**	**172**	**92**	**967**	**3**	**-**	**970**

GEOGRAPHICAL INFORMATION

(in EURk)	Revenue from external customers[1]	Non-current assets[2]
2023		
Denmark	141,548	110,210
Switzerland	18,116	14,843
UK	15,471	7,764
USA	9,200	891
Netherlands	6,666	8,553
Others	16,899	1,876
Total	**207,900**	**144,137**
2022		
Denmark	129,087	88,648
UK	11,807	8,775
Switzerland	9,834	7,812
Netherlands	7,599	6,884
USA	6,775	1,033
Others	19,834	1,606
Total	**184,936**	**114,758**

1 The geographical information is based on the locations of the customers.

2 Intangible assets, right-of-use assets, property, plant and equipment and investments in associated companies.

NOTE 2.2

Revenue from contracts with customers

A. Revenue streams

(in EURk)	2023	2022
Inspire	6,265	5,736
Build	149,559	139,749
Run:		
- Licenses and support	10,043	2,895
- 3rd party licenses	6,252	9,150
- Hardware	3,462	1,416
- Hosting and security	31,508	25,355
Other	811	635
Total revenue from contracts with customers	**207,900**	**184,936**

In order to present the revenue streams in more detail, 3rd party licenses are presented separately and licenses and support for 2022 has been adjusted accordingly.

B. Revenue by business area

(in EURk)	2023	2022
Inspire	6,265	5,736
Digital health	24,971	19,356
Smart enterprise	96,050	84,296
Smart building	7,353	6,297
Cloud operations	34,115	29,899
Cyber protection	12,899	15,623
Fintech	25,436	23,094
Other	811	635
Total revenue from contracts with customers	**207,900**	**184,936**

C. Timing of revenue recognition

(in EURk)	2023	2022
Goods and services transferred at a point in time	8,594	8,582
Services transferred over time	199,306	176,354
Total revenue from contracts with customers	**207,900**	**184,936**

D. Contract liabilities

All contract liabilities at the beginning of the period are recognized as revenue in the reporting period, as:

- for Inspire: Prepayments for GOTO and YOW! conferences are made only for the next upcoming conference, and;
- for Build: Trifork Group delivers its services to customers following the agile-approach (short-term and numerous independent cycles), and;
- for Licenses and support/Hosting and security: Although having long-term contracts with customers, (pre-)payments are only requested for short-term periods.

§ Accounting policies

Revenue from contracts with customers is recognized when the performance obligation in the contract has been satisfied either at a point in time or over time as control of the goods or services is transferred to the customer, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group distinguishes three classes of revenues:

1. Inspire revenue represents revenues for organizing conferences and delivering trainings. Revenues from events held are recognized over the period of the events. Amounts received in advance of the event are presented as contract liabilities.
2. Build revenue. The Group recognizes revenue from customer specific fixed price software development and consultancy services over time, as determined by the percentage of costs incurred to date compared to the total estimated costs of a contract. For time and materials contracts, the Group recognizes revenue as services are rendered.
3. Run revenue represents revenue earned from providing customers with the following goods or services:

a. Licenses and support. The Group recognizes revenue from right-to-use software licenses at the point in time when the customer obtains control over the software. Revenue from support and right-to-access licenses is recognized over the period during which such items are delivered comprising software updates, upgrades, enhancements as well as technical support.

b. Hardware. Revenue from the sale of hardware is recognized when control of the goods passes to the customer, usually on delivery of the goods.

c. Hosting and security. The Group provides hosted managed services to its customers offering server hosting, server maintenance and security among others. The Group hosts these services and recognizes revenue on a straight-line basis over the contractual service period which typically ranges from 12 to 36 months.

NOTE 2.3
Other operating expenses

(in EURk)	2023	2022
Sales and marketing expenses	-4,460	-4,323
Service cost for leased property	-3,637	-3,009
- of which lease cost of short term and low value contracts	*-77*	*-49*
Administration expenses	-15,007	-13,532
Others	-178	-26
Total other operating expenses	**-23,282**	**-20,890**

NOTE 2.4
Depreciation, amortization and impairment

(in EURk)	Note	2023	2022
Depreciation of property, plant and equipment	4.7	-2,632	-2,399
Depreciation of right-of-use assets	4.6	-7,016	-5,697
Amortization of intangible assets	4.5	-3,822	-3,933
Impairment of intangible assets	4.5	-	-73
Total depreciation, amortization and impairment		**-13,470**	**-12,102**

NOTE 2.5
Other financial result

A. Other financial income

(in EURk)	2023	2022
Interest income	287	112
Reversal of impairment losses on other financial assets	-	2
Fair value adjustments on contingent consideration liabilities	67	501
Total other financial income	**354**	**615**

The impact of the fair value adjustments on contingent consideration liabilities EURk 67 (2022: EURk 501) comes from earn-out agreements from business combinations with performance not living up to the expectations (see Note 4.2).

B. Other financial expenses

(in EURk)	2023	2022
Interest expenses	-3,588	-1,393
- of which lease interest	*-1,632*	*-631*
- of which net interest for defined benefit plans	*-15*	*-3*
Fair value adjustments on contingent consideration liabilities	-89	-
Impairment losses on other financial assets	-49	-504
Total other financial expenses	**-3,726**	**-1,897**

In 2023, the pay-out expectations for the remaining earn-outs for Strongminds ApS were adjusted due to higher results estimation.

In 2022, the impairment loss on other financial assets mainly resulted from a loan to ComplyTeq AG, that is not recoverable as the company ceased its activities (see Note 5.1).

C. Result of foreign exchange

(in EURk)	2023	2022
Foreign exchange gains	2,828	3,531
Foreign exchange losses	-4,287	-4,506
Total result on foreign exchange	**-1,459**	**-975**

NOTE 2.6

Income taxes

A. Income tax recognized in profit or loss and other comprehensive income

(in EURk)	2023	2022
Tax expense recorded in the income statement		
Current income tax expense	-4,796	-4,532
Deferred tax (expense)/income	388	386
Total tax expense recorded in the income statement	**-4,408**	**-4,146**
Tax effect recorded in other comprehensive income		
Deferred income tax from remeasurement of defined benefit plans	106	-68
Total tax effect recorded in other comprehensive income	**106**	**-68**

TAX EXPENSE ANALYSIS

The Group operates in various countries with differing tax laws and tax rates. As a result, the expected and actual income tax expense each year depends on the specific countries to which profits or losses are attributed. The change in the expected tax rate mainly relates to the change in the mix of pre-tax results achieved by the individual companies.

The following analysis explains the main differences between the expected and actual income tax expense (calculated using the weighted average tax rates based on the earnings before tax of each Group company).

(in EURk)	2023	2022
Earnings before tax	21,796	22,246
Weighted applicable tax rate	22.7%	22.2%
Expected income tax expense	**-4,947**	**-4,929**
Effect of changes in tax rates	7	-2
Non-taxable income		
- from investments	1,241	1,178
- others	126	131
Non-deductible expenses	-501	-501
Unrecognized tax losses from current period	-397	-290
Recognized tax losses from earlier periods	338	330
Others	-275	-63
Actual income tax expense	**-4,408**	**-4,146**
Effective tax rate	20.2%	18.6%

NOTE 2.6

Income taxes (continued)

B. Deferred tax assets and liabilities

DEFERRED TAX ASSETS/(LIABILITIES), NET

(in EURK)	2023	2022
1 January	**-4,784**	**-5,071**
Net deferred tax recognized in profit or loss	388	386
Net deferred tax recognized in other comprehensive income	106	-68
Additions from business combinations	-634	-
Exchange differences	64	-31
31 December	**-4,860**	**-4,784**

UNRECOGNIZED TAX LOSSES CARRIED FORWARD

(in EURK)	2023	2022
Expiry in:		
- 1 year	-	-
- 2 to 5 years	1,114	1,635
- more than 5 years	2,344	2,591
- do not expire	5,704	4,261
Total unrecognized tax losses carried forward	**9,162**	**8,487**

RECOGNIZED IN THE STATEMENT OF FINANCIAL POSITION AS:

(in EURK)	2023	2022
Deferred tax asset	411	194
Deferred tax liability	-5,271	-4,978
Total	**-4,860**	**-4,784**

Significant accounting estimates, assumptions and judgments

Some Group companies have tax losses that can be carried forward. These lapse after seven years in Switzerland and in most other countries there is no limitation period.

Deferred tax assets are recognized on tax loss carry forwards if it is probable that they can be offset against future taxable profits. If there is uncertainty as to the future development of earnings at a given Group company, no deferred tax assets are recognized.

NOTE 2.6

Income taxes (continued)

DEFERRED TAX ASSETS/(LIABILITIES) RELATE TO THE FOLLOWING ITEMS:

	2023		2022	
(in EURk)	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets and property, plant and equipment	71	-5,572	100	-4,927
Right-of-use assets	-	-9,575	-	-6,825
Trade receivables	60	-	20	-
Other current assets	-	-109	-	-
Current lease liabilities	1,452	-	886	-
Other current liabilities	-	-278	43	-281
Non-current lease liabilities	8,863	-	6,220	-
Defined benefit liabilities	232	-	60	-
Other non-current liabilities	-	-	-	-80
Tax losses carried forward	26	-	-	-
Total deferred tax assets/(liabilities)	**10,704**	**-15,534**	**7,329**	**-12,113**
Offsetting	-10,293	10,293	-7,135	7,135
Total deferred tax assets/(liabilities), net	**411**	**-5,241**	**194**	**-4,978**

Deferred tax assets of EURk 26 (2022: EURk 0) were recognized in respect of available tax losses carried forward of EURk 136 (2022: EURk 0). Tax losses carried forward are only recognized to the extent that it is probable that future taxable profits will be available against which they can be utilized.

For expected dividends from Group companies, deferred tax liabilities of EURk 47 (2022: EURk 80) were recognized, as non-refundable withholding tax will apply.

§ Accounting policy

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized directly in equity or in OCI is recognized in equity or in OCI and not in profit or loss.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

However, no deferred tax is recognized on temporary differences relating to non-tax-deductible goodwill and other items where temporary differences - excluding business combinations – have occurred at the time of initial recognition without affecting profit or taxable income.

Deferred income tax liabilities are provided for taxable temporary differences arising from investments in subsidiaries and associates, except for deferred tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

NOTE 2.7

Earnings per share

	2023	2022
Net income attributable to the shareholders of Trifork Holding AG (in EURk)	**14,639**	**15,211**
Weighted average number of shares issued	19,744,899	19,744,899
Weighted average number of treasury shares	-160,532	-55,781
Number of shares used for calculating basic earnings per share	**19,584,367**	**19,689,118**
Average number of shares from outstanding RSU	100,902	42,384
Number of shares used for calculating diluted earnings per share	**19,685,269**	**19,731,502**
Earnings per share of Trifork Holding AG, basic (in EUR)	**0.75**	**0.77**
Earnings per share of Trifork Holding AG, diluted (in EUR)	**0.74**	**0.77**

SECTION 3

Remuneration

The employees of Trifork Group form the backbone of all revenue generating activities.

In this section, details regarding the employee remuneration are outlined.

3

NOTE 3.1

Personnel costs

(in EURk)	Note	2023	2022
Wages and salaries		-106,998	-91,521
Share-based payments	3.2	-1,354	-612
Social security costs		-3,730	-2,872
Pension expense related to defined contribution plans		-4,709	-4,328
Pension expense related to defined benefit plans	3.3	-193	-195
Government grants on personnel costs	8.3	328	326
Salary refunds received		1,182	678
Personnel costs capitalized as development projects and work in progress[1]		4,398	762
Total personnel costs		**-111,076**	**-97,762**
Average number of employees		**1,104**	**970**

1 Development projects EURk 3,766 (2022: EURk 603) / work in progress EURk 632 (2022: EURk 159)

§ **Accounting policy**

Personnel costs comprises wages, salaries (including bonus arrangements), related social security expenses and pension benefits. Costs for short-term employee benefits are recognized as the related service is received.

NOTE 3.2

Share-based payments

Trifork Group maintains a share-based payment scheme for selected employees (incl. Executive Management) in order to focus part of the remuneration on the long-term development of the Group. With this scheme the employees are remunerated with restricted share units (RSU) that will evenly convert into shares of Trifork Holding AG after one, two and three years if the selected employees are employed with the Group at these vesting dates. One RSU will convert into one share.

The number of RSU allocated per employee is calculated by dividing the eligible RSU amount by the average price of the last three trading days of the share of the year.

There are two ways of participating in the program:

- Bonus: The RSU are granted on the first day of the month following the publication of the annual results (after finalization of bonus calculation based on achievement of individual targets) for Executive Managment and on 1 April of the following year for all others. The grant date fair value for the RSU is the market price of the share at grant minus expected dividends in the vesting period.
- Salary increase: Employees may receive their salary increase in RSU. The RSU are granted 1 January and the grant date fair value is the market price of the share at this date minus expected dividends in the vesting period.

	Grant date	Number of RSU	Average fair value per RSU	Fair value of grant (in EURk)
Other employees - RSU 2022	01/01	18,784	18.72	352
Other employees - RSU 2022	01/04	15,373	20.70	318
Executive Management - RSU 2022	01/03	51,146	22.11	1,131
Granted in 2023		**85,303**	**21.11**	**1,801**
Other employees - RSU 2021	01/01	1,436	39.24	56
Executive Management - RSU 2021	01/04	27,050	28.30	765
Granted in 2022		**28,486**	**28.82**	**821**

For this scheme, EURk 1,354 were recorded in personnel expenses for share-based payments in 2023 (2022: EURk 612).

The remaining weighted average contractual life of the outstanding RSU is 1.08 years (2022: 1.03 years).

Number of RSU	2023	2022
1 January	48,508	30,032
Granted	85,303	28,486
Converted into shares	-19,506	-10,010
31 December	**114,305**	**48,508**

§ Accounting policy

Selected employees receive equity-settled share-based payments. A share-based payment is measured at fair value as of the date on which it is granted. The amount is recorded in personnel expenses on a straight-line basis over the vesting period based on the number of equity instruments that management estimates will vest.

