ANNUAL REPORT 2021

# Driving tech innovation

# Contents

LETTER OF THE CEO

# 2021 - driving tech innovation. Digitalization more important than ever

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2021 already seems far away. At Trifork, we look to the future and how we can change it for the better.

The world faces many challenges and one of them is the dying coral reefs around the world. This year, we decided to support the Elkhorn Marine Conservatory which is an organization that actively restores dying reefs. With our sailing program, we make people aware of challenges the marine life is facing. We are appealing to other companies and governments to have or support programs that help restore wild life and a healthy environment in the seas.

2021 was the second year where Covid turned our lives upside down. First, it meant that our colleagues, to a large degree, still were forced to work from home. For some, remote work can be a good thing. For others, it can be very stressful and can lead to less exercise, unhealthy eating habits, and lack of socialization. Being cut off from our normal social life with colleagues can also stress the corporate culture. However, our many leaders and colleagues are doing everything in their power to counter this problem, and I would like to express my gratitude to everyone for this great effort. I do not envision things going back to where they were but I believe that we will grow stronger from this experience, and the future for Trifork will be a combination of remote working and working from our offices. The difference between 2020 and 2021 is that it will be  voluntary and based on the terms of our work and health.

Digital transformation has seen a strong acceleration in the past two years and is currently more important than ever. This I see as a good thing. Software should be for the people and there is a lot of work ahead to improve the user experience and safety of software. I see too much tracking of people in modern systems. We like to be a company that helps balance safety, security, good ethics, and nice user experience. Smart digital solutions are an important tool to fight global problems, and together with our customers we do this every day. An example from 2021 is our Bane Denmark case story. Here, we worked with our customer and our lab company Arkyn Studios to create tools for improving the quality, safety, effectiveness, and user experience for maintenance of the Danish railroad infrastructure.

At Trifork, we care deeply about the solutions we develop and we innovate with our customers to improve the happiness of the users and the effectiveness of our customers' businesses.

This, I believe, is why we have experienced accelerated growth in 2021 and, once again, have been able to increase both revenue and profit. This time to EURm 158.5 in revenue, equal to 37.4% growth compared to 2020, with more than half of the growth being organic. Since 2007, where we started our reporting according to IFRS, this has given us a CAGR of 24.1% and makes us comfortable in maintaining our mid-term guidance of 15-25% annual growth. Overall, we saw the highest growth in the Danish Public sector and in the UK FinTech sector. In the fourth quarter of 2021, we experienced strong organic growth which we have seen continue in the beginning of 2022.

**We believe that Trifork fit in a changing world and that changes are fuel for our organization. There will be a constant need for innovation and digitalization and for us to create solutions using new and smarter technologies**

In 2021, we achieved a record-high EBIT of EURm 35.6 in the Trifork Group. This was supported by increase in the Trifork segment as well as the positive effect from the deconsolidation of our Dawn Health business unit.

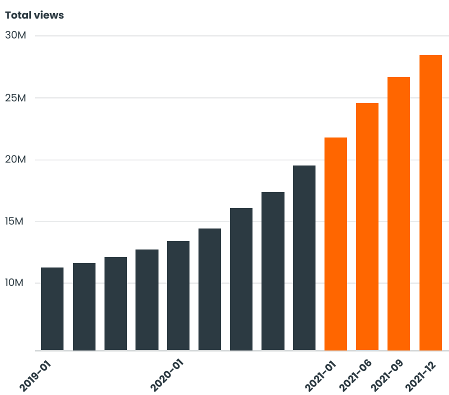
In May 2021, we completed a successful IPO on OMX Nasdaq Copenhagen, and Trifork once again is a publicly listed company. We are very happy to have welcomed more than 7,000 new investors from all over the world and to enjoy all the dialogues with them at investor meetings and presentations. Being very close to our investors and being able to present them to our story and uniqueness is very important to us. The IPO also added a lot of Trifork colleagues to our investor base. I highly value that they all have the opportunity to become a partner and co-owner of Trifork.

At the end of the year, Trifork, as the rest of the world, also experienced the latest impact of the Omicron mutation of the Covid-virus that caused many employees to become infected or forced them to stay in quarantine. The way we are organized and work in most cases allows us to be just as effective when working from remote locations, and this has limited the negative impact on our performance. Our total sick leave in 2021 was still only 2.4%. I am impressed by our colleagues' energy and ability to stay engaged, keep the spirit high, and deliver quality work under these conditions. They are the heroes behind our current success, and we look forward to welcoming everyone back in the offices in 2022. At the end of 2021, and despite the deconsolidation of Dawn Health, we had 950 employees, compared to 828 at the end of 2020.

Most of our customers now have learned and adapted to the fact that we can deliver great quality software from remote locations and in some cases, we even see higher efficiency on our deliveries. That being said, we still think that some processes like e.g., design-thinking inspirational workshops are best when conducted in person, and we look forward to speeding up innovation with our customers in 2022.

Despite the lockdowns, we managed to complete two in-person GOTO conferences in June and November. It was very nice to see so many enthusiastic and happy attendees joining in real life – they seemed to have missed the conferences a lot. With the latest release of restrictions in many countries, we now trust that things will normalize a little bit more so that we can plan more conferences in 2022. We expect to welcome our audience back again in Amsterdam, Copenhagen, and London. Our YouTube tech channel continues the exponential growth, now (Mar/22) totalling more than 30 million views and being one of the largest in the world.

**GOTO YouTube channel**




The tragic invasion of Ukraine is affecting everyone. Trifork does not have any direct business with or in Russia or Ukraine but we have around 10 colleagues who are either of Russian or Ukrainian decent. Our thoughts go to them and their families. We will support them the best we can and hope this aggression and war will be stopped as soon as possible. We also support some of the humanitarian organizations that are engaged in Ukraine and urge all our employees to do this as well. So far, the war has not had any direct influence on our business. However, if it continues and escalates there will be a risk of a negative effect.

**The world will continue to change and challenge us to inspire our customers to innovate by digitalization**

In 2021, we have continued to support and inspire our FinTech customers to increase performance and implement new solutions and, overall, this business area has grown by 40% compared to 2020.

With the Trifork Labs co-founding and investing in three new FinTech start-up companies (&Money, Kashet and ComplyTeq), we are in a position where we can empower innovation to future digital FinTech solutions. This gives a lot of energy and we look forward to doing this even more in the future.

Trifork continues our strong focus on innovating new solutions within Digital Health. In 2021, we delivered the critical infrastructure needed to handle the Covid-19 vaccination effort and the Corona passport in Denmark. We completed the delivery of a digital sign-up solution for electronic health journals for citizens in Switzerland. We implemented a digital version of the pregnancy record used by all pregnant women. We engaged in a strong partnership with BørneRiget – a brand new Children's Hospital in Copenhagen, setting new standards for how to treat children and their parents. Trifork also joined a worldwide consortium for a 5-year research project (Gravitate Health) that aims to make medicine information more accessible and understandable for patients.