NOTE 3.3

Pension and similar obligations

(in EURk)	2023	2022
Defined benefit liabilities	1,449	438
Non-current liability for holiday funds payable	1,743	1,686
Other non-current liabilities	53	29
Other non-current liabilities	**3,245**	**2,153**

A. Pension

The Group's pension plan in Switzerland qualifies as defined benefit plan. All other plans are defined contribution plans.

Swiss pension funds are subject to regulatory supervision and are governed by the BVG [Swiss Federal Act on Occupational Retirement, Survivors and Disability Pension Plans]. This requires pension plans to be managed by a separate and legally independent entity. The governing body of the pension plan is responsible for general management, drafting the pension fund regulations, defining the investment strategy and determining how the benefits will be funded. It comprises employee and employer representatives.

The plan beneficiaries are insured against the economic consequences of old age, disability and death. Benefits paid to the beneficiaries are governed by the pension fund regulations but minimum benefits are also prescribed by the law (BVG). The benefits paid are based on the retirement savings capital of the insured person, which is accrued through annual contributions and interest. Annual contributions are made by the employer and the employee and depend on the insured salary and the age of the plan participant. Upon retirement, plan participants can choose between receiving a life time annuity or a lump sum payment of savings capital.

The pension arrangements for employees in Switzerland are covered by a multi-employer plans administered by Swiss Life, AXA and ASGA.

The pension plans contain a cash balance benefit which is essentially contribution-based with certain minimum guarantees. Due to these minimum guarantees, this plans are treated as a defined benefit plan, although it has many of the characteristics of a defined contribution plan.

The major risks for the pension fund are the investment risk, interest rate risk, disability risk and risk of longevity. The pension funds have partly re-insured these risks.

In 2023, the plan at AXA introduced uniform conversion rates for 2025 and beyond, resulting in negative past service costs of EURk 30.

In 2022, the plan at Swiss Life lowered the conversion rates for the 2024 and beyond, resulting in negative past service costs of EURk 38.

NOTE 3.3

Pension and similar obligations (continued)

THE FOLLOWING WEIGHTED ACTUARIAL ASSUMPTIONS WERE APPLIED IN DETERMINING THE DEFINED BENEFIT OBLIGATION (DBO):

(in EURk)	2023	2022
Discount rate	1.5%	2.3%
Estimated future salary increases	1.5%	1.5%
Mortality assumptions	BVG 2020 GT	BVG 2020 GT

THE NET DEFINED BENEFIT LIABILITIES DEVELOPED AS FOLLOWS:

(in EURk)	2023	2022
1 January	**438**	**1,015**
Cost of defined benefit plans, in profit and loss	208	199
Remeasurement, in other comprehensive income	856	-578
Employer contributions	-338	-236
Additions from business combination	211	-
Exchange differences	74	38
31 December	**1,449**	**438**
Breakdown of the net defined benefit liability		
Present value of the DBO	7,863	4,321
Fair value of plan assets	-6,414	-3,883
Net defined benefit liability/(asset)	**1,449**	**438**

PRESENT VALUE OF THE DBO

(in EURk)	2023	2022
1 January	**4,321**	**4,283**
Current service cost	223	233
Interest expense	159	15
Ordinary employee contributions	267	202
Additional contributions by plan participants	171	850
Benefits paid	-898	-895
Past service cost	-30	-38
Additions from business combination	2,537	-
Actuarial (gains)/losses	686	-536
Exchange differences	427	207
31 December	**7,863**	**4,321**

FAIR VALUE OF PLAN ASSETS

(in EURk)	2023	2022
1 January	**3,883**	**3,268**
Interest income at discount rate	144	12
Ordinary employer contributions	338	235
Ordinary employee contributions	267	202
Additional contributions by plan participants	171	850
Benefits paid	-898	-895
Additions from business combination	2,326	-
Return on plan assets (excluding interest income at discount rate)	-169	42
Exchange differences	352	169
31 December	**6,414**	**3,883**

NOTE 3.3

Pension and similar obligations (continued)

COMPONENTS OF DEFINED BENEFIT COST IN PROFIT OR LOSS

(in EURk)	2023	2022
Service cost in personnel costs	-193	-195
Net interest in financial expenses	-15	-3
Total	**-208**	**-198**

REMEASUREMENT OF THE NET DEFINED BENEFIT LIABILITIES IN OTHER COMPREHENSIVE INCOME

(in EURk)	2023	2022
Remeasurement of the net defined benefit liabilities		
- Actuarial gain/(loss) from changes in financial assumptions	-569	912
- Actuarial gain/(loss) from experience adjustments	-117	-376
Return on plan assets (excluding interest income at discount rate)	-169	42
Total	**-855**	**578**

The Macaulay duration is 13.8 years (2022: 14.8 years).

SENSITIVITY

(in EURk)	2023	2022
Increase of discount rate by 0,5%	-472	-285
Decrease of discount rate by 0,5%	537	322

BREAKDOWN OF THE FAIR VALUE OF PLAN ASSETS BY INVESTMENT CATEGORY

(in EURk)	2023	2022
Receivables from an insurance company (collective foundation)	6,414	3,883

The Trifork Group expects employer contributions of EURk 346 for 2024.

§ Accounting policy

Expenses for defined contribution schemes are recognized in profit or loss in the period the Group receives the related employee services and a corresponding liability is recognized in the statement of financial position under other current liabilities.

The cost of defined benefit plans is determined using actuarial valuations and recorded as follows:

- Service cost (current and past service costs from plan amendments, gains and losses from curtailments and settlements): in profit and loss, within personnel costs
- Net interest on the net defined benefit liabilities or assets: in profit and loss, within financial result
- Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses, the return on plan assets (less interest at the discount rate, which is included in net interest) as well as the effects of any asset ceiling: in other comprehensive income

B. Holiday funds payable

In 2019, the Danish Holiday Act was modernized with the introduction of the concept of “concurrent holiday”, meaning that employees may take holidays in the same year as when the holiday is accrued.

Holidays earned in the transitional period were frozen and either maintained in the Group statement of financial position or paid into the Employees’ Holiday Funds. The amount not paid out is subject to annual indexation determined by government.

The respective liability of total EURk 1,743 (2022: EURk 1,686) is included in the statement of financial position. In 2023, the Group transferred EURk 12 to the Employees’ Holiday Funds (2022: EURk 0).

SECTION 4

Capital investments

This section focuses on the capital investments of Trifork Group that support the organic and acquisitional growth.

Additionally, also liabilities related to acquisitional activities are part of this section in order to understand the transactions as a whole.

4

NOTE 4.1

Acquisition of businesses

2023

In 2023, the Group acquired control (60% of the share capital) of Institut für Bildungsevaluation Zürich AG, Zurich ("IBE") and Chapter 5 A/S, Copenhagen. The purchase price allocation for Chapter 5 A/S is not final as at 31 December 2023. The provisionally assessed fair values of assets identified and liabilities assumed as at acquisition date are as follows:

2022

No businesses were acquired.

(in EURk)	Note	IBE	Chapter 5 A/S	Total
Intangible assets	4.5	1,682	1,358	3,040
Right-of-use assets	4.6	597	172	769
Property, plant and equipment	4.7	65	95	160
Other non-current assets		50	-	50
Trade receivables		933	630	1,563
Other current assets		2,075	894	2,969
Deferred tax liabilities, net		-331	-303	-634
Other non-current liabilities		-687	-163	-850
Current liabilities		-2,671	-644	-3,315
Net assets acquired		**1,713**	**2,039**	**3,752**
Non-controlling interests	8.2	-685	-	-685
Net assets acquired, attributable to shareholders of Trifork Holding AG		**1,028**	**2,039**	**3,067**
Goodwill		1,833	4,242	6,075
Purchase price		**2,861**	**6,281**	**9,142**
- of which contingent consideration	4.2	-	-1,206	-1,206
- of which cash consideration		**2,861**	**5,075**	**7,936**
Acquired cash and cash equivalents		-2,031	-893	-2,924
Net outflow of cash and cash equivalents		**830**	**4,182**	**5,012**
Non-controlling interests at the time of acquisition		40.0%	-	

NOTE 4.1

Acquisition of businesses (continued)

IBE

The acquisition took place at the beginning of January 2023. EURk 767 of customer relationships have been recognized as intangible assets and are amortized over an estimated useful life of 10 years. Further, EURk 915 of order backlog have been recognized as intangible assets and are amortized by contract fulfilment (up to 5 years). Goodwill of EURk 1,833 is justified by the expertise of the IBE in its specific field of action of digital solutions to schools (online learning and testing platforms) and assumed synergies and is not tax deductible.

The non-controlling interests are calculated based on the share of identifiable net assets.

In 2023, IBE contributed revenue of EURk 5,955 and earnings before tax of EURk 1,546 to Trifork Group. If the acquisition had taken place on 1 January 2023, the revenue and earnings before tax of the Trifork Group would not be materially different.

Transaction costs related to the acquisition are immaterial.

Refer to Notes 4.1/8.2 A. regarding the call and put option arrangements entered into regarding the 40% non-controlling interests.

CHAPTER 5 A/S

The acquisition took place at the beginning of October 2023. EURk 686 of customer relationships have been recognized as intangible assets and are amortized over an estimated useful life of 10 years. Further, EURk 672 of order backlog have been recognized as intangible assets and are amortized by contract fulfilment (up to 3.25 years). Goodwill of EURk 4,242 is justified by the expertise of Chapter 5 A/S in its specific field of action for customized applications for the FinTech sector and assumed synergies and is not tax deductible.

The contingent consideration payments are subject to achieving operational results in the financial years 2024 – 2026 (refer to Note 4.2).

In 2023, Chapter 5 A/S contributed revenue of EURk 716 and earnings before tax of EURk 163 to Trifork Group. If the acquisition had taken place on 1 January 2023, the revenue of Trifork Group would have been EURk 2,260 higher and the earnings before tax would have increased by EURk 682.

Transaction costs related to the acquisition are immaterial.

§ Accounting policy

The acquisition method is applied to account for business combinations. The cost of an acquisition is the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquired business. For each business combination, the non-controlling interests in the acquiree are measured either at fair value or at the proportionate share of the acquiree's identifiable net assets.

In business combinations the identifiable assets, liabilities and contingent liabilities of a subsidiary are measured at acquisition-date fair value. Goodwill is not amortized but tested on an annual basis for impairment. A bargain purchase, which arises when the fair value of the identified net assets exceeds the consideration transferred on the acquisition date, is recorded directly in the income statement.

NOTE 4.2

Contingent consideration liabilities

(in EURk)	Level 3
1 January 2021	**6,916**
Settlements	-789
Fair value adjustments	-501
Exchange differences	59
31 December 2022	**5,685**
Additions from business combinations	1,206
Settlements	-747
Purchase of treasury shares on settlement of contractual earn-out arrangement	-4,077
Fair value adjustments	22
Exchange differences	33
31 December 2023	**2,122**

The Group classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

Level 3 – Inputs to the valuation are unobservable and significant to overall fair value measurement. The inputs to the determination of fair value require significant management judgment or estimation. Positions that are included in this category include investments in Trifork Labs and contingent consideration liabilities.

An amount of EURk 0 (2022: EURk 4,084) relates to the acquisition of Nine A/S:
As part of the transaction Trifork entered into a put-option arrangement with the sellers of Nine A/S for the 191,000 Trifork shares delivered at acquisition date. The sellers were entitled to put back 50% of the shares to Trifork at a fixed price of EUR 21 per share and 50% of the shares between EUR 0 and EUR 21 per share, depending on the accumulated EBIT of Nine A/S for the period 2021 - 2022. The put option was exercised in 2023 for 185,272 Trifork shares and a total amount of EURk 3,962. The remaining liability was reclassified to retained earnings. Refer to the line item "Purchase of treasury shares on settlement of contractual earn-out arrangement" in the Statement of Changes in Shareholders' Equity.

An amount of EURk 726 (2022: EURk 1,397) relates to the acquisition of Vilea Group:
The contingent consideration arrangement comprises a total pay-out of up to EURk 2,065 in 2022, 2023, 2024 in case the company meets defined EBIT-targets for 2021 to 2023.
If the target is missed by more than 43.8%, there will be no pay-out. Based on the results for 2021, 84% of the maximum amount was paid out in February 2022 (EURk 573) and based on the results for 2022, 93% of the maximum amount was paid out in March 2023 (EURk 657). Considering the preliminary results, Trifork Group expects that for the remaining period 94% of the maximum amount becomes due.

An amount of EURk 189 (2022: EURk 204) relates to the acquisition of Strongminds ApS:
The contingent consideration arrangement comprises a target pay-out of total EURk 269 and a maximum pay-out of up to EURk 338 in 2023, 2024, 2025 in case the company meets or exceeds defined EBIT-targets for 2022 to 2024.
If the targets are missed by more than 9.8% (2022), 19.5% (2023) or 28.1% (2024), there will be no pay-out. Based on the results for 2022, 62% of the maximum amount was paid out in July 2023 (EURk 89) and based on the preliminary results for 2023, Trifork Group expects that 91% of the maximum amount becomes due. Considering business planning, Trifork Group expects that for 2024 100% of the maximum amount becomes due.

An amount of EURk 1,208 (2022: EURk 0) relates to the acquisition of Chapter 5 A/S:
The contingent consideration arrangement comprises a total pay-out of up to EURk 1,208 in 2025, 2026, 2027 in case the company meets defined operational targets for 2024 to 2026 (customer continuancy, revenue and EBIT-targets).
If the targets are missed (2024) or below a defined revenue growth and EBIT-margin (2025/2026), there will be no pay-out. Considering business planning, Trifork Group expects that the maximum amounts become due.

Fair value adjustments recognized in profit or loss form part of other financial income or expense, refer to Note 2.5.