In 2016, we co-founded Dawn Health with an ownership of 50.4% as a consolidated company aimed at creating solutions for MedTech and Pharma companies. The ambition was to save lives by bringing together research, care, and technology. In the last five years, the company has worked closely together with other Trifork Digital Health business units and has managed to deliver very impressive solutions. Dawn Health is now a frontrunner in providing software as a medical device (SaMD) and we believe that the company can soon become a certified legal manufacturer. In November 2021, we invited new investors with considerable Pharma expertise to join us as partners in accelerating the development of the company. They provided DKKm 130 in new funding to expand the global footprint and accelerate revenue growth. As a consequence, our ownership was diluted to 32.6% and we deconsolidated Dawn Health, which we now consider one of our fast-growing Labs companies. The direct effect on our financials was an income of EURm 22 on Trifork Group EBITDA.

The construction of our first smart-building (TSBOne) was a little delayed due to the supply chain challenges for building materials but the building has now been constructed. We expect to implement all the technology within the next six months and be able to move in sometime in 2022. In the beginning of 2022, we also launched a new smart-building (TSBThree) based on the same concept as the first one. This building will be a part of the Water Valley in Aarhus, where we will join Aarhus Vand and other companies in developing new water technologies that can help improve our environment.

In June 2021, we acquired the Swiss company Vilea. Vilea and all their great employees was so close to our DNA that they immediately fitted in as a new business unit and started collaboration with other business units. Vilea is one of the market leaders in Switzerland to develop Smart Enterprise solutions, and they currently deliver to both the aviation and the building industries. In October 2021, we acquired the small Danish company Strongminds that shares our commitment to deliver solid software craftsmanship, where high quality and the use of new technologies, tools and methods are key. With Strongminds as a new business unit in the Trifork family, we not only get a handful of very skilled employees and an engaged founder as business unit lead, we also gain additional specialist knowledge within cloud technology, as well as new public and private customers.

Trifork Labs continued the active investment strategy with both exits (Humio) and investments in new and existing start-up companies. Besides the investments in FinTech start-ups, we also invested in Visikon and Exseed Health (Digital Health), Dryp, Upcycling Forum and TSBThree (Smart Building) and Arkyn (Smart Enterprise). In January 2022, Trifork Labs invested in the companies Promon (Cyber Protection) and Feats. Promon with their App shielding product fits into our strategy about increasing services to help protect our customers against cybercrime and hacking, and we look forward to working closely together with Promon. In Feats, we see a startup that is pioneering a way for companies like us to give their employees real and visible credit for the work and the solutions they help bring to life. This is something that we like to support, and we believe it will be very important in the future.

**Our organization of small empowered agile teams continue to show resilience and ability to grow and delivering quality software**

Trifork is still net cash positive, and we will continue our M&A strategy and work on more acquisitions in 2022. No effect from potential new acquisitions is included in the current guidance for 2022. In 2022, Trifork target total revenue of EURm 175-180, Trifork Segment adj. EBITDA of EURm 39.5-32.0 and Trifork Group EBIT of EURm 15.5-18.0.

Jørn Larsen
CEO, Trifork Group

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# Key figures & main events

## TRIFORK GROUP

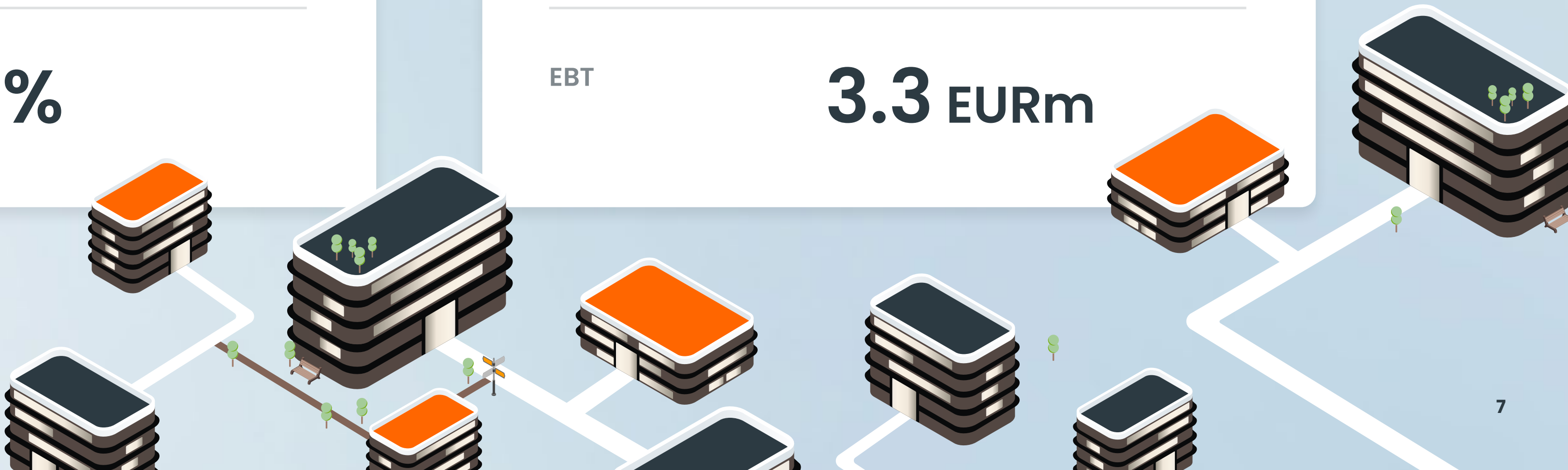
| 36 EURm | 34 EURm | 950 | 58 |
|---|---|---|---|
| EBIT | Net income | Employees (headcount) | Business Units |

## TRIFORK SEGMENT

| | |
|---|---|
| Revenue | 158.5 EURm |
| Adjusted EBITDA | 28.6 EURm |
| Adjusted EBITDA-margin | 18.1% |

## TRIFORK LABS SEGMENT

| | |
|---|---|
| Active Startups | 25 |
| Value of Startups | 47.3 EURm |
| EBT | 3.3 EURm |