! Significant accounting estimates, assumptions and judgments

In connection with determination of the purchase price of acquired subsidiaries management has to determine the fair value of any contingent consideration arrangement at the acquisition date and at each reporting date until settlement or expiry. The fair value measurement is usually based on significant unobservable inputs (level 3) and may significantly change over time.

§ Accounting policy

Refer to accounting policy in Note 7.2.

NOTE 4.3

Redemption amount of put-options

(in EURk)	2023	2022
1 January	**33,178**	**36,163**
Addition	3,835	-
Exercise of put-options	-17,644	-7,457
Adjustment recognized in equity	3,244	3,951
Exchange differences	688	521
31 December	**23,301**	**33,178**

The Group entered into a call/put-option agreement for 43.6% non-controlling interests in Erlang Solutions Ltd. with a third-party as of 27 April 2021. Based on this agreement, acquisitions were made in 2022 (8.1%/11.9%) bringing the put-option related percentage down to 13.0% as of 31 December 2023 (refer to Note 8.2).

As part of the acquisition of IBE, the Group entered into a call/put-option agreement for 40.0% non-controlling interests with a third-party (refer to Notes 4.1/8.2 A.).

In 2023, Trifork Group exercised its call-option of the contractual call/put-option to acquire 20.0% of the non-controlling interests in Nine A/S. For the remaining 10.0% of non-controlling interests, the parties entered into a new call/put-option agreement.

Based on the result achieved by the companies having put-options on non-controlling interest and its pricing mechanism, the redemption amount was adjusted.

! Significant accounting estimates, assumptions and judgments

As the Group has a contractual obligation to acquire additional shares in case defined financial conditions are met and the put-options are exercised by the sellers, it must estimate the respective financial liabilities.

Estimating future cash flows based on contractually agreed option price formulas requires management to make assumptions about relevant input parameters such as future results and may result in significant changes to recognized liabilities in future periods.

§ Accounting policy

In the case of acquisitions, it is common practice for the Group to acquire call options and to write put options for the remaining interests that were not acquired. Shares of the profits or losses continue to be allocated to the non-controlling interests when the Group has not acquired a present ownership interest in these interests. The non-controlling interests subject to put-options are derecognized at each reporting date as if acquired. Liabilities from written put-options are measured at the present value of the redemption amount. These financial liabilities are remeasured at each reporting date and the resulting differences are recorded in retained earnings without any impact on the income statement.

NOTE 4.4

Investments in associated companies

(in EURk)	2023	2022
1 January	**5**	**21**
Share of result from associated companies	2,230	8
Dividends received	-17	-24
31 December	**2,218**	**5**

The associated company Appdictive ApS holds an investment in a startup company, which has proved its sustainability in 2023 (continuous positive earnings). This allows Trifork Group to use a DCF-model for the valuation of the startup company held by Appdictive ApS, in line with the investments held in Trifork Labs (refer to Note 5.1). In applying the equity method of accounting, Trifork Group has recognized its share of result of Appdictive ApS.

In 2023, the net income of Appdictive ApS comprises of its valuation adjustment for its investment and the assets represent the value of the investment. In this connection, no cash flows incurred. In 2022, the income and net assets of Appdictive ApS were immaterial.

The other associated company is considered immaterial.

§ Accounting policy

An associated company is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

Associated companies in the Trifork segment are recognized using the equity method.

Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate since the acquisition date.

NOTE 4.5

Intangible assets

(in EURk)	Goodwill	Completed development projects	Ongoing development projects	Customer relationships/ order backlog	Others (IP rights and brand)	Total
Acquisition cost						
1 January 2022	**48,727**	**13,561**	**509**	**34,812**	**191**	**97,800**
Additions	-	-	603	-	671	1,274
Transfers	-	829	-829	-	-	-
Exchange differences	156	9	-	185	-14	336
31 December 2022	**48,883**	**14,399**	**283**	**34,997**	**848**	**99,410**
Additions	-	828	3,571	-	5	4,404
Additions from business combinations	6,075	-	-	3,040	-	9,115
Transfers	-	279	-279	-	-	-
Exchange differences	361	82	73	251	37	804
31 December 2023	**55,319**	**15,588**	**3,648**	**38,288**	**890**	**113,733**

(in EURk)	Goodwill	Completed development projects	Ongoing development projects	Customer relationships/ order backlog	Others (IP rights and brand)	Total
Accumulated amortization and impairment						
1 January 2022	**-**	**-11,434**	**-**	**-10,078**	**-**	**-21,512**
Amortization	-	-933	-	-2,962	-38	-3,933
Impairment	-	-73	-	-	-	-73
Exchange differences	-	5	-	-59	-	-54
31 December 2022	**-**	**-12,435**	**-**	**-13,099**	**-38**	**-25,572**
Amortization	-	-955	-	-2,829	-38	-3,822
Exchange differences	-	-44	-	-64	-	-108
31 December 2023	**-**	**-13,434**	**-**	**-15,992**	**-76**	**-29,502**
Net carrying amount as of 31 December 2022	**48,883**	**1,964**	**283**	**21,898**	**810**	**73,838**
Net carrying amount as of 31 December 2023	**55,319**	**2,154**	**3,648**	**22,296**	**814**	**84,231**

Expenditure on research and development recognized in the income statement (personnel costs) amounts to EURk 1,316 (2022: EURk 1,106).

In 2022, Trifork Group acquired the conference brand YOW! for EURk 657. The brand has been assessed as having an indefinite life as there is no foreseeable limit of the time asset is expected to generate net cash inflows.

ONGOING DEVELOPMENT PROJECTS

Additions to ongoing development projects relate to internal development costs (capitalization of personnel costs). Refer also to Note 3.1.

Ongoing development projects are allocated across multiple cash-generating units (CGUs).

NOTE 4.5

Intangible assets (continued)

GOODWILL

As of 31 December, goodwill is allocated the following CGUs:

in EURk	2023	2022
Build sub-segment		
Trifork A/S	224	224
Trifork Public A/S	576	577
Trifork B.V.	3,756	3,756
Erlang Solutions Group	1,318	1,263
Open Credo Ltd.	1,289	1,263
Duckwise ApS	5	5
Testhuset A/S	4,047	4,056
Trifork Smart Enterprise A/S	1,305	1,308
SAPBASIS ApS	586	587
Trifork Smart Device ApS	51	51
Nine A/S	25,918	25,976
Vilea Group	3,740	3,517
Strongminds ApS	539	540
Chapter 5 A/S	4,246	n/a
Total	**47,600**	**43,123**
Run sub-segment		
Netic A/S	5,747	5,760
IBE	1,972	n/a
Total	**7,719**	**5,760**
Total Goodwill	**55,319**	**48,883**

IMPAIRMENT TEST

The recoverable amount of each CGU to which goodwill has been allocated, has been determined based on value in use calculations using cash flow projections the business plans approved by senior management covering a 5-year period. Cash flows beyond this five-year period (terminal value period) are extrapolated using growth rates of between 1.0% - 2.4% which do not exceed the long-term growth rate for the respective markets in which the CGU is active.

The pre-tax discount rates applied to the cash flow projections represents the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risk of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate is derived from the weighted average cost of capital (WACC).

! Significant accounting estimates, assumptions and judgments

Management estimates relate to the determination of discount rates, growth rates and expected changes in sales prices and production cost in the budgets and terminal value periods. Management considers the projected cash flows to be realistic and built around historical experience and reasonable expectations for future market developments.

Management considers that reasonably possible changes in key assumptions will not cause the recoverable amounts of CGU's to become inferior to their carrying amount.

NOTE 4.5

Intangible assets (continued)

	2023			2022		
	CAGR Net sales	Average EBITDA margin	Pre-tax discount rate	CAGR Net sales	Average EBITDA margin	Pre-tax discount rate
Build sub-segment						
Trifork A/S	5.6%	13.0%	11.2%	4.3%	15.1%	12.2%
Trifork Public A/S	10.5%	19.1%	11.2%	7.4%	20.5%	12.2%
Trifork B.V.	12.0%	9.2%	11.3%	5.4%	10.3%	12.1%
Erlang Solutions Group	11.9%	16.4%	12.5%	11.4%	16.5%	13.8%
Open Credo Ltd.	11.2%	9.4%	12.5%	12.2%	9.2%	13.8%
Duckwise ApS	10.6%	6.2%	11.2%	11.6%	9.9%	12.2%
Testhuset A/S	5.3%	10.6%	11.2%	12.6%	10.5%	12.2%
Trifork Smart Enterprise A/S	6.2%	9.0%	11.2%	8.8%	14.1%	12.2%
SAPBASIS ApS	10.8%	29.0%	11.2%	8.9%	33.7%	12.2%
Trifork Smart Device ApS	15.0%	13.9%	11.2%	2.9%	13.5%	12.2%
Nine A/S	9.8%	20.3%	11.2%	9.2%	21.3%	12.2%
Vilea Group	21.6%	18.3%	10.4%	9.4%	28.6%	11.0%
Strongminds ApS	11.4%	38.2%	11.2%	9.7%	18.5%	12.2%
Chapter 5 A/S	10.8%	35.0%	11.2%	n/a	n/a	n/a
Run sub-segment						
Netic A/S	8.8%	15.4%	11.2%	5.3%	9.4%	12.2%
IBE	6.7%	13.2%	10.4%	n/a	n/a	n/a

§ Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Development expenditure on individual projects is recognized as an intangible asset only when the Group can demonstrate the technical feasibility, its intention and ability to complete the project, the availability of resources, its ability to measure the costs reliably and how the asset will generate future economic benefits.

The cost of development projects covers expenses, including wages and depreciation, which can be allocated directly to the development projects, and which are considered necessary to finish the project, from the time the development project for the first time meets the criteria for recognition as an asset. All capitalized development projects are tested for impairment annually.

The useful life of intangible assets is assessed as either finite or indefinite. Intangible assets with finite life are amortized on a straight-line basis over the estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Amortization:

Capitalized development cost	*2-5 years*
Acquired customer relationships	*5-20 years*
Order backlog	*in accordance with contract terms*
Other (IP rights)	*5 years*

The amortization periods and the amortization methods are reviewed at least at the end of each reporting period.

Intangible assets with indefinite life are assessed for impairment at least annually.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for the non-controlling interest over the net identifiable assets acquired and liabilities assumed.

Goodwill is not amortized but subject to an impairment test annually and whenever there are indications of possible impairment. Any impairment of goodwill is not subsequently reversed.

At each reporting date, the Group assesses whether there is any indication that an intangible asset (other than Goodwill) may be impaired. If any such indication exists, the recoverable amount of such asset is estimated. Where it is not possible to determine the recoverable amount of an individual intangible asset, the Group estimates the recoverable amount of the smallest cash generating unit to which the asset belongs.

NOTE 4.5
Intangible assets (continued)

The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. If the recoverable amount is estimated to be less than the carrying amount, the carrying amount is reduced to the recoverable amount. Impairment losses are recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the intangible asset (other than Goodwill) or cash generating unit is increased to the revised estimate of its recoverable amount.

However, this increased amount cannot exceed the carrying amount that would have been determined if no impairment loss had been recognized for that asset or cash generating unit in prior periods.

NOTE 4.6
Right-of-use assets

(in EURk)	Note	Offices	Operation centers	IT-Hardware	Cars	Total
2023						
Additions		18,789	-	2,506	904	22,199
Depreciation	2.4	-4,901	-332	-1,284	-499	-7,016
Net carrying amount as of 31 December		37,757	5,071	3,617	1,123	47,568
2022						
Additions		13,092	4,059	1,113	730	18,994
Depreciation	2.4	-4,201	-177	-876	-443	-5,697
Net carrying amount as of 31 December		24,173	5,416	2,473	939	33,001

In 2023, Trifork Group installed its main Copenhagen office in Porten. With a lease term of 12 years, a right-of-use asset of EURk 13,438 was added at the beginning of the lease.

For the expense relating to short-term leases and variable lease payment not included in the measurement of lease liabilities refer to Note 2.3. For the incurred interest expense on lease liabilities refer to Note 2.5. For the maturity analysis of lease liabilities refer to Note 7.5.

Total cash outflow for leases amounted to EURk 8,206 (2022: EURk 6,537), refer to Notes 2.3 (for short-term and low value leases), 2.5 (for the interest part) and 7.3 (for the financial liability part).

§ Accounting policy

The Group assesses whether a contract is or contains a lease at its inception.

The Group recognizes a right-of-use asset (ROU asset) and a lease liability at the lease commencement date, except for leases with a duration of less than 12 months and leases of low value assets as well as variable lease payments not depending on an index or rate which are expensed in the income statement when incurred.

The lease liability is initially measured at the present value of the lease payments, discounted using the interest rate implicit in the lease and if not readily determinable an incremental borrowing rate which is the aggregation of the risk-free rate, increased by an individual risk factor and adjusted for the respective currency and lease duration.

The lease payments are apportioned between the amortization part and the interest expense, that is included in financial expenses.

At inception, the ROU asset comprises the initial lease liability, initial direct costs and any obligation to refurbish the asset, less any incentives granted by the lessor. The ROU is depreciated over the shorter of the lease term or the useful life of the underlying asset.