# Financial highlights and key figures

| (EURk) | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|
| **Trifork Group Income statement** | | | | | |
| Revenue from contracts with customers | 158,525 | 115,358 | 106,428 | 86,508 | 64,523 |
| - *thereof organic* | 137,980 | 103,973 | 99,044 | 80,230 | 62,142 |
| - *thereof from acquisitions* | 20,545 | 11,381 | 7,384 | 6,278 | 2,381 |
| Special items[1] | 20,253 | -955 | 2'949 | - | - |
| Adjusted EBITDA | 27,123 | 17,930 | 12,688 | 10,066 | 7,490 |
| Adjusted EBITA | 19,475 | 11,210 | 7,455 | 8,161 | 5,847 |
| Adjusted EBIT | 15,354 | 7,898 | 5,286 | 6,126 | 3,954 |
| EBITDA | 47,376 | 16,975 | 15,637 | 10,066 | 7,490 |
| EBITA | 39,728 | 10,255 | 10,404 | 8,161 | 5,847 |
| EBIT | 35,607 | 6,408 | 8,235 | 6,126 | 3,954 |
| Net financial result | 1,049 | 40,634 | 9,508 | 9,904 | 11,067 |
| EBT (Earnings before tax) | 36,656 | 47,042 | 17,743 | 16,030 | 15,021 |
| Net income | 32,696 | 44,658 | 16,349 | 14,769 | 13,741 |
| **Trifork Segment** | | | | | |
| Revenue from contracts with customers | 158,525 | 115,358 | 106,428 | 86,508 | 64,523 |
| - Inspire | 2,390 | 1,945 | 8,051 | 7,140 | 7,393 |
| - Build | 122,980 | 86,705 | 76,578 | 61,502 | 43,924 |
| - Run | 32,650 | 26,422 | 21,458 | 17,818 | 12,648 |
| Adjusted EBITDA | 28,626 | 20,168 | 13,250 | 10,701 | 7,982 |
| - Inspire | -640 | -1,522 | -287 | 346 | -155 |
| - Build | 26,046 | 16,913 | 9,297 | 6,940 | 4,733 |
| - Run | 7,438 | 5,866 | 5,872 | 4,287 | 3,135 |
| Adjusted EBITA | 20,978 | 13,448 | 8,017 | 8,796 | 6,279 |
| Adjusted EBIT | 16,857 | 10,136 | 5,848 | 7,066 | 4,652 |
| **Trifork Labs Segment** | | | | | |
| Net financial result | 4,806 | 41,396 | 9,599 | 10,699 | 10,433 |
| EBT | 3,303 | 39,158 | 9,037 | 9,759 | 9,734 |
| **Trifork Group Financial position** | | | | | |
| Investments in Trifork Labs | 47,259 | 75,861 | 32,531 | 19,685 | 14,738 |
| Intangible assets | 76,288 | 72,990 | 33,445 | 34,840 | 29,140 |
| Total assets | 245,664 | 229,109 | 122,065 | 96,271 | 75,733 |
| Equity attributable to the shareholders of Trifork Holding AG | 109,798 | 80,494 | 55,757 | 42,369 | 31,567 |
| Net liquidity/(debt) | 17,100 | -37,393 | -14,214 | -11,631 | -11,608 |

The financial highlights and key ratios have been prepared on the basis of the CFA Society Denmark "Recommendations & Ratios" (January 2022).

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

For the definitions refer to page 149.

1 Include IPO-preparation costs, M&A legal costs and other income from deconsolidation.

| | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|
| **Cash flow** (in EURk) | | | | | |
| Cash flow from operating activities | 7,775 | 17,787 | 10,514 | 6,563 | 8,937 |
| Cash flow from investing activities | 49,655 | -31,516 | -4,560 | -1,358 | -4,835 |
| Cash flow from financing activities | -32,406 | 25,877 | -9,850 | -1,109 | -3,885 |
| Free cash flow | 2,073 | 14,373 | 7,490 | 3,175 | 5,365 |
| Net change in cash and cash equivalents | 26,671 | 12,005 | -3,735 | 4,088 | 95 |
| **Share data** (in EUR) | | | | | |
| Basic earnings / share (EPS basic) | 1.52 | 2.33 | 0.83 | 0.75 | 0.74 |
| Diluted earnings / share (EPS diluted) | 1.52 | 2.33 | 0.83 | 0.75 | 0.74 |
| Dividend / share | 0.380 | 0.580 | 0.047 | 0.105 | 0.129 |
| Dividend yield | 25.0% | 25.0% | 5.8% | 14.3% | 17.8% |
| **Employees** | | | | | |
| Average number of employees (FTE) | 880 | 682 | 626 | 504 | 424 |
| **Financial margins and ratios** | | | | | |
| ***Trifork Group*** | | | | | |
| Adjusted EBITDA-margin | 17.1% | 15.5% | 11.9% | 11.6% | 11.6% |
| Adjusted EBITA-margin | 12.3% | 9.7% | 7.0% | 9.4% | 9.1% |
| Adjusted EBIT-margin | 9.7% | 6.8% | 5.0% | 7.1% | 6.1% |
| EBITDA-margin | 29.9% | 14.7% | 14.7% | 11.6% | 11.6% |
| EBITA-margin | 25.1% | 8.9% | 9.8% | 9.4% | 9.1% |
| EBIT-margin | 22.5% | 5.6% | 7.7% | 7.1% | 6.1% |
| Equity ratio | 44.7% | 35.1% | 45.7% | 44.0% | 41.7% |
| Return on equity | 30.8% | 63.4% | 31.1% | 37.0% | 49.0% |
| ***Trifork Segment*** | | | | | |
| Organic revenue growth | 19.6% | 2.6%[1] | 13.8% | 24.2% | 3.9% |
| - Inspire | 22.9% | -75.8% | 12.8% | -3.4% | 17.2% |
| - Build | 18.2% | 6.0% | 15.4% | 26.6% | -7.9% |
| - Run | 23.5% | 20.8% | 22.6% | 58.8% | 255.8% |
| Adjusted EBITDA-margin | 18.1% | 17.5% | 12.4% | 12.4% | 12.3% |
| - Inspire | -26.8% | -78.3% | -3.6% | 4.8% | -2.1% |
| - Build | 21.2% | 19.5% | 12.1% | 11.3% | 10.7% |
| - Run | 22.8% | 22.2% | 27.4% | 24.1% | 24.8% |
| Adjusted EBITA-margin | 13.2% | 11.7% | 7.5% | 10.2% | 9.7% |
| Adjusted EBIT-margin | 10.6% | 8.8% | 5.5% | 8.2% | 7.2% |
| EBITDA-margin | 30.8% | 16.7% | 15.2% | 12.4% | 12.3% |

1 Adjusted for deconsolidation effects.

# An outline of the year

## Financial Highlights of 2021

In 2021 the Trifork Group has managed to grow significantly in both revenue and profit from operations.

The financial highlights focus on adjusted profit-ratios, in which income and cost for special items are excluded. In 2021, this refers to IPO-preparation costs and other income from deconsolidation.

**Trifork Group**

- With a total revenue of EURm 158.5, the Trifork Group achieved a consolidated growth rate of 37.4% (whereof 19.6% was organic and 17.8% was acquisitional growth).
  The acquisitional growth came from Nine A/S (September 2020), Vilea Group (Mai 2021) and Strongminds ApS (November 2021).
- EBIT for 2021 was EURm 35.6, compared to EURm 6.4 in 2020.
- EBT (earnings before tax) for 2021 was EURm 36.7, compared to EURm 47.0 in 2020.
- Net income for 2021 amounted to EURm 32.7, which is a decrease of EURm 12.0 compared to 2020 that was significantly influenced by the exit of the Trifork Labs company Humio Ltd.
- Equity attributable to shareholders of Trifork Holding AG as of 31 December 2021, was EURm 109.8, giving an Equity Ratio of 44.7% at the end of 2021, compared to 35.1% at the end of 2020.

**Trifork Segment**

- Adjusted EBITDA of EURm 28.6 for 2021 is equal to an 18.1% EBITDA-margin and represents growth of 41.9% compared to 2020.
- Adjusted EBITA was EURm 21.0, which equals a 13.2% EBITA-margin and an increase of 56.0% compared to 2020.
- Adjusted EBIT was EURm 16.9, which equals a 10.6% EBIT-margin and an increase of 66.3% compared to 2020.

**Trifork Labs Segment**

- Positive fair value adjustment on Trifork Labs investments was EURm 5.0, compared to EURm 41.3 in 2020. The high amount in 2020 was primarily driven by the exit of the investment in Humio Ltd., agreed in December 2020. The respective proceeds were received in March 2021.

## Main Events

**Trifork Group**

- The main event for the Trifork Group was our IPO in May 2021, where we completed a successful listing on OMX Nasdaq Copenhagen including a 144a placement to Qualified Institutional Buyers in the US. At the IPO, we welcomed more than 7,000 new investors from all over the world and received net proceeds of EURm 17.4 based on a primary offering of 5% new shares.
- In 2021, Trifork became a participant of the UN Global Compact, which means we will strengthen our existing focus on the 10 principles of the UN Global Compact and the 17 UN Sustainable Development Goals.

**Trifork Segment**

- Despite the continued lockdowns due to Covid-19, we managed to complete two in-person GOTO conferences in June and November. Our YouTube tech channel continues to increase activity and in 2021 the number of views grew more than 8 million to over 28 million views in total at the end of the year.
- The high organic revenue growth was based on a high activity level in Digital Health in Denmark, Fintech in UK and winning new customers where Trifork provide both Cyber Protection and Cloud operation services.
- The strong growth in Digital Health came from our strong focus on innovating new solutions within Digital Health. In 2021, we delivered the critical infrastructure needed to handle the Covid-19 vaccination effort and the Corona passport in Denmark. We completed the delivery of a digital sign-up solution for electronic health journals for citizens in Switzerland. We implemented a digital version of the pregnancy record used by all pregnant women and we engaged in a strong partnership with BørneRiget – a brand new Children's Hospital in Copenhagen, setting new standards for how to treat children and their parents. Trifork also joined a worldwide consortium for a 5-year research project (Gravitate Health) that aims to make medicine information more accessible and understandable for patients.
- In our UK Fintech business area, we grew by increasing services to existing customers where we are deeply involved in developing new solutions and continuously updating their existing infrastructure to meet increasing demands.

- Our run-based revenue grew organic by 23.5% and is still the revenue stream that increases with the highest organic growth ratios. In 2021, this area with an adjusted EBITDA-margin of 22.8% was also the sub segment with the highest margin. The growth was especially supported by the increased activity in our Security Operation Center where we deliver 24/7 surveillance and managed security to our customers based on product offerings that we have built over the last two years.
- In late 2021, we established two new operation centers. One in Switzerland and one in Denmark to support future growth in the run-based revenue.
- In 2021, we completed two acquisitions:

  **Vilea Group**: In May 2021, Trifork acquired Vilea, a Swiss-based IT-company specialized in designing and delivering tailor-made mobile enterprise applications. This expanded Trifork's position in Switzerland.

  **Strongminds ApS**: In November 2021, we acquired the small Danish company StrongMinds. This company has specialist knowledge within cloud technologies and bring in relationships with new public and private customers.

  The growth effect from the new acquisitions was EURm 1.6 on Build revenue.

**Trifork Labs Segment**

- Trifork Labs in 2021 continued the active investment strategy with both an exit (Humio) and investments in new and existing start-up companies.
- In Fintech, we co-founded and invested in three new startup companies (&Money, Kashet and ComplyTeq).
- In Digital Health, we invested in one new startup (Visikon) and increased investments in one existing (ExSeed Health).
  In November 2021, Trifork invited new investors with considerable Pharma expertise to join as partners to accelerate the development of our Dawn Health business unit. The investors purchased 6% of Trifork's shares for DKKm 18 and provided new funding of DKKm 130 to expand the global footprint and accelerate revenue growth. As a consequence, our ownership was diluted to 32.6% and this led to the deconsolidation from the Trifork segment on 30 November 2021 and transfer of the retained investment to the Trifork Labs segment at an initial fair value of EURm 20.3. The direct effect on our financials was an income of EURm 22.1 on Trifork Group EBITDA.
- In Smart Building, we invested in four startups (Develco, Dryp, Upcycling Forum and TSBThree) - all with focus on sustainability and building solutions that will help improving our environment.
- In Smart Enterprise, we invested more in our Arkyn Studios startup that was a spin-off in 2020 from one of our existing Smart Enterprise business units.
- In Cyber Protection, we invested in one new startup (Promon). As part of this investment Trifork will also be a reseller of the products from Promon.
- In total, four investments raised EURm 22.6 in new external funding in 2021.
- In January 2022, Trifork Labs invested in the startup company Feats as an initiative to build a platform that can improve motivation and satisfaction for all our colleagues by giving everyone credit for the solutions they contribute to create.

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# Targets & guidance for 2022

## Trifork Group Results and Growth

- In 2022, the Trifork Group targets **total revenue of EURm 175-180.** This is a 13-15.5% increase in revenue compared to 2021, when taking the deconsolidation of Dawn Health into account. The effect from this equals 2.8%.
- The Trifork Group targets an **EBIT of EURm 15.5-18.0**.
- Two thirds of all depreciations and amortizations are expected to be related to acquisitions.

The fulfilment of the financial targets 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 2022, we have seen radical changes in the economic environment with increasing interest rates, high volatility in exchange rates and higher inflation. The ongoing war in Ukraine and the related sanctions are impacting the economies of many companies and may also affect the type of decisions they will take in the future. All this could lead to a negative impact on the financial results of Trifork, but could also have a positive effect such as an increased focus on cyber protection where Trifork offers a number of different solutions.

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

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

## 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 2022 is:

- **Revenue of EURm 175-180 equal to overall growth of 13-15.5%**
- **Organic growth to be 12.5-15%**
- **Adjusted EBITDA of EURm 29.5-32.0**

The acquisitional growth included in the guidance consists of the acquisitions of Vilea (May-2021) and Strongminds (Nov-2021). In 2022, the revenue from Vilea will count as inorganic in Jan-Apr and organic from May-Dec, and revenue from Strongminds as inorganic from Jan-Oct and organic from Nov-Dec. In total, the included inorganic growth is less than 1% of total revenue.