NOTE 4.7

Property, plant and equipment

(in EURk)	Real estate	Leasehold improvements	Other equipment, fixtures and fittings	Assets under construction	Total
Acquisition cost					
1 January 2022	**1,114**	**5,689**	**13,326**	**1,322**	**21,451**
Additions	776	319	2,064	1,565	4,724
Disposals	-	-704	-687	-2,886	-4,277
Transfers[1]	-	-	953	-	953
Exchange differences	-	-67	122	-1	54
31 December 2022	**1,890**	**5,237**	**15,778**	**-**	**22,905**
Additions	-	2,598	2,418	-	5,016
Additions from business combinations	-	91	69	-	160
Disposals	-	-278	-3,514	-	-3,792
Transfers[1]	-	-	235	-	235
Exchange differences	-1	33	143	-	175
31 December 2023	**1,889**	**7,681**	**15,129**	**-**	**24,699**

(in EURk)	Real estate	Leasehold improvements	Other equipment, fixtures and fittings	Assets under construction	Total
Accumulated depreciation and impairments					
1 January 2022	**-62**	**-2,783**	**-9,489**	**-**	**-12,334**
Depreciation	-18	-439	-1,942	-	-2,399
Disposals	-	-	638	-	638
Transfers[1]	-	-	-820	-	-820
Exchange differences	-	40	-116	-	-76
31 December 2022	**-80**	**-3,182**	**-11,729**	**-**	**-14,991**
Depreciation	-26	-706	-1,900	-	-2,632
Disposals	-	245	3,137	-	3,382
Transfers[1]	-	-	-209	-	-209
Exchange differences	-	-19	-110	-	-129
31 December 2023	**-106**	**-3,662**	**-10,811**	**-**	**-14,579**
Net carrying amount as of 31 December 2022	**1,810**	**2,055**	**4,049**	**-**	**7,914**
Net carrying amount as of 31 December 2023	**1,783**	**4,019**	**4,318**	**-**	**10,120**

In 2023, out of the category "other equipment, fixtures and fittings" Trifork Group sold its sailing yacht and the related equipment to a related party (refer also to Note 8.1). The sale resulted in a gain of EURk 680 which is part of the "other operating income" of EURk 1,661.

1 Trifork Group acquired cars and hardware out of lease contracts. Before, the Group accounted for these items as right-of-use assets.

NOTE 4.7

Property, plant and equipment (continued)

§ Accounting policy

Leasehold improvements, other equipment, fixtures and fittings and real estate are stated at cost less accumulated depreciation and impairment. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date the asset is ready for use.

Straight-line depreciation is calculated based on the following estimated useful lives:

Real estate (except land)	*30 years*
Leasehold improvements	*7 years (or a shorter lease term)*
Other equipment, fixtures and fittings	*3-7 years*

For real estate, the Group assumes a residual value of 45% of cost.

The residual values, useful lives and methods of depreciation are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as other operating income/ expense.

NOTE 4.8

Other financial assets

(in EURk)	Note	2023	2022
Loans to investments in Trifork Labs[1]		1,872	753
Deposits for lease contracts		2,128	1,377
Expected credit loss allowance		-11	-5
Total financial assets		**3,989**	**2,125**
- of which non-current		3,989	2,125
- of which current		-	-

1 This line item includes convertible loans to investments in Trifork Labs of EURk 1,200 (2022: EURk 538). The maximum positive effect from the execution of the implied call-options (which allow to participate in a capital round at a discounted or fixed price) is EURk 160 (2022: EURk 57).

§ Accounting policy

Refer to accounting policies in Note 7.2.

SECTION 5

Investment in Trifork Labs

The investments in Trifork Labs are a speciality of Trifork and form the venture funded research and development of the Group.

Relevant items, such as new acquisitions, exits and valuation adjustments are outlined in this section.

5

NOTE 5.1

Investments in Trifork Labs

(in EURk)	Level 1	Level 3	Total
1 January 2022	**109**	**47,150**	**47,259**
Acquisitions	-	10,415	10,415
Disposals	-	-3,279	-3,279
Fair value adjustments	-48	6,202	6,154
- of which realized	-	*1,864*	*1,864*
- of which unrealized	*-48*	*4,338*	*4,290*
Dividends received	-	-287	-287
Exchange differences	-	50	50
31 December 2022	**61**	**60,251**	**60,312**
Acquisitions	-	5,773	5,773
Disposals	-	-855	-855
Fair value adjustments	-24	4,719	4,695
- of which realized	-	*-4,024*	*-4,024*
- of which unrealized	*-24*	*8,743*	*8,719*
Dividends received	-	-310	-310
Exchange differences	-	58	58
31 December 2023	**37**	**69,636**	**69,673**

The Group classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

Level 1 – Inputs to the valuation are quoted prices available in active markets. The type of investments listed under Level 1, include securities listed in active and liquid markets.

Level 3 – Inputs to the valuation are unobservable and significant to overall fair value measurement. The inputs to the determination of fair value require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The line item disposal includes the fair value of the investments disposed at the time of disposal, after revaluation to fair value. Fair value adjustments for the current year are recorded in line item "fair value adjustments on investments in Trifork Labs" in the income statement.

NOTE 5.1

Investments in Trifork Labs (continued)

The realized fair value adjustments are in relation to exits from investments and dividend income. The unrealized fair value adjustments are in relation to new funding rounds with different valuation of invested companies, updated business plans leading to a new valuation or - for Level 1 instruments - change in market prices.

The fair value of Level 3 investments is derived from DCF-valuation models or recent transactions (new capital investments by third parties).

2023

In 2023, new investments were made in Blue Space Ventures AG and Ossmo ApS and existing investments in &Money ApS, Arkyn Studios Ltd., ExSeed Health Ltd., Visikon ApS and Upcycling Forum ApS were increased. For this, EURk 5,730 were invested in cash and EURk 43 by conversion of convertible loans.

From the partial sale of Programmable Infrastructure Solutions AG (Container Solutions Group) in 2022, an earn-out of EURk 838 was received in 2023. Further, a minor earn-out was received from the sale of Atomist Inc (EURk 17). Together with impairments (EURk 5,189) for investments that announced their plans to cease their operations (Kashet Group AG, Verica Inc., Edia B.V.) and the dividend income of three investments in the total amount of EURk 310, this led to the total realized fair value adjustment.

The unrealized net positive fair value adjustments (Level 3) comprise of four investments of EURk -799 which have not lived up to or changed their business plans and adjustments of EURk -44 due to foreign exchange conversion of investments held in other currencies. Due to two new financing rounds and updated business plans, the fair value of four investments could be positively adjusted by EURk 9,562.

In the reporting period, Trifork Group came to the conclusion that going forward, the functional currency of one investment shall be changed from NOK to USD as the main sales in the operating business and the underlying valuation considerations take place in USD.

In addition, the indirect investment held in a startup company proved its sustainability (continuous positive earnings), which allows Trifork Group to use a DCF-model for the valuation. As the investment is held via an associated company, the impact of the value adjustment is recognized in the income statement line item "share of results from associated companies" (refer to Note 4.4).

2022

In 2022, new investments were made in Promon A/S, Feats ApS, TSBThree ApS and Fauna ApS and existing investments in Arkyn Studios Ltd., Dryp A/S, Kashet Group AG, Visikon ApS, &Money ApS and Edia B.V. were increased. For this, EURk 9,628 were invested in cash and EURk 787 by conversion of loans.

In the reporting period, the Container Solutions Group started a reorganization. In this process, Trifork Group exited its investment in Programmable Infrastructure Solutions AG, the former Holding company of the Group, at the carrying amount of EURk 1,553 (cash consideration) and will keep a shareholding of approximately 6.2% in the succeeding Holding company.

In 2022, Trifork Group has received final payments subsequent to the exit of Humio Ltd. in 2021 of EURk 1,635.

In addition, Atomist Inc. was dissolved and a payment of EURk 91 was received.

Further, the investment in ComplyTeq AG was fully impaired as it ceased its activities. In connection with this, Trifork Group has also impaired its loan to ComplyTeq AG.

There were no transfers between fair value measurements levels in 2023 and 2022.

In addition, there are also convertible loans outstanding with investments in Trifork Labs (refer to Note 4.8).

Significant accounting estimates, assumptions and judgments

The fair value of level 3 equity investments is determined based on DCF-valuation models and/or valuations derived from recent transactions by external parties that have invested new capital in these companies. A sensitivity analysis has been performed on this in Note 7.5. Because of the inherent uncertainty of valuation of private equity in general, the estimate fair value may differ from the values that would have been used had an active market existed for the investments and the difference regarding individual investments could be material. Any gain or loss arising from a change in fair value of investments is included in separate line item in the income statement.

Accounting policy

Equity investments held by Trifork Labs (the Group's driver for R&D innovation) are classified as financial assets at fair value through profit in accordance with IFRS 9 and the amendment to IAS 28. Exemptions from Applying the Equity Method. These venture capital equity investments are accounted for at fair value through profit or loss as the Group elects at initial recognition of the investments to apply IFRS 9 rather than the equity method under IAS 28.

Changes in fair value are recognized and presented separately in the income statement as fair value adjustments on investments in Trifork Labs.

SECTION 6

Working capital items

This section provides information related to the Group's working capital items, especially current receivables and payables.

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NOTE 6.1

Trade receivables and contract assets

(in EURk)	2023	2022
Trade receivables - third parties	38,384	33,957
Trade receivables - related parties	5,854	1,712
Expected credit loss allowance	-379	-228
Total trade receivables	**43,859**	**35,441**

The increase of the total position in 2023 is due to organic and inorganic growth.

Trade receivables are non-interest bearing and are generally on terms of 20 to 60 days.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision matrix is a combination of two approaches; review of individual receivables and a portfolio approach where the provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e. startup companies and other than startup companies). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.
The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year, which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

	2023			2022		
	Gross carrying amount	Expected credit loss allowance	Total	Gross carrying amount	Expected credit loss allowance	Total
Trade receivables						
Not due	30,795	-139	30,656	25,367	-53	25,314
Due < 30 days	11,251	-45	11,206	7,902	-30	7,872
Due 30 - 90 days	1,297	-50	1,247	996	-20	976
Due > 90 days	894	-144	750	1,404	-125	1,279
Total trade receivables	**44,237**	**-378**	**43,859**	**35,669**	**-228**	**35,441**
Contract assets	**3,885**	**-9**	**3,876**	**1,440**	**-2**	**1,438**
Total	**48,122**	**-387**	**47,735**	**37,109**	**-230**	**36,879**

NOTE 6.1
Trade receivables and contract assets (continued)

EXPECTED CREDIT LOSS ALLOWANCE

(in EURk)	2023	2022
1 January	**-230**	**-669**
Addition	-1,213	-842
Utilization	297	452
Reversal	748	832
Exchange differences	11	-3
31 December	**-387**	**-230**

One-off debtor loss of EURm 0.5 was recognized in the Build sub-segment in 2022. Trifork Group was indirectly affected by the war in Ukraine because a UK-customer was unable to obtain further funding due to EU sanctions and was forced to go into administration.

Accounting policy

Refer to accounting policy in Note 7.2.

NOTE 6.2
Other current liabilities

(in EURk)	2023	2022
Liabilities to government authorities (VAT, social security, etc.)	7,280	3,527
Other liabilities	3,372	3,177
Accrued personnel expenses	7,100	5,804
Total	**17,752**	**12,508**

Due to increased energy prices, Danish tax authorities extended their payment terms for their August 2023 receivables (salary tax, etc. - approx. EURm 2.1). Outstanding amounts are expected to be paid in February 2024.

SECTION 7

Capital structure and financing

This section includes notes related to capital structure and financing, including financial risks.

As a consequence of its operations, investments and financing, Trifork Group is exposed to a number of financial risks that are monitored, managed and addressed.

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NOTE 7.1

Shareholders' equity

A. Number of shares (CHF 0.1 nominal value, issued and fully paid-in)

	2023	2022
Issued shares as per 31 December	19,744,899	19,744,899
Treasury shares	-302,544	-65,009
Outstanding shares as per 31 December	**19,442,355**	**19,679,890**

B. Capital band

The General Meeting of 12 April 2023 authorized the Board of Directors to increase the share capital registered in the commercial register within a certain range, namely up to a maximum of 107% (upper limit), or to reduce it to a maximum of 95% (lower limit). The authorization is limited to five years. The Board of Directors is entitled to exclude shareholders' subscription rights under the capital band in the course of capital increases.

With the authorization to the Board of Director with respect to the capital band the authorized capital was cancelled.

C. Conditional capital

The extraordinary General Meeting of 19 December 2019 authorized the conditional capital of CHFk 50 (EURk 54) by issuing a maximum of 500,000 registered shares with a nominal value of CHF 0.10 (EUR 0.11) each, to be fully paid up, excluding shareholders' subscription rights.

D. Dividend

The General Meeting of 12 April 2023 approved a dividend of EUR 0.14 per registered share (2022: EUR 0.38) to be paid from retained earnings. The dividend of EURk 2,723 was paid out on 17 April 2023 (2022: EURk 7,624).

The Board of Directors will submit a proposal to the Annual General Meeting of Trifork Holding AG on 19 April 2024 to pay a dividend for the reporting period of EUR 0.10 per registered share.

NOTE 7.1
Shareholders' equity (continued)

E. Treasury shares

	Number of shares	Total amount (in EURk)
1 January 2022	**45,019**	**994**
Acquisition	30,000	843
RSU conversion	-10,010	-202
31 December 2022	**65,009**	**1,635**
Purchase of treasury shares on settlement of contractual earn-out arrangement	185,272	3,962
Other acquisitions	87,739	1,326
Disposal (acquisition of non-controlling interests)	-15,970	-411
RSU conversion	-19,506	-394
31 December 2023	**302,544**	**6,118**

Trifork Group initiated a share buy-back program of up to EURm 2.0 for the period from 2 November 2023 up to and including no later than 31 March 2024 (refer to Company Announcement #17/2023). By 31 December 2023, 70,047 shares for EURk 995 were acquired under the program (included in "other acquisitions).

In 2023, the impact of the transactions with treasury shares (excl. treasury shares utilized for conversion of RSU) in retained earnings is EURk -4 (2022: EURk -13).