In 2022, we believe that most Covid-19 related lockdowns/restrictions will be lifted and it will be possible once again to complete in-person conferences on a larger scale. This is expected to have a positive impact on the Inspire subsegment.

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. This will be done by developing concepts to solutions in collaboration with our customers. Our target is to continue to grow the Run-revenue at the highest organic growth rates.

We expect that the revenue mix in 2022 between private and public will be at the same level as in 2021.

We will continue our active acquisition strategy and target new acquisitions during 2022. No effect from potential new acquisitions is included in the current financial targets or guidance for 2022.

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.

## Trifork Labs segment

Trifork Labs invests in founding new startups that are part of the overall Trifork R&D strategy. We aim to attract external funding to our startups in order to finance their future growth and success.

In 2022, as early as in January, we completed an investment in the Cyber Protection company Promon and we got additional external funding for our startup ExSeed Health. In 2022, we target to complete two to three additional investment rounds with our startups.

We also expect to continue our current investment strategy and invest in minimum two new startup companies during 2022.

The costs of running Trifork Labs are expected to result in an EBITDA in the segment of EURm -1.0-1.5.

At Trifork Labs, risks include a decrease in value of investment if startup companies are unable to secure funding or fail to develop as expected.

**In 2022, Trifork Segment guides on EURm 175-180 in revenue and EURm 29.5-32.0 in adjusted EBITDA**

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# The Trifork Group

# Overview

*At Trifork, we work with our customers to redefine business processes with next-gen software solutions. We strive to change the world with software.*

Trifork is a next-gen IT and business service provider striving to be at the forefront of technological innovation. We inspire and educate customers and colleagues in new technological possibilities, build innovative software solutions and operate, maintain and continuously extend these for our customers. Since our inception in 1996, we have been motivated by pushing the boundaries of how new technologies and methods can be discovered, applied and developed into novel solutions that can enable our customers to become industry leaders.

We strive to be at the forefront of the "technology wave" in the IT service sector by constantly challenging the status quo for our customers. We have just over 950 employees across 58 business units in 25 offices in Europe and the USA, including Aarhus, Copenhagen, Zürich, Berlin, Amsterdam, Eindhoven, London, Stockholm, Krakow, Budapest, Barcelona, Palma, Chicago and San Francisco. We are a leader in digital innovation in Denmark and are dedicated to accelerate global business growth in our core markets in Switzerland, the United Kingdom and the Netherlands.

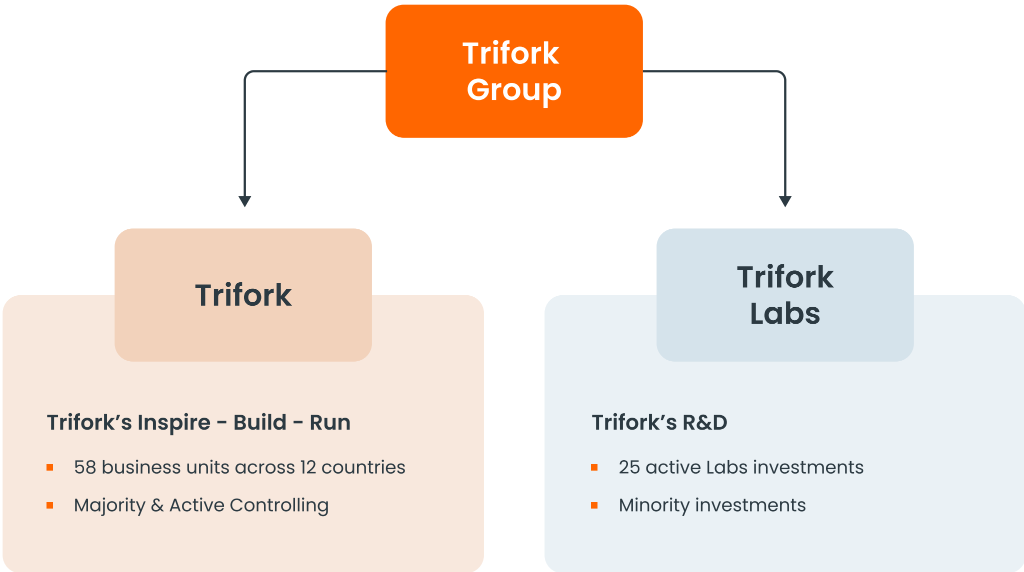
Trifork's ability to stay at the forefront of technology and to challenge status quo for customers is captured by our distinct go-to-market model and our very special model for research and development.

This is organized into two segments, Trifork and Trifork Labs. In the **Trifork** segment, our go-to-market model consists of three interrelated sub-segments:

- **Inspire**, where we discover technology, new ideas and trends and share knowledge about them and inspire customers through Design Thinking workshops.
- **Build**, where we create prototypes of customer products and develop the software.
- **Run**, where we provide cloud operations, managed services and continuous development support for the customer products we develop.

In the **Trifork Labs** segment, we found, co-found or invest at a very early stage in new startups as a driver for our overall research and development strategy. We want to be close to technology inventors and bring this knowledge to use in the development of solutions for customers in the Trifork segment. We focus on investments in:

- Software product companies that invent new technology
- Companies building technology that can be a business driver for our Trifork segment
- Companies that can be a strategic partner.



# Competitive strengths

## 1

### Positioned in attractive next-gen segment of growing IT market

We are entirely focused on the fast-growing, next-gen technology market that is driven by the demand for digital transformation.

Within the next-gen segment, we focus on FinTech, Digital Health and Smart Building (our verticals) and Smart Enterprise, Cyber Protection and Cloud Operation (our horizontals) for customers in our core markets in Denmark, UK, Switzerland and the Netherlands.

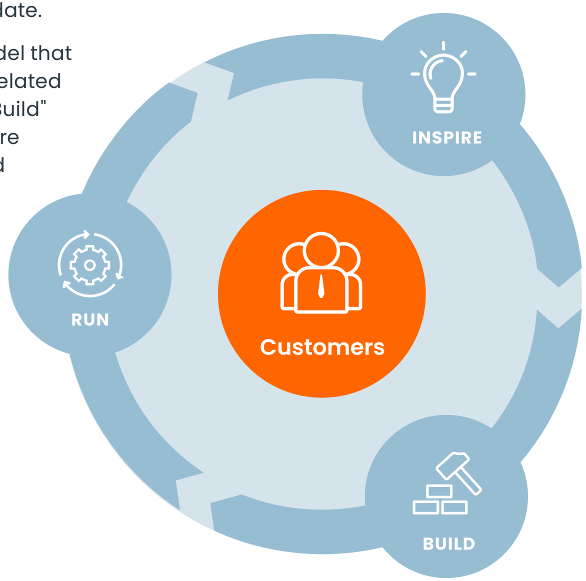
## 2

### Full circle go-to-market model of "Inspire-Build-Run"

We have long-standing relationships with a diverse base of blue-chip customers across all our vertical and horizontal business areas within both the private and public sectors. They continuously entrust us to solve complex operational challenges. We accompany customers throughout the entire lifecycle of their solution from idea to development and operations and constantly keeping the products agile and up-to-date.

Our go-to-market model that consists of three interrelated segments - "Inspire", "Build" and "Run" - is at the core of Trifork's success and enables us to continuously explore, learn and deliver next-gen solutions to our customers.

As part of this go-to-market model, we can develop various stacked solutions for the same customer. This creates a stable base of repeat stacked business and also recurring revenue through long-term support contracts, licenses and/or cloud operations handled by Trifork.




## 3

### Cutting-edge R&D capabilities fueled by venture financed Trifork Labs

Trifork Labs leads our venture-financed R&D activities. Trifork has been active in founding, co-founding, and investing in tech startups that develop innovative software solutions for more than 20 years and currently holds stakes in 25 active startups. In the process of working with startup companies, we gain valuable know-how from their technological development and become familiar with emerging disruptive technologies at an early stage. Trifork Labs investments are focused on three investment criteria. First, the target must be a software product company that invents new technology. Second, the investment should build technology to support our go-to-market model and third, investments are evaluated based on their potential to develop our customer base or become a strategic partner with synergy potential.

4

## Established track record of growth and profitability

Since 2007, Trifork has shown a solid track record of growth with a revenue CAGR of 24%. In the same period, there has not been a single year without profit. The growth has been continuously supported by strategic acquisitions. In addition, Trifork has strengthened its partnerships with leading companies in the technology industry, including Apple, Google Cloud and SAP, and operational partnerships with major technology companies and Silicon valley start-ups.

5

## Self-managed Teal organization ensures motivation, entrepreneurial culture and agile delivery model

Trifork has developed an organizational model that is based on a group of individual and largely autonomous business units that share a joint corporate DNA, culture and philosophy. This organizational model, which has been integral to Trifork's business, is known as a Teal organizational model and enables us to adapt and achieve scale and encourages entrepreneurial spirit, motivation, innovation, collaboration and talent attraction and retention.

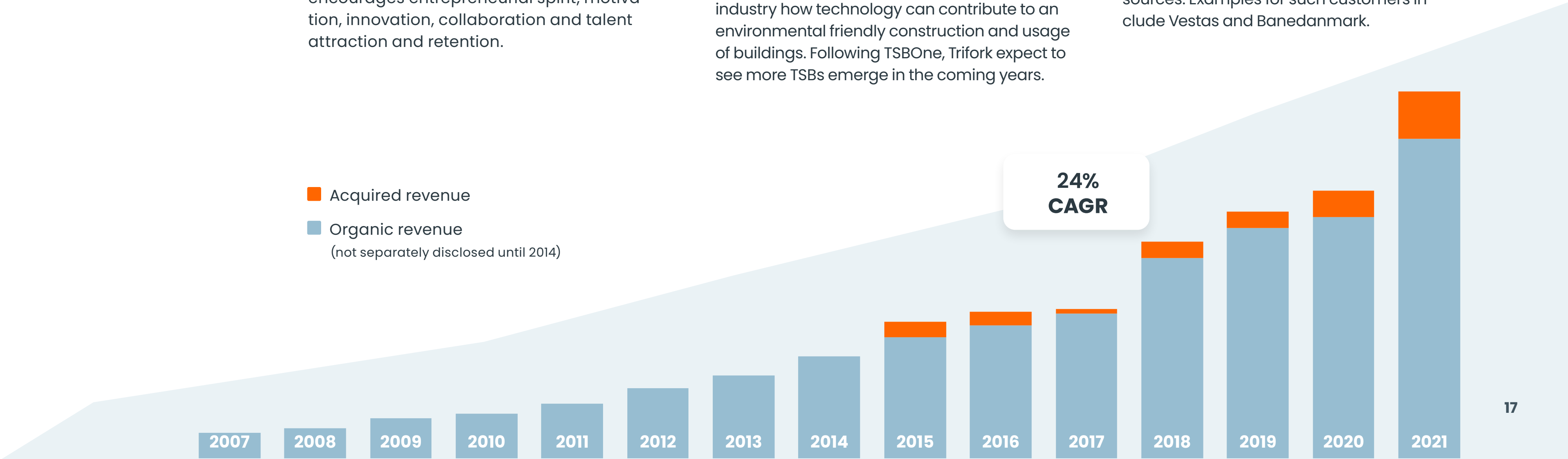
6

## Sustainability with Trifork Smart Building, Trifork Labs investments in clean-tech startups and solutions to save resources

Sustainability is at the heart of the way Trifork does business and we engage with dedication in sustainability many levels. In 2021 Trifork began with the construction of our first sustainable office building, Trifork Smart Building (TSBOne). TSBOne will be a carbon-neutral building, built with sustainable and upcycled materials and equipped with the most advanced technologies. The aim is not only to improve our own environmental footprint but also show customers and vendors in the building industry how technology can contribute to an environmental friendly construction and usage of buildings. Following TSBOne, Trifork expect to see more TSBs emerge in the coming years.

Trifork Labs has invested in several clean-tech startups. Upcycling Forum, dedicated to sustainability by providing a platform for reuse and upcycling of building materials, and DRYP, a smart water management technology company. Both, Upcycling Forum and Dry are also involved in TSBOne.

Many of the solutions that Trifork develops for our customers redefine and simplify business processes and optimize efficiency, cost and resources. Examples for such customers include Vestas and Banedanmark.



# Strategy

## Trifork Strategy

Our key strengths have positioned us well to take advantage of the continued growth in demand for innovative and disruptive solutions in the next-gen technology market. Our strategy is focused on the following.

### A Perfecting the "Trifork Way"

We will further perfect 'The Trifork Way' by ensuring the continued work on a modern and scalable business model, and continue to be curious on new technology and strive to be the best place to work in our industry.

### B Grow European position

We will further deepen and strengthen our competitive positions in existing markets and stimulate our organic growth across existing business units.