NOTE 7.2
Financial instruments

A. Financial assets

(in EURk)	2023	2022
Other financial assets	3,989	2,125
Trade receivables	43,859	35,441
Other current receivables	1,335	663
Cash and cash equivalents	32,794	30,652
Total - at amortized cost[1]	**81,977**	**68,881**
Investments in Trifork Labs - at fair value through profit or loss (Level 1 and 3, see Note 5.1)	69,673	60,312
Total financial assets	**151,650**	**129,193**

B. Financial liabilities

(in EURk)	2023	2022
Redemption amount of put-options	23,301	33,178
Borrowings from financial institutions	61,084	26,982
Lease liabilities	49,380	34,252
Trade payables	8,441	5,544
Other	615	770
Total - at amortized cost[2]	**142,821**	**100,726**
Contingent consideration liabilities - at fair value through profit and loss (Level 3)	2,122	5,685
Total financial liabilities	**144,943**	**106,411**

1 The fair value of short-term financial assets at amortized costs approximate their carrying amounts.

2 The fair value of financial liabilities at amortized costs approximate their carrying amounts due to being either of short-term nature or by virtue of floating interest rates that are regularly reset.
The carrying amount of redemption amount of put-options is also considered to be an approximation of fair value as the strike prices are variable amounts based on the performance of the underlying company.

NOTE 7.2

Financial instruments (continued)

C. Financial instruments through profit and loss

For details of investments in Trifork Labs refer to Note 5.1.

For details of contingent consideration liabilities refer to Note 4.2.

§ **Accounting policy**

Financial assets

Initial recognition and measurement
The Group classifies its financial assets, at initial recognition, in the following categories:

- subsequently measured at amortized cost and,
- fair value through profit or loss.

The classification depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are initially measured at the transaction price determined under IFRS 15.

Regular way purchases or sales of financial assets are recognized on the date the Group makes a commitment to buy or sell the asset.

Financial assets are derecognized when the rights to the cash flows have expired or if the right to receive the cash flows has been transferred and the Group has substantially transferred all risks and rewards incidental to ownership.

Financial assets are classified as current if payment is due within one year or less. If not, they are presented as non-current financial assets.

Subsequent measurement
For purposes of subsequent measurement, Trifork Group has financial assets at amortized cost (debt instruments) as well as financial assets at fair value through profit or loss (Trifork Labs investments in equity securities).

Trifork measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Trifork Labs focuses on investing in new technology startup activities and invests in selected technology companies that are at the forefront of technological development with new and innovative software products. These venture capital equity investments are accounted for at fair value through profit or loss as the Group elects at initial recognition of the investments to apply IFRS 9 rather than the equity method under IAS 28.

Changes in fair value are recognized and presented separately in the income statement as fair value adjustments on investments in Trifork Labs.

Impairment of financial assets
The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Group applies the simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience the business knowledge, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets, such as loans to investments in Trifork Labs, the Group has established a provision matrix based on forward-looking factors specific to the debtors nature and the economic environment.

Cash and cash equivalents
The position includes cash on hand, accounts at financial institutions and short-term bank deposits with original maturities of three months or less.

Financial liabilities

Initial recognition and measurement
The Group classifies financial liabilities, at initial recognition, as:

- financial liabilities at fair value through profit or loss
- financial liabilities subsequently measured at amortized costs

All financial liabilities are recognized initially at fair value and, in the case of instruments not subsequently measured at fair value through profit or loss, net of directly attributable transaction costs.

Subsequent measurement
Contingent consideration liabilities are subsequently measured at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortized cost using the effective interest method.

Trade payables and financial liabilities are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

NOTE 7.3

Financial liabilities

(in EURk)	2023	2022
Borrowings from financial institutions	61,084	26,982
Lease liabilities	49,380	34,252
Other	615	770
Financial liabilities related to financing activities	**111,079**	**62,004**
Contingent consideration liabilities	2,122	5,685
Redemption amount of put-options	23,301	33,178
Financial liabilities related to business combination and acquisition of non-controlling interests	**25,423**	**38,863**
Total financial liabilities, as presented in the statement of financial position	**136,502**	**100,867**
- of which non-current	83,099	37,718
- of which current	53,403	63,149

For details on contingent consideration liabilities, refer to Note 4.2.

For details on the redemption amount of put-options, refer to Note 4.3.

NOTE 7.3

Financial liabilities (continued)

CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(in EURK)	Current borrowings from financial institutions and other	Current lease liabilities	Non-current borrowings from financial institutions and other	Non-current lease liabilities	Total
1 January 2022	**18,783**	**5,035**	**9,690**	**19,571**	**53,079**
Cash flows (net)	-4,044	-5,856	3,673	-	-6,227
New leases	-	2,040	-	16,950	18,990
Cancellation of lease contracts	-	-563	-	-2,635	-3,198
Reclassifications	4,657	5,263	-4,657	-5,263	-
Exchange differences	-60	-46	-290	-244	-640
31 December 2022	**19,336**	**5,873**	**8,416**	**28,379**	**62,004**
Cash flows (net)	11,789	-6,496	21,624	-	26,917
New leases	-	1,696	-	20,459	22,155
New leases from business combinations	-	149	-	636	785
Cancellation of lease contracts	-	-403	-	-1,003	-1,406
Reclassifications	1,787	6,162	-1,787	-6,162	-
Exchange differences	93	-72	441	162	624
31 December 2023	**33,005**	**6,909**	**28,694**	**42,471**	**111,079**

§ **Accounting policy**

Refer to accounting policy in Note 7.2.

NOTE 7.4

Guarantees and pledged assets

To secure interest-bearing liabilities of EURk 24,827 (2022: EURk 8,021) the Group has pledged the shares held in Nine A/S and Netic A/S (2022: Nine A/S) until full repayment of the liabilities.

To secure interest-bearing liabilities of EURk 9,229 (2022: EURk 13,426) the Group has entered into negative pledge agreements for the assets in Trifork Holding AG, Trifork Smart Enterprise A/S and SAPBASIS ApS until full repayment of the liabilities.

Furthermore, the usual general terms and conditions of the financial institutions may include options for offsetting credits against open obligations.

NOTE 7.5

Financial risk management

The Trifork Group is, as a result of its operations, its investing and financing activities, exposed to a variety of financial risks, including market risk (currency, interest and equity price risk), credit risks and liquidity risks.

The Group manages its financial risks centrally. The overall framework for the financial risk management is defined in the Group's financial policy and approved by the Board of Directors.

The Group's financial management is solely to manage and reduce the financial risks that are a direct result of the Group's operations and its investing and financing activities. The Group continuously calculates current financial positions related to both financial and non-financial assets. Monthly, Management reviews the Group's risk exposure in areas such as customers, backlogs, currencies, etc. in relation to budgets and forecasts.

Market risks

CURRENCY RISKS

The major currencies that the different business units in the Group operate in are EUR, CHF, DKK, USD and GBP. The nature of all Group Companies is that they most often invoice their customers and are invoiced by vendors in the same currency as their functional currency and thus they have only minor positions of either receivables or liabilities in other currencies than the functional currency and the respective risk is not considered significant.

At all times the Group monitors the net exposure to different currencies other than EUR, which is the reporting currency in the Group and netting any net exposure internally between the business units within the Group before using any other financial instruments. In the financial years 2023 and 2022 the Group did not cover any currency risks through derivative financial instruments.

INTEREST RISK

Trifork has, as a result of the Group's investing and financing activities, a risk exposure related to fluctuations in interest rates in Europe and abroad. The primary interest rate exposure is related to fluctuations in CIBOR, EURIBOR and SARON.

The Group's credit facilities are all at a variable interest rate. All interest rates are fixed periodically and all rates are tied to the development of the general market rate for each currency.

For the Group's bank deposits, liabilities with financial institutions and other contractually interest-bearing debt, an increase of 100 bps, compared to the balance sheet interest rates, would have a negative impact on earnings before tax and shareholders' equity of EURk -283 (2022: EURk +37). A similar decrease in interest rates would result in a corresponding positive impact.

EQUITY PRICE RISK

With its investments in Trifork Labs the Group is exposed to equity price risks of the individual investments. Changes in valuations can have an impact on earnings before tax.

The investments are exposed to a variety of market risk factors, which may change significantly over time. As a result, measurement of such exposure at any given point in time may be difficult given the complexity and limited transparency of the underlying investments. Therefore, a sensitivity analysis is deemed to be of limited explanatory value for investments in Trifork Labs.

In order to demonstrate the sensitivity, the average change in the OMX Copenhagen SmallCap index for the reporting period is calculated and used as input to the sensitivity analysis. The result of this is a change of 4.2% in 2023. If the value of the investments (based on year-end values) had increased or decreased by the same percentage with all other variables held constant, the impact on earnings before tax would have been EURk 2,548 in 2023 (2022: -6.8%, EURk -3,227).

On actual terms, Trifork Group accounts for fair value gains for the investments in Trifork Labs in 2023 of EURk 4,695 (2022: EURk 6,154).

The maximum values at risk for Trifork Labs are the total amounts of the individual investments.

NOTE 7.5

Financial risk management (continued)

Liquidity risk

It is the Group's policy in connection with credit facilities to ensure maximum flexibility by diversifying borrowing on maturity, renegotiation dates and counter parties, taking pricing into account. The Group's liquidity reserve consists of cash and cash equivalents and unutilized credit facilities. The Group aims to have sufficient cash resources to continue to act appropriately in case of unforeseen demands for liquidity.

The following table includes the contractually agreed cash flows (principal and interest) of the Group's financial liabilities in the corresponding time span.

The maximum amounts at risk for contingent consideration liabilities is EURk 54 (maximal contractual payments vs. carrying amount - 2022: EURk 179).

(in EURk)	Carrying amount	Contractual payments	< 1 year	1-5 years	> 5 years
2023					
Redemption amount of put-options	23,301	23,301	19,769	3,532	-
Contingent consideration liabilities	2,122	2,122	847	1,275	-
Borrowings from financial institutions	61,084	62,523	33,178	29,345	-
Lease liabilities	49,380	57,606	8,927	30,016	18,663[1]
Trade payables	8,441	8,441	8,441	-	-
Other	615	657	188	469	-
Total financial liabilities	**144,943**	**154,650**	**71,350**	**64,637**	**18,663**
2022					
Redemption amount of put-options	33,178	33,178	33,178	-	-
Contingent consideration liabilities	5,685	5,685	4,761	924	-
Borrowings from financial institutions	26,982	27,398	19,257	8,141	-
Lease liabilities	34,252	38,455	6,957	23,645	7,853
Trade payables	5,544	5,544	5,544	-	-
Other	770	810	210	587	13
Total financial liabilities	**106,411**	**111,070**	**69,907**	**33,297**	**7,866**

1 In 2023, Trifork Group installed its main Copenhagen office in Porten. The lease agreement has term of 12 years. Refer to Note 4.6.

NOTE 7.5

Financial risk management (continued)

The liquidity situation breaks down as follows as of the reporting date:

(in EURk)	2023	2022
Cash and cash equivalents	32,794	30,652
Treasury shares at market price	4,262	1,259
Committed credit lines	62,679	28,987
Borrowings from financial institutions	-61,084	-26,982
Total	**38,651**	**33,916**

Management considers capital resources and access to new credit facilities to be reasonable in relation to the current need for financial flexibility.
The Group is not subject to any collateral security other than deposits already paid and pledged shares of Nine A/S.

Credit risk

Credit risks arise from the possibility that the counterparty to a transaction may not be able or willing to discharge its obligations, thereby causing the Group to suffer a financial loss. These risks are primarily related to receivables, contract assets, cash and other financial assets. The management of credit risk is based on internal credit limits for customers and counter parties.

RECEIVABLES AND CONTRACT ASSETS

Trade receivables and contract assets are subject to active risk management. Doubtful accounts are assessed for impairment individually. Indications of possible impairment include significant financial difficulty or insolvency of the customer as well as situations where financial restructuring is probable or the customer has already defaulted. Due to the varied customer structure, there are no generally applicable credit limits across the Group. However, customers' creditworthiness is tested systematically, considering the financial situation, past experience and/or other factors. The likelihood of risk concentrations in this area is limited by the fact that the Group's customer base is broad, geographically diversified and spread across different business units.
The Group does not hold any specific collateral for trade receivables and contract assets as of year-end 2023 (2022: none).

Management does not expect any material losses from receivables and contract assets in excess of the allowances recognized. The maximum risk of default is the total carrying amount of the non-current financial assets and receivables set out in Notes 4.8 and 6.1. Note 6.1 contains disclosures on maturities, expected credit loss calculation and allowance development of trade receivables and contract assets.

CASH AND CASH EQUIVALENTS

Current bank balances are held exclusively with banks that have a solid credit rating. The risk of default is mitigated by maintaining business relationships with a number of banks and other financial institutions and by monitoring the credit risk continuously.

Capital management

Capital management at the Trifork Group focuses on safeguarding the Group's ability to long-term profitable growth and healthy development, generating an appropriate return for shareholders and optimizing financial ratios while considering cost of capital.

The Group can adjust the dividend payout, return capital to shareholders or issue new shares to reach these targets and increase or reduce external financing.

No adjustments or changes were made to the capital management objectives or policies in the reporting periods 2023 and 2022.

The Group uses equity ratio to monitor the capital structure. The equity ratio expresses shareholders' equity as a percentage of total capital. It is a long-term goal of the Trifork Group to keep a conservative self-financing ratio. Equity ratios as of 31 December are:

(in EURk)	2023	2022
Equity attributable to the shareholders of Trifork Holding AG	120,788	114,629
Total assets	304,263	249,274
Equity ratio	**39.7%**	**46.0%**

Further, Management reviews also net-debt-to-EBITDA-ratio for its financial leverage management. The net debt-to-EBITDA ratio is a debt ratio that shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant. Ratios as of 31 December are:

(in EURk)	2023	2022
Borrowings from financial institutions	61,084	26,982
Cash and cash equivalents	-32,794	-30,652
Net debt/(cash)	**28,290**	**-3,670**
Earnings before financial items, tax, depreciation and amortization	33,172	30,443
Net-debt-to-EBITDA-ratio (x)	**0.85x**	**-0.12x**

SECTION 8

Other disclosures

This section includes other disclosures required by IFRS Accounting Standards, but which are of secondary importance to the understanding of the financial performance of Trifork Group.

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NOTE 8.1

Related parties

Business relationships exist between Trifork Holding AG and its subsidiaries as well as members of the Executive Management. Furthermore, related parties include entities, in which the aforementioned circle of people have control, joint control or significant influence, associated companies and investments in Trifork Labs. The Executive Management of the Group was increased by one member as from 1 May 2023.

All business transactions with related parties are carried out at arm's length.

Group companies

An overview of consolidated subsidiaries is provided in Note 8.6. Transactions between Trifork Holding AG and its subsidiaries as well as between subsidiaries of the Group were eliminated in the consolidated financial statements.

Trifork A/S and Trifork AG are responsible for certain administrative and staff-related assignments for subsidiaries, associated companies and Labs investments, including IT-operations, maintenance, bookkeeping, a shared sales organization and management tasks. These assignments are invoiced at fixed prices to the related parties.

Remuneration of the Board of Directors and Executive Management

(in EURk)	2023	2022
Board of Directors		
Short-term benefits	416	390
Executive Management		
Short-term benefits	2,420	2,082
Share-based payments	987	575
Post-employment benefits	140	156
Total Executive Management	**3,547**	**2,812**
Total	**3,963**	**3,202**

Transactions with related parties

(in EURk)	Amounts owed by related parties	Services provided to related parties	Services received from related parties[1]	Leases from related parties	Assets sold to related parties	Assets acquired from related parties
2023						
Associated companies	1,025	511	-	-	-	-
Investments in Trifork Labs	6,073[2]	4,029	805	-	-	426
Executive Management	1,000	4	-	345	1,000	-
Total	**8,098**	**4,544**	**805**	**345**	**1,000**	**426**
2022						
Associated companies	576	468	-	-	-	-
Investments in Trifork Labs	1,872[2]	3,250	796	-	-	-
Executive Management	16	10	15	384	-	-
Total	**2,464**	**3,728**	**811**	**384**	**-**	**-**

1 Excluding remuneration of the Board of Directors and Executive Management.
2 In addition, Trifork A/S capitalized work-in-progress of EURk 191 (2022: EURk 639) for a project with an investment in Trifork Labs.

Disclosure of transactions and balances related to investments in Trifork Labs includes only those entities in which the Group has significant influence.

NOTE 8.2

Non-controlling interests

A. Acquisition of non-controlling interests

2023

The Group has acquired 60% of the shares in IBE, the remaining non-controlling interests were valued at the proportionate share of net assets acquired at EURk 685 at the acquisition date. As for 40% of the non-controlling interests a call/put-option agreement has been entered into, the Group has a contractual obligation to acquire additional shares (earliest in 2028, at estimated fair value) and therefore, the non-controlling interests subject to put-options are derecognized at each reporting date as if acquired. Liabilities from the put-option are measured at the present value of the redemption amount (EURk 3,532). These financial liabilities are remeasured at each reporting date and the resulting differences are recorded in retained earnings without any impact on the income statement.

Also, the Group acquired 0.7% of the shares in Erlang Solutions Ltd for EURk 315, in exchange for treasury shares. The total shareholding in the company is at 86.9%.

Further, the Group acquired 10% of the shares in Trifork Operations AG for EURk 0. The total shareholding in the company is at 100%.

Trifork Group acquired 20.0% of the shares in Nine A/S for EURk 17,646. The total shareholding in the company is at 90.0%.

Non-controlling interests of 5.0% in Trifork US Inc. were sold for EURk 45. The total shareholding in the company is at 95.0%.

2022

In two separate transactions in 2022, the Group acquired shares in Erlang Solutions Ltd for EURk 7,481 (8.1% and 11.9%). The total shareholding in the company is at 86.2%.
In the second quarter 2022, Erlang Solutions Ltd paid out a dividend based on the ownership as of the end of 2021. EURk 189 of dividend paid to the previous owners of the 8.1% stake acquired by the Group in the first quarter, was debited to retained earnings of the parent.
In the third quarter 2022, Erlang Solutions Ltd paid out a dividend based on the ownership as of the end of second quarter 2022. EURk 189 of dividend paid to the previous owners of the 11.9% stake acquired by the Group in the third quarter, was debited to retained earnings of the parent.

B. Disclosure of significant non-controlling interests

The Group companies Netic A/S, Aalborg (DK) and Nine A/S, Copenhagen (DK) which operate primarily in Denmark and are controlled by Trifork Group, have significant non-controlling interests.

As Trifork Group has grown continuously (2023: 12.4% / 2022: 16.7%), the relative non-controlling interests for Testhuset A/S reduced over time an become individually immaterial in 2023.

For non-controlling interests in Netic A/S, and Nine A/S put options exists. Therefore, Trifork has derecognized the non-controlling interests at the reporting date and accounts for the difference between the amount derecognized and the present value of the redemption liability for put-options in retained earnings.

(in EURk)	Nine A/S	Netic A/S	Testhuset A/S
2023			
Non-controlling interests[1]	10.0%	12.0%	n/a
Share of net income	1,274	118	n/a
Share of shareholders' equity[2]	1,549	953	n/a
2022			
Non-controlling interests[1]	30.0%	12.0%	18.6%
Share of net income	1,361	29	135
Share of shareholders' equity[2]	4,711	841	329

1 Voting rights equal capital share as per 31 December.
2 Non-controlling interests are subject to put-options, amount represents accumulated non-controlling interests prior to derecognition.

NOTE 8.2

Non-controlling interests (continued)

Condensed financial information of the respective companies, including goodwill and fair value adjustments recognized on acquisition of the Group companies, but before elimination of intercompany transactions:

	2023		2022		
(in EURk)	Nine A/S	Netic A/S	Nine A/S	Netic A/S	Testhuset A/S
Income statement					
Revenue	37,272	30,456	32,347	31,745	9,808
Net income	5,185	986	4,522	242	727
Total comprehensive income	**5,185**	**986**	**4,524**	**242**	**727**
Statement of financial position					
Current assets	14,772	6,730	12,255	5,909	2,477
Non-current assets	34,359	23,863	36,454	24,735	4,915
Total assets	**49,131**	**30,593**	**48,709**	**30,644**	**7,392**
Current liabilities	6,405	7,644	4,712	7,806	1,047
Non-current liabilities	3,009	9,325	4,023	10,076	519
Total liabilities	**9,414**	**16,969**	**8,735**	**17,882**	**1,566**
Net assets	**39,717**	**13,624**	**39,974**	**12,762**	**5,826**
Cash flow statement					
Cash flow from operating activities	7,230	5,159	7,484	2,019	157
Change in cash and cash equivalents	1,292	33	2,179	48	-627
Dividends paid to non-controlling interests	-1,610	-	-1,411	-161	-125

Other non-controlling interests are individually not material.

NOTE 8.3

Government grants

(in EURk)	2023	2022
Research and development - WBSO (NL)	328	326
Research and development expenditure credit (UK)	575	315
Others	-	81
Total government grants	**903**	**722**

Recognized in the income statement as:

(in EURk)	2023	2022
Personnel costs	328	326
Other operating income	575	396
Total government grants	**903**	**722**

NOTE 8.4

Fees to independent Group auditor

(in EURk)	2023	2022
Statutory audit	381	401
Audit related engagements	32	28
Total audit-related services	**413**	**429**
Tax consultancy	22	8
Total non-audit services	**22**	**8**
Total fees to independent Group auditor	**435**	**437**

NOTE 8.5

Events after the balance sheet date

The 2023 consolidated financial statements were reviewed by the Audit & Risk Committee on 27 February 2024 and approved and released for publication by the Board of Directors on 28 February 2024.

The financial statements are subject to approval by the Annual General Meeting scheduled for 19 April 2024.

NOTE 8.6

Trifork Group companies

Company[1]	Registered office	Activity		Share capital in local currency	2023	2022
Trifork A/S	**Aarhus, Denmark**	●●●	**DKK**	**18,000,000**	**100%**	**100%**
Netic A/S	Aalborg, Denmark	●●	DKK	500,000	88%	88%
Trifork Public A/S	Aarhus, Denmark	●●	DKK	737,000	100%	100%
Testhuset A/S	Ballerup, Denmark	●●	DKK	509,259	81%	81%
Trifork Smart Enterprise A/S	Copenhagen, Denmark	●●	DKK	500,000	100%	100%
SAPBASIS ApS	Ballerup, Denmark	●●	DKK	81,000	50%	50%
Trifork Smart Device ApS	Aarhus, Denmark	●●	DKK	158,335	70%	70%
Nine A/S	Copenhagen, Denmark	●●	DKK	500,000	90%	70%
CodeNode ApS[2]	Copenhagen, Denmark	●	DKK	40,000	100%	100%
Chapter 5 A/S	Copenhagen, Denmark	●●	DKK	680,000	100%	-
Trifork Security A/S[3]	Aalborg, Denmark	●●	DKK	400,000	88%	n/a
Duckwise ApS	**Aarhus, Denmark**	●●	**DKK**	**163,265**	**100%**	**100%**
Strongminds ApS	**Aarhus, Denmark**	●●	**DKK**	**300,000**	**100%**	**100%**
Trifork AG	**Schindellegi, Switzerland**	●●	**CHF**	**920,000**	**100%**	**100%**
Trifork Operations AG	**Schindellegi, Switzerland**	●●	**CHF**	**100,000**	**100%**	**90%**
Institut für Bildungsevaluation Zürich AG	**Zurich, Switzerland**	●●	**CHF**	**100,000**	**60%**	**-**
Vilea GmbH	**Zurich, Switzerland**	●●	**CHF**	**40,000**	**100%**	**100%**
Vilea Austria GmbH	Vienna, Austria	●●	EUR	35,000	100%	100%
Erlang Solutions Ltd.	**London, United Kingdom**	●●	**GBP**	**104,659**	**87%**	**86%**
Erlang Solutions AB	Stockholm, Sweden	●●	SEK	100,000	87%	86%
Erlang Solutions Inc.	Newcastle, USA	●●	USD	100	87%	86%
Erlang Solutions SP. Z O.O.	Krakow, Poland	●	PLN	5,000	87%	86%
Erlang Solutions Hungary Kft.	Budapest, Hungary	●	EUR	15,000	87%	86%
Trifork Ltd.	**London, United Kingdom**	●●	**GBP**	**1**	**100%**	**100%**
Open Credo Ltd.	London, United Kingdom	●●	GBP	1,522	100%	100%
Code Node Space & Events Ltd.	London, United Kingdom	●	GBP	100	100%	100%
The Perfect App Ltd.	London, United Kingdom	●	GBP	10,000	100%	100%
Trifork B.V.	**Amsterdam, Netherlands**	●●	**EUR**	**18,000**	**100%**	**100%**
Trifork Eindhoven B.V.	**Eindhoven, Netherlands**	●●	**EUR**	**1,000**	**100%**	**100%**
Trifork Academy Inc.	**San Francisco, USA**	●	**USD**	**3**	**100%**	**100%**
Trifork US Inc.[4]	**San Francisco, USA**	●●	**USD**	**1,000,000**	**95%**	**n/a**
Trifork Academy and Software Solutions SL	**Palma, Spain**	●	**EUR**	**3,000**	**100%**	**100%**
Trifork Smart Enterprise SL	Barcelona, Spain	●	EUR	3,000	-[5]	100%
Trifork Portugal LDA	**Lisbon, Portugal**	●	**EUR**	**5,000**	**95%**	**95%**
Trifork Academy Pty Ltd.	**Brisbane, Australia**	●	**AUD**	**120**	**100%**	**100%**
Trifork SPC[4]	**Muscat, Oman**	●●	**OMR**	**250,000**	**100%**	**n/a**
Trifork Germany GmbH	**Flensburg, Germany**	●	**EUR**	**25,000**	**100%**	**100%**
Trifork Labs AG	**Schindellegi, Switzerland**	●	**CHF**	**100,000**	**100%**	**100%**
Trifork Labs ApS	Aarhus, Denmark	●	DKK	367,647	100%	100%

● Software development
● Sales
● Service Company
● Academy
● Subholding company

1 List includes active companies only
2 Renamed from Agilo ApS
3 Spin-off from Netic A/S
4 Incorporated in 2023
5 Merged into Trifork Academy and Software Solutions SL

Bold - Directly held by Trifork Holding AG
Regular - Indirectly held subsidiaries

To the General Meeting of Trifork Holding AG, Feusisberg

Zurich, 28 February 2024
Ernst & Young Ltd

Report of the statutory auditor

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Trifork Holding AG and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (page 79 to 128) give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the consolidated financial statements.

Revenue recognition

Risk	The Group's revenues amounted to EUR 208 million as of 31 December 2023. The Group recognizes revenue from contracts with customers as disclosed in Note 2.2 of the consolidated financial statements. For certain contracts related to new service offerings, significant judgement is required to determine the appropriate accounting, including identifying performance obligations and the timing of the transfer of control of goods or services for each of those performance obligations. Due to the level of judgment involved in the revenue assessment and because revenue is material to the financial statements this matter was considered significant to our audit.
Our audit response	We assessed the Group's internal controls over revenue recognition and managements' process of evaluating the appropriate accounting for contracts with customers. We inspected a sample of new contracts and evaluated management's judgement in relation to identifying performance obligations and the timing of the transfer of control. We performed data analytics procedures and analyzed revenue trends month over month as well as year over year. Our audit procedures did not lead to any reservations regarding revenue recognition.

EY

Impairment of Goodwill

Risk

Goodwill represents 18% of the Group's total assets and 45% of the Group's total shareholders' equity as of 31 December 2023. As stated in Note 4.5 to the consolidated financial statements, goodwill is subject to an annual impairment test or whenever impairment indicators are present. The Group performed its annual impairment test of goodwill in the fourth quarter of 2023 and determined that there was no impairment. In determining the value in use of cash-generating units, the Group must apply judgment in estimating – amongst other factors – future net sales and EBITDA margins covering a 5-year period, long-term growth and discount rates. Due to the significance of the carrying amount of goodwill and the judgment involved in performing the impairment test, this matter was considered significant to our audit.