### C Grow "Run" revenue

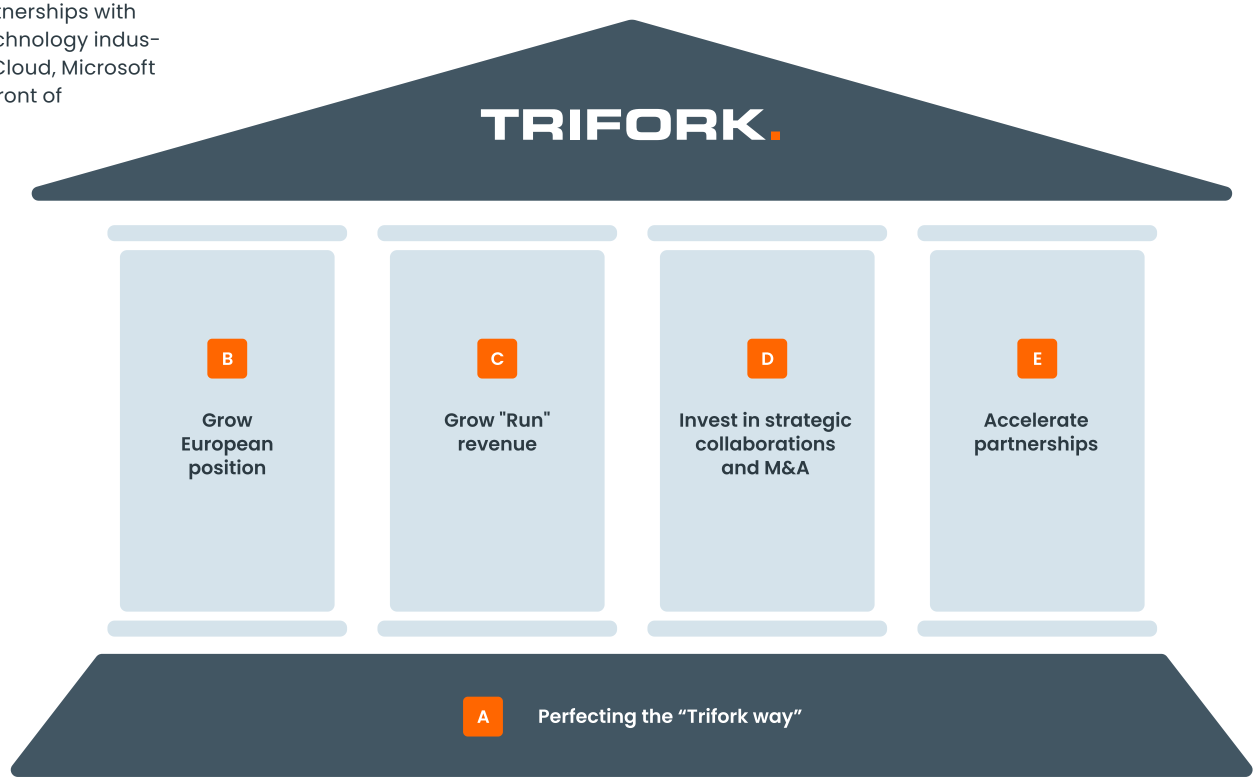
We will diversify and expand revenue based on our strong 'Build-relationships' with strategic customers, and continue to grow the 'Run-services' we offer.

### D Invest in strategic collaborations and M&A

We will form strategic partnerships and establish new startups with our partners. We also target acquisitions to acquire new capabilities, strengthen our position or expand geographically.

### E Accelerate partnerships

We will continue to build partnerships with leading companies in the technology industry, including Apple, Google Cloud, Microsoft and SAP - to stay at the forefront of using these technologies.



## A Perfecting the "Trifork Way"

The foundation of Trifork's strategy is to continuously develop our core competencies and capabilities in order to maintain our market position as a disruptive and innovative provider of next-gen technology, one that is able to attract the best talent, who can work on the right challenges and attract the right customers.

Perfecting the "Trifork Way" is about our philosophy and way of doing business. We believe that the future organizational models will transform and the coming generation of employees will be seeking new types of organization structures to work in.

Therefore, we focus on the following areas:

1. Strengthening our culture to promote next-gen capabilities by continued focus on inspiring our staff via our GOTO universe (30 million views on YouTube) and developing their technical skills through education, allowing experimentation and ensuring inspiration
2. Supporting our Culture by advancing the Teal organizational model, where we ensure a flat hierarchy and an unbureaucratic way of interacting and doing business – we call it "Empathy at Scale"
3. Being the best place to work, by making room for people to take initiatives, live their passion, deliver quality work and/or launch their ideas on improving the world with software
4. Supporting our Trifork Labs R&D-model.

### 1. Next generation Capabilities

At Trifork, we take pride in and promote entrepreneurship and we love technology!

This means that we continuously work on strengthening our culture and encourage our employees' interest in learning next-gen capabilities. Since our «Tech-world» is in an ever-changing and rapid development, this means that we constantly must learn new technologies through education or research by experiments.

This is also why the GOTO conferences and our YouTube tech channel is an integral part of our go-to-market approach, as well as a part of our own ongoing knowledge development 'channel', allowing our employees to learn about the latest technology and to be inspired by the thought leaders in our industry.

To take the leap from being inspired to actually doing and being able to apply this in our daily business, we also promote internal and external Hackathons, where we provide a "boxed environment" of risk-free experimentation. In addition, several of our business units are launching new internal knowledge networks to further foster learning and knowledge sharing.

### 2. Culture & Organizational Design

To make our employees thrive and have an environment that promotes personal development and initiative, we believe that we need to be an anti-bureaucratic organization. Our theme for this is to be «big in a small way», which refers to our Teal organization and its way of helping us avoid bureaucratic layers and staying agile.

The Teal organization model is a conscious strategic choice and we are constantly working on developing and refining this to provide the best conditions for our teams. One of the most important characteristics is that we focus on keeping the number of employees in our business units below 42 to keep a high degree of autonomy, closeness and personal understanding between Business Unit Leaders (BULs), employees and customers of these units.

When a business unit surpasses 42 members, we «cell-divide» the unit into two new meaningful teams and typically recruit the new Business Unit Leader within the team. This gives us a scalable growth model, where the culture is preserved and organizational growth becomes less painful and constantly represents an opportunity for career advancement to our employees.

We believe this closeness is central in creating great relationships and partnerships, as we see a higher sense of responsibility, entrepreneurship, belonging and interpersonal understanding. We identify this as «empathy at scale».

### 3. Best Place to Work

Being a «best place to work» is also a central strategic priority and part of the «Trifork way».

When asking our employees about what is most important in their job, we most frequently hear things like «interesting work», «purpose», «great colleagues» and «have fun». This fits well with our «empathy at scale» model and our ambition of standing out as a unique workplace for ambitious people who want to make a difference and be proud of the results they achieve. A great example of this is illustrated in this video:

That's why our Business Unit Leaders constantly work closely with their teams to ensure environments, where our teams and individuals thrive. Ultimately, we measure our success by having one of the lowest churn rates compared to our industry peers.

### 4. Bring great ideas to life in R&D / Labs

At Trifork, we promote and praise entrepreneurship and we have a solid track record for helping startup companies at an early stage to enter a pathway towards scalable business success.

Our R&D is a profit center and we focus on prioritizing ideas with real business potential and using the right technologies.