Our audit response

We assessed the Group's internal controls over its annual impairment test and key assumptions applied. We involved valuation specialists to assist in examining the Group's valuation model and in analyzing the underlying key assumptions, including long-term growth and discount rates. We evaluated the composition of management's cash flow forecasts and the process by which they were derived, including testing the mathematical accuracy of the underlying calculations. We assessed the assumptions regarding future net sales and EBITDA margins, historical accuracy of the Group's estimates and considered its ability to produce accurate long-term forecasts. We evaluated the sensitivity in the valuation resulting from changes to the key assumptions applied (e.g., CAGR net sales, average EBITDA margin) and compared these assumptions to market data. Our audit procedures did not lead to any reservations concerning the impairment test for goodwill.

Valuation of investments in Trifork Labs

Risk

Investments in Trifork Labs amounted to EUR 70 million as of 31 December 2023. As described in Note 5.1 to the consolidated financial statements, investments in Trifork Labs are accounted for at fair val-ue through the income statement. The fair value of Level 3 invest-ments is determined using discounted cash flow models or valuations derived from recent transactions. For certain such Level 3 invest-ments, significant estimates and judgements are required to deter-mine the valuation and the timing of the fair value adjustments. Due to the significance of the carrying amount of investments in Trifork Labs and the level of judgment involved in the overall fair value measurement, this matter was considered significant to our audit.

Our audit response

We evaluated the Trifork Labs valuation process through walkthrough procedures and assessing underlying controls to determine managements' process of identifying and recording fair value adjustments. We obtained the valuation reports prepared by management and tested them against recent transactions or contracts. For investments which are valued by using the discounted cash flow model we performed procedures to evaluate the valuation model applied as well as the projected financial information used for the valuation, including comparing it to budgeted information presented to the Board of Directors. Our audit procedures did not lead to any reservations regarding the valuation of the investments in Trifork Labs.

EY

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Swiss law, ISA and SA-CH 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 consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Tobias Meyer
Licensed audit expert
(Auditor in Charge)

Nicole Meister
Licensed audit expert

10

TRIFORK HOLDING AG

Financial Statements 2023

MANAGEMENT REVIEW

2023 - Reaching out to new markets

Trifork Holding AG is the parent company of Trifork Group. Its purpose and activities are the holding of the investments (Group companies) and to manage respective cash flows.

After the consolidating its investment portfolio in 2022, Trifork Holding AG focused itself to lay grounds for further growth of the Trifork Group in new markets and offerings. It invested in new operational subsidiaries in the US and in the Oman and acquired a Swiss company specialized in online learning and testing platforms.

The main events for Trifork Holding AG in 2023 were the following:

- Acquisition of 60% of the shares in Institut für Bildungsevaluation Zürich AG (IBE) in January.
- Acquisition of 0.7% of the shares of Erlang Solutions Ltd. in Summer, bringing the total shareholding to 86.7%
- Own local operation subsidiared in the US (Trifork US Inc.) and Oman (Trifork SPC)
- Launch of a share buyback program in November

From a financial perspective, the highlights of the Company were as follows:

- Dividend income of CHFm 6.2 from subsidiaries in all relevant areas
- Gain from sale of (rights to) investments of CHFm 1.4
- Net income for the year of CHFm 2.8
- Acquisition of shares in investments for CHFm 4.0 and earn-out payment of CHFm 0.7 (of which CHFm 0.3 paid in treasury shares)
- As of 31 December 2023, shareholders' equity is at CHFm 101.0
- Dividend paid to the shareholders Trifork Holding AG in the amount of CHFm 2.7 (CHF 0.14 per share)

(Due to its nature, the Company has the ability to direct the cash flows to and from its investments.)

Following dialogue with the Danish Financial Supervisory Authority, Trifork Holding AG ("the Company") has been given dispensation to provide the separate financial statements for 2023 prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and additional requirements according to the Danish Financial Statements Act ("Separate Financial Statements") and therefore, the Company provides its statutory financial statements.

The statutory financial statements of Trifork Holding AG are prepared in accordance with the requirements of the Swiss Code of Obligations ("Swiss GAAP") and are submitted to the Annual General Meeting for approval. The statutory financial statements are the basis for decisions on dividend distributions and for assessing the Company's compliance with legal requirements related to equity.

Reconciliation of the parent financial statements

In order to provide a comprehensive understanding for the statutory financial statements, an overall illustrative comparison is presented to separate financial statements prepared in accordance with IFRS Accounting Standards as issued by the IASB and additional requirements as per the Danish Financial Statements Act.

(in CHFk)	Net income 2023 according to the statement of income	Total assets as of 31 December 2023 according to the statement of financial position	Total shareholders' equity as of 31 December 2023 according to the statement of financial position
Separate financial statements as per Swiss GAAP	2,770	117,139	101,020
Difference in accounting for net unrealized foreign exchange gains	193	-	530
Separate financial statements as per IFRS Accounting Standards as issued by IASB and additional requirements according to the Danish Financial Statements Act	**2,963**	**117,139**	**101,550**

As it appears from the above there is very limited monetary differences in the reported primary financial statements to IFRS Accounting Standards as issued by the IASB and consequently to Danish GAAP.

Furthermore, the parent financial statements prepared in accordance with IFRS Accounting Standards as issued by the IASB and additional requirements as per the Danish Financial Statements Act would include a cash flow statement as required by IFRS Accounting Standards as issued by the IASB and certain other additional disclosures compared to the parent financial statements issued in accordance with Swiss GAAP.

Contents

Financial statements

Income Statement

for the year ended 31 December

(in CHFk)	Notes	2023	2022
Dividend income		6,176	4,075
Other financial income	1	1,306	455
Gain from sale of investments	4	1,434	1,279
Total income		**8,916**	**5,809**
Impairment of investments and loans		-1,645	-
Administrative expenses	2	-2,377	-2,320
Financial expenses	3	-606	-189
Result on foreign exchange		-1,518	-1,308
Total expenses		**-6,146**	**-3,817**
Earnings before tax		**2,770**	**1,992**
Income tax		-	-
Net income		**2,770**	**1,992**

Statement of Financial Position

for the year ended 31 December

(in CHFk)	Note	2023	2022
Cash and cash equivalents		3,220	2,162
Other current receivables			
- from third parties		61	55
- from investments		9	125
Loans to investments		5,088	-
Accruals		29	26
Total current assets		**8,407**	**2,368**
Investments	4	85,343	80,676
Loans to investments		23,389	27,459
Total non-current assets		**108,732**	**108,135**
ASSETS		**117,139**	**110,503**
Interest-bearing current liabilities			
- to third parties		2,693	1,283
- to investments		5,557	-
Other current liabilities			
- to third parties		17	8
- to investments		1,573	426
Accrued liabilities and deferred income		528	513
Total current liabilities		**10,368**	**2,230**
Interest-bearing non-current liabilities		5,751	3,583
Total non-current liabilities		**5,751**	**3,583**
Total liabilities		**16,119**	**5,813**
Share capital	5	1,974	1,974
Capital contribution reserve	8	21,237	23,928
Other capital reserve		21,861	21,861
General legal reserve		410	410
Retained earnings		60,935	58,250
Treasury shares	9	-5,397	-1,733
Shareholders' equity		**101,020**	**104,690**
LIABILITIES AND SHAREHOLDERS' EQUITY		**117,139**	**110,503**

Statement of Changes in Shareholders' Equity

for the year ended 31 December

(in CHFk)	Share capital	Capital contri-bution reserve	Other capital reserve	General legal reserve	Retained earnings	Treasury shares	Total equity
1 January 2022	**1,974**	**23,928**	**21,861**	**410**	**64,070**	**-1,082**	**111,161**
Net income	-	-	-	-	1,992	-	1,992
Dividends	-	-	-	-	-7,785	-	-7,785
Transactions with treasury shares	-	-	-	-	-27	-651	-678
31 December 2022	**1,974**	**23,928**	**21,861**	**410**	**58,250**	**-1,733**	**104,690**
Net income	-	-	-	-	2,770	-	2,770
Dividends	-	-2,691	-	-	-	-	-2,691
Transactions with treasury shares	-	-	-	-	-85	-3,664	-3,749
31 December 2023	**1,974**	**21,237**	**21,861**	**410**	**60,935**	**-5,397**	**101,020**

Notes to the Financial Statements

Company information

Trifork Holding AG ("the Company") is incorporated in Switzerland with its registered offices at Neuhofstrasse 10, 8834 Schindellegi (Feusisberg).

The Company is the parent company of Trifork Group. The registered shares of the Company are traded on the NASDAQ Copenhagen.

§ Accounting policies

General

These financial statements are prepared in accordance with Swiss law (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

Investments

Investments in subsidiaries are recognised and measured at cost. Dividend is recognised as income when the right is finally obtained.
The carrying amount of investments in subsidiaries is examined at the balance sheet date in order to determine if there is any indication of impairment.

Loans to investments

Loans granted in foreign currency are measured at the exchange rate prevailing as of the reporting date.

Interest-bearing liabilities

Interest-bearing liabilities are measured at their nominal value. Maturities of less than one year are disclosed as current liabilities, while those longer than one year are disclosed as non-current liabilities.
Interest-bearing liabilities in foreign currencies are measured at the exchange rate prevailing as of the reporting date.

Treasury shares

As of the time of acquisition, treasury shares are recognized as a deduction of shareholders' equity measured at initial cost. In case of a later divestment the gain or loss is recognized in retained earnings in accordance with the FIFO principle.

Principle of imparity

For long-term financial assets and liabilities, unrealized foreign exchange losses are recognized in the income statements while unrealized foreign exchange gains are deferred.

Non-disclosure of the cash flow statement and additional notes information

Trifork Holding AG prepares consolidated financial statements in accordance with generally accepted accounting standards (IFRS Accounting Standards). Therefore, and following the legal requirements, it does not present a statement of cash flows or notes with regard to interest-bearing liabilities and audit fees.

Update of presentation

To improve the comprehensibility for the readers, the presentation of the income statement has been revised. Comparable information and notes have been updated accordingly.

NOTE 1

Other financial income

(in CHFk)	2023	2022
Interest income		
- from third parties	32	-
- from investments	1,274	455
Total other financial income	**1,306**	**455**

NOTE 2

Administrative expenses

(in CHFk)	2023	2022
Board of Director fees	-404	-392
Management fees from investments	-894	-809
Consultancy services		
- from third parties	-371	-631
- from investments	-383	-189
Others	-325	-299
Total administrative expenses	**-2,377**	**-2,320**

NOTE 3

Financial expenses

(in CHFk)	2023	2022
Interest expenses		
- to third parties	-400	-74
- to investments	-113	-12
Fees to financial institutions	-93	-103
Total financial expenses	**-606**	**-189**

NOTE 4

Investments

The list of Group companies held directly and indirectly by Trifork Holding AG with the percentage of the capital share/voting rights is included in the consolidated financial statements of Trifork Group in Note 8.6.

In 2023, Trifork Holding AG received an earn-out payment for its sale of the interest in Programmable Infrastructure Solutions AG, Schindellegi (Switzerland) of CHFk 831. Further, it has sold its right to receive new shares in the reorganized Container Solutions Group to Trifork Labs ApS for CHFk 603.

In 2022, Trifork Holding AG has sold its interest in Programmable Infrastructure Solutions AG, Schindellegi (Switzerland), realizing a net gain of CHFk 1,279 (2021: 19.5%).

NOTE 5

Share capital

The share capital of CHFk 1,974 (2022: CHFk 1,974) consists of 19,744'899 (2022: 19'744'899) registered shares with a par value of CHF 0.10 (2022: CHF 0.10) each.

The share capital is fully paid up. The shares are registered under ISIN: CH1111227810.

All shares have identical rights and there is only one share class.

NOTE 6

Capital band

The General Meeting of 12 April 2023 authorized the Board of Directors to increase the share capital registered in the commercial register within a certain range, namely up to a maximum of 107% (upper limit), or to reduce it to a maximum of 95% (lower limit). The authorization is limited to five years.

The Board of Directors is entitled to exclude shareholders' subscription rights under the capital band in the course of capital increases.

With the authorization to the Board of Director with respect to the capital band the authorized capital was cancelled.

NOTE 7

Conditional capital

The extraordinary General Meeting as of 19 December 2019 authorized the conditional capital by a maximum amount of CHFk 50 by issuing a maximum of 500,000 registered shares with a par value of CHF 0.10 each, to be fully paid up, excluding shareholders' subscription rights.

NOTE 8

Dividend

The Annual General Meeting of 12 April 2023 approved a dividend of CHF 0.14 per registered share to be paid from the capital contribution reserve. The dividend of CHFk 2'691, was paid out on 17 April 2023.

The Annual General Meeting of 20 April 2022 approved a dividend of CHF 0.39 per registered share to be paid from the retained earnings. The dividend of CHFk 7,785 was paid out on 22 April 2022.

NOTE 9

Treasury shares

	Units	Total amount (in CHFk)
1 January 2022	**45,019**	**1,082**
Acquisitions	30,000	872
Conversion of RSU	-10,010	-194
Result from transactions with treasury shares transferred to retained earnings		-27
31 December 2022	**65,009**	**1,733**
Acquisitions	202,964	3,589
Share buy-back program	70,047	949
Disposals	-15,970	-307
Conversion of RSU	-19,506	-482
Result from transactions with treasury shares transferred to retained earnings		-85
31 December 2023	**302,544**	**5,397**

NOTE 10

Full time equivalents

Trifork Holding AG does not have any employees (2022: 0).

NOTE 11

Guarantees

Trifork Holding AG issued guarantees in favor of financial institutions to cover the interest-bearing liabilities of Group companies of CHFk 31,481 as per 31 December 2023 (2022: CHFk 8,779).

Trifork Holding AG subordinated loans to Group companies in the amount CHFk 4,237 (2022: CHFk 2,127), of which CHF 1,555 (CHFk 0) are impaired.

NOTE 12

Pledged assets

To secure interest-bearing liabilities CHFk 8,331 as of 31 December 2023, the company negatively pledged its assets until full amortization of the loan (2022: CHFk 4,441)

NOTE 13

Significant shareholders

The following shareholders reported an interest of 5% or more (directly and/or indirectly) in the share capital of Trifork Holding AG, as recorded in the commercial register as of the reporting date:

	2023	2022
Jørn Larsen	19.8%	19.7%
Ferd AS	10.2%	10.0%
Kresten Krab Thorup[1]	6.6%	6.6%
Chr. Augustinus Fabrikker A/S[1]	5.1%	5.1%

1 As per company announcement #15/2021 as of 27 May 2021

NOTE 14

Interests held by the members of the Board of Directors and Executive Management

	2023			2022		
	Number of registered shares as of 31 December	Number of restricted share units (RSU) as of 31 December	(Potential) share of voting rights	Number of registered shares as of 31 December	Number of restricted share units (RSU) as of 31 December	(Potential) share of voting rights
Julie Galbo (Chairperson)	4,190	-	0.0%	4,190	-	0.0%
Olivier Jaquet (Vice-Chairperson)	64,145	-	0.3%	64,145	-	0.3%
Maria Hjorth (Member)	3,940	-	0.0%	3,940	-	0.0%
Christoffer Holten (Member)[1]	n/a	n/a	n/a	2,000	-	0.0%
Casey Rosenthal (Member)	3,031	-	0.0%	2,058	-	0.0%
Jørn Larsen (CEO)	3,918,627	47,516	20.1%	3,880,868	28,224	19.8%
Kristian Wulf-Andersen (CFO)	238,237	31,676	1.3%	230,616	18,848	1.3%
Morten Gram (CRO)[2]	52,963	-	0.3%	n/a	n/a	n/a

1 Member until 12 April 2023
2 From 1 May 2023

NOTE 15

RSU granted in the reporting period

RSU on registered shares of Trifork Holding AG are granted as part of the performance-related variable compensation for members of Executive Management. Each RSU is associated with the right to convert into one share. The RSU were valued at the share price at grant date and conversion of the RSU depends upon the vesting conditions being met (e.g. ongoing employment):

	Number	Value (in CHFk)
2023	51,146	1,138
2022	27,050	798

The RSU granted are recognized through profit or loss over the vesting period in the Group company that is the contractual employer of the respective member of Executive Management.

NOTE 16

Fees to independent Group auditor

(in CHFk)	2023	2022
Statutory audit	153	184
Audit related engagements	25	28
Total audit-related services	**178**	**212**
Tax consultancy	10	4
Total non-audit services	**10**	**4**
Total fees to independent Group auditor	**188**	**216**

NOTE 17

Events after the balance sheet date

The 2023 financial statements were re-viewed by the Audit & Risk Committee on 27 February 2024 and approved and released for publication by the Board of Directors on 28 February 2024.

The financial statements are subject to approval by the Annual General Meeting scheduled for 19 April 2024.

Proposal of the Board of Directors for the appropriation of the capital contribution reserve and the of retained earnings

(in CHFk)	2023
Capital contribution reserve	
Balance carried forward from prior year	23,928
Payout	-2,691
Capital contribution reserve as of 31 December 2023	**21,237**
Payout proposed (dividend)	-2,100
Balance carried forward to new account of the capital contribution reserve	**19,137**
Retained earnings	
Balance carried forward from prior year	58,250
Net income	2,770
Transactions with treasury shares	-85
Retained earnings at the discretion of the General Meeting	**60,935**
Dividend proposed	-
Balance carried forward to new account of the retained earnings	**60,935**

The Board of Directors proposes to pay a dividend of EUR 0.10 gross per share (payout of capital contribution reserve). Applying the currency exchange rate as per 31 December 2023, it results in a total dividend amount of CHFk 1,828. To anticipate a potential impact of exchange rate fluctuations until the AGM, the Board of Directors proposes a maximum dividend of CHFk 2,100.
(The CHF amount will be determined by applying the exchange rate at the date of the AGM.)

The total dividend amount payable depends on the number of treasury shares held on the record date as treasury shares are not eligible for dividends.

To the General Meeting of Trifork Holding AG, Feusisberg

Zurich, 28 February 2024
Ernst & Young Ltd

Report of the statutory auditor

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Trifork Holding AG (the Company), which comprise the statement of financial position as at 31 December 2023, the income statement, the statement of changes in shareholders' equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 135 to 142) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards 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 provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the financial statements.

Valuation of investments

Risk	As of 31 December 2023, investments represented 73% of the Company's total assets and amounted to CHF 85 million. Investments are valued at cost on an individual basis in accordance with the Swiss Code of Obligations. Due to the significance of the carrying amount of the investments and the judgment involved in the assessment of the valuation of certain investments, this matter was considered significant to our audit.
Our audit response	Depending on the Company's valuation approach, we examined the Company's valuation assessment including underlying key assumptions or performed our own calculations. We also assessed the historical accuracy of the Company's estimates and considered its ability to produce accurate long-term forecasts for certain investments. Our audit procedures did not lead to any reservations regarding the valuation of investments.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information 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 the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors 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, the Board of Directors 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 unless the Board of Directors 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 Swiss law and SA-CH 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.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Furthermore, we confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Tobias Meyer
Licensed audit expert
(Auditor in Charge)

Nicole Meister
Licensed audit expert

Ratios and Key Figures

The financial highlights have been prepared on the basis of the CFA Society Denmark "Recommendations & Ratios", using the following definitions:

EBITDA margin

$$\frac{\textit{Earnings before financial items, taxes, depreciation and amortization x 100}}{\textit{Revenue}}$$

EBITA margin

$$\frac{\textit{Earnings before financial items, taxes, and amortization x 100}}{\textit{Revenue}}$$

EBIT margin

$$\frac{\textit{Earnings before financial items and taxes x 100}}{\textit{Revenue}}$$

Free cash flow

Cash flow from operations – Capex

Equity ratio

$$\frac{\textit{Equity excl.NCI x 100}}{\textit{Total assets}}$$

Return on equity

$$\frac{\textit{Net income excl.NCI x 100}}{\textit{Average equity excl.NCI}}$$

Basic earnings per share (EPS basic)

$$\frac{\textit{Net income excl.NCI x 100}}{\textit{Average number of shares outstanding}}$$

Diluted earnings per share (EPS diluted)

$$\frac{\textit{Net income excl.NCI x 100}}{\textit{Average number of shares diluted}}$$

Dividend yield

$$\frac{\textit{Dividend x 100}}{\textit{Net income excl.NCI}}$$

Net-debt-to-EBITDA-ratio

$$\frac{\textit{Interest-bearing debt - cash and cash equivalents}}{\textit{Earnings before financial items, taxes, depreciation and amortization}}$$

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TRIFORK GROUP

Structure

- **Trifork Holding AG**
  - 100.0% Trifork A/S
    - 100.0% Chapter 5 A/S
    - 100.0% CodeNode ApS
    - 88.0% Netic A/S
    - 90.0% Nine A/S
    - 81.4% Testhuset A/S
    - 100.0% Trifork Public A/S
    - 88.8% Trifork Security A/S
    - 70.0% Trifork Smart Device ApS
    - 100.0% Trifork Smart Enterprise A/S
    - 50.1% SAPBasis ApS
    - 50.0% Bookingplatform ApS
  - 100.0% Duckwise ApS
  - 100.0% Strongminds ApS
  - 100.0% Trifork AG
  - 100.0% Trifork Operations AG
  - 60.0% IBE AG
  - 100.0% Vilea GmbH
    - 100.0% Vilea Austria GmbH
  - 86.9% Erlang Solutions Ltd.
    - 100.0% Erlang Solutions Hungary Kft.
    - 100.0% Erlang Solutions AB
    - 100.0% Erlang Solutions Inc.
    - 100.0% Erlang Solutions SP
  - 100.0% Trifork Ltd.
    - 100.0% OpenCredo Ltd.
    - 100.0% Code Node Ltd.
    - 100.0% The Perfect App Ltd.
  - 100.0% Trifork B.V
  - 100.0% Trifork Eindhoven B.V
  - 100.0% Trifork Academy Inc.
  - 95.0% Trifork US Inc.
  - 100.0% Trifork Academy and Software Solutions SL
  - 95.0% Trifork Portugal LDA
  - 100.0% Trifork Academy Pty Ltd.
  - 100.0% Trifork SPC
  - 100.0% Trifork Germany GmbH
  - 100.0% Trifork Labs AG
    - 100.0% Trifork Labs ApS
      - 25.0% &Money ApS
      - 41.0% Appdictive ApS
        - 15.0% Frameo ApS
      - 47.1% Arkyn Studios Ltd.
      - 21.4% AxonIQ B.V
      - 9.8% C4Media Inc.
      - 6.2% Container Solutions Group
      - 32.6% Dawn Holding ApS
      - 40.0% Develco A/S
      - 21.8% Dryp A/S
      - 28.0% ExSeed Ltd.
      - 20.0% Fauna ApS
      - 5.0% Feats ApS
      - 0.1% Implantica AG
      - 23.0% Ossmo ApS
      - 5.4% Promon A/S
      - 25.0% TSBone ApS
      - 35.7% TSBThree ApS
      - 15.1% Unhaze ApS
      - 22.7% Upcycling Forum ApS
      - 28.0% Visikon ApS
      - 20.0% XCI Holding A/S
      - 2.2% Youandx.com ApS
    - 10.6% Bluespace Ventures AG*

Trifork subsidiary

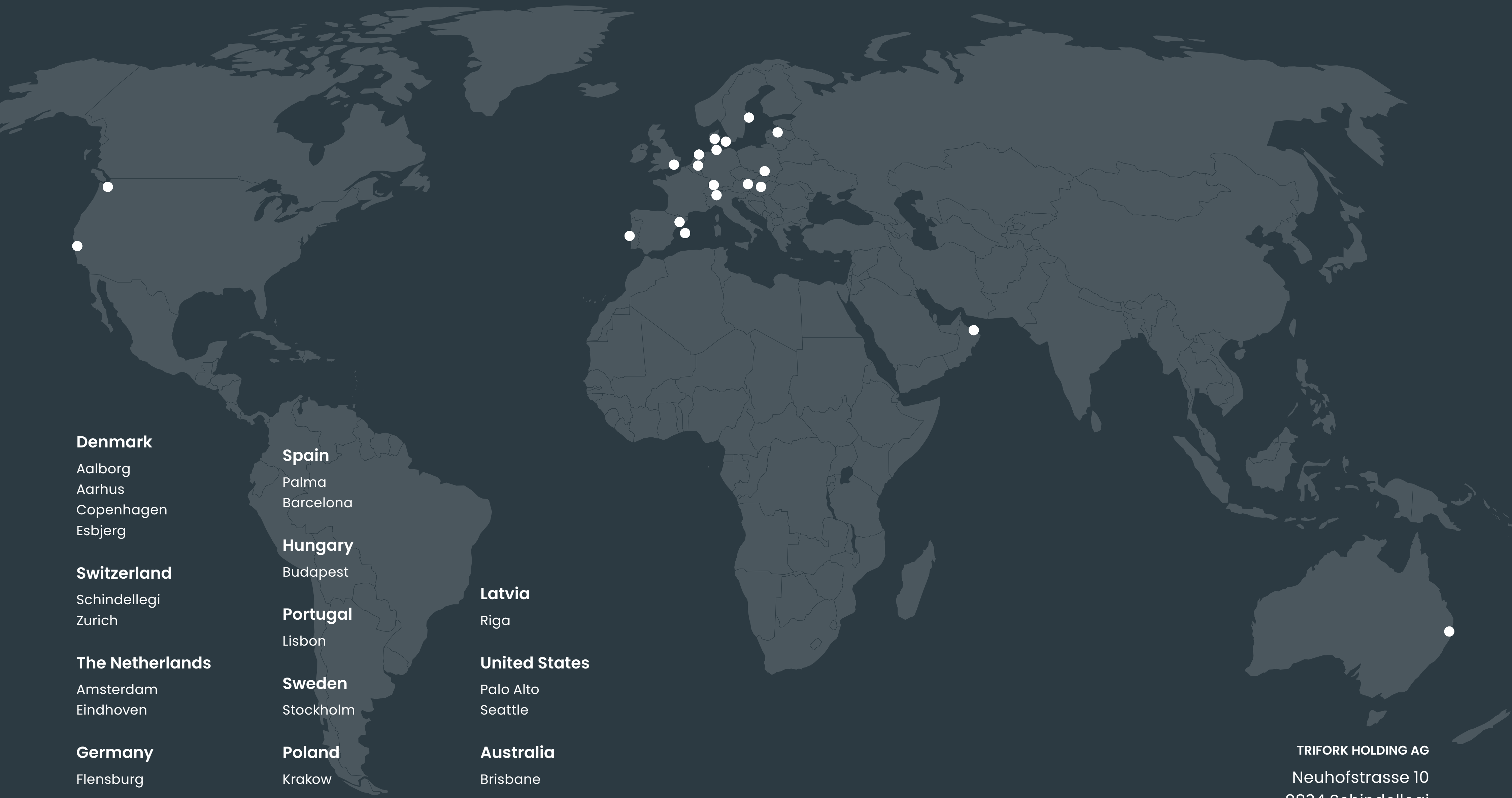
Trifork associated

Trifork Labs subsidiary

Trifork Labs investment (fully impaired investments are excluded)

* Trifork Labs AG will invest a second tranche bringing the ownership ratio to 14.3%

TRIFORK.
...think software



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Aarhus
Copenhagen
Esbjerg

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Schindellegi
Zurich

The Netherlands
Amsterdam
Eindhoven

Germany
Flensburg

Austria
Vienna

Spain
Palma
Barcelona

Hungary
Budapest

Portugal
Lisbon

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