We form startups as separate legal entities that are financed by Trifork, the entrepreneurs and ideally also partners who want to see the idea implemented in the market. The entrepreneurs become founders and employees of the startup where they are supported by Trifork.

We measure ourselves by our ability to attract external venture capital to secure and accelerate the development of the startups. To us, this is another proof point and a way to balance the value creation and risk.

## B Grow European position

Building on Trifork's existing market position, we focus to grow our position in Europe. Our strategy is to deepen and strengthen our position in the geographies where we already do business. We see great untapped potential and opportunities in deepening our engagements here.

This can be done by:

1. Growing our Business Units organically
2. Expanding further by internationalizing selected solutions where we have first mover experience from other existing markets
3. Making tactical acquisitions in areas where Trifork sees high growth potential and synergies

In Switzerland, we aim to strengthen our market share by focusing on organic growth as well as on opportunities for inorganic growth, thereby increasing the share of our revenue represented by the operations in Switzerland.

In the Netherlands and United Kingdom, we intend to focus on product development, strengthening our existing customer relationships, establishing DesignLabs and maintaining our current market position.

In addition, we have an opportunistic approach to grow our position in North America by organic growth and potential tactical acquisitions.

### 1. Organic Growth of our Business Units

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.

We plan to continue organic growth and to prioritize customer product development in our current markets while maintaining high pricing discipline, and selectively launching new initiatives and capabilities.

In addition, we form new business units as a split from existing when a business unit reaches the threshold size or as a new unit for geographic expansion.

### 2. Further expand by globalizing selected Business Areas

Digital Health infrastructure and applications that utilize health data to assist professionals in providing better patient care is a rapidly maturing market and is gaining further momentum. With our deep know-how in this field and participation in the European HL7 standardization work, Trifork is well positioned to offer our experience and know-how in an international context.

A further opportunity to position Trifork's know-how across markets is in FinTech solutions, where our industry-specific experience and know-how plus our Lab Companies such as &Money, Complyteq and Kashet represent further growth potential across several of our markets.

In addition, for our Smart Enterprise and Cyber Protection business areas, we expect to be able to internationalize beyond our existing markets, as these services are in high demand and represents a very strong value proposition.

### 3. Tactical Acquisitions in areas where Trifork sees potential

We intend to carefully seek and identify a number of tactical acquisitions that can help strengthen our local positions.

## C Grow "Run" revenue

By being a full-cycle service provider across Inspire-Build-Run, we focus on developing Trifork's revenue mix with an emphasis on recurring revenue growth. Trifork intends to increase the engagement throughout the product-life-cycle and thereby increase the proportion from recurring business in total revenue. We do not strive to win projects but rather to engage in customer product development relationships. The mutual competitive advantage for our customers and us is that we can keep the products fit and safe, thereby also ensuring that they stay competitive and deliver customer value.
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.

### Growing 'Run' business, by taking full life cycle responsibility

The demand for «full life cycle» management is growing as applications and architectures become increasingly complex and business-critical. Software development cycles also become shorter, which again impacts the need for maintenance after a product development is finished.

Our strategy is to offer support and a range of services for hosting, maintenance, help desk etc., as these services give the customer the highest security and flexibility. This way, we help customers with their Application Life-cycle Management and enable them to gain an overview of the actual costs of running applications.

The typical services include:

- Solution Monitoring and Management,
- Incident Management – handling problems and identifying root causes,
- Operations Management – updating and keeping the Apps fit and
- Change Management to keep Apps up-to-date and relevant to the enterprise users.

### Continuous development of customer products

Engaging in customer product development is increasingly important as systems become more and more complex and interconnected. This, combined with shorter development cycles, results in a new reality where applications and systems need continuous development, making us move away from isolated projects.

In addition to the 'Run' business, we are increasingly collaborating with software partners and our Lab-companies in offering and reselling software products. We believe that the combination of standard products and customized development will be key in the future to deliver attractive solutions to our customers. A good example of this is seen in our Banedanmark case.

### Cyber Protection & Security Operations

Based on our long track record in handling security in our solutions, Trifork in 2021 launched a specific Trifork Security unit in response to a growing demand for consulting and services in cyber protection. Now, Trifork Group is intensifying its focus on this area and has developed services that offer its current and future customers Managed Security.

With highly educated specialists and our well-established SOC, Trifork monitors cyber security for companies in 24/7 operations. Trifork has established a cutting-edge product portfolio that addresses these challenges. With our setup, we monitor and identify each security incident, which is validated and prioritized and recommendations for remediation are communicated to the customer. This is supplemented by our consultancy service that makes recommendations and support on topics such as response to identified weaknesses or incidents.

Our strategy is to expand this offering and grow across existing Trifork markets.

## D Invest in strategic collaborations and M&A

Trifork has a long track record of successful investments into both M&A activities and investments in companies formed around partnerships. Both investment types continue to be key elements of our investment strategy. In each their own way, they represent an important pillar in accelerating our growth.

For investments in companies formed around partnerships, Trifork aims to continue to identify strategic collaborations together with our partners and customers, to help us create value together. For M&A activities, we seek opportunities to advance key focus areas or acquire new capabilities, to further accelerate our growth.

When we screen for M&A targets, we typically get to know the companies through collaboration and partnerships. The characteristics are typically organizations sized from 10 to 50 employees, as these fit well into our Teal organization model and we typically can help these companies with expanding their offerings and accelerating growth. If we perform larger acquisitions we need to identify a natural pathway that leads to a structure and fits in the "Trifork Way".

### Investments in forming Partnerships

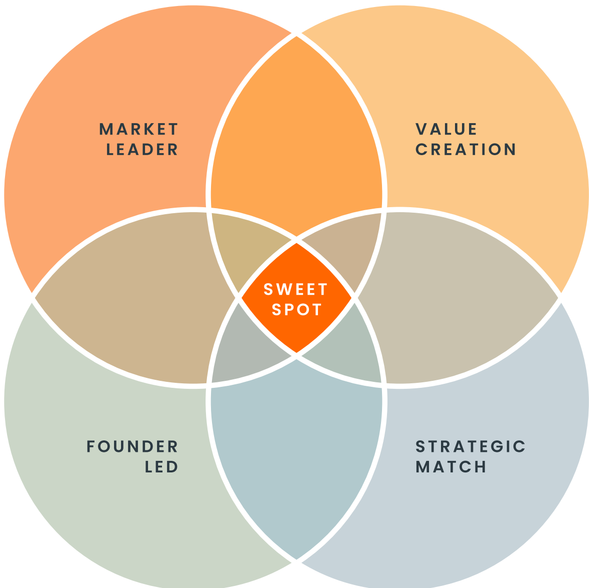
Trifork aims to continue to identify strategic collaborations with customers and partners to develop solid startups around specific needs and new technological solutions. This is typically done with the partner or partners in a model that creates a close strategic collaboration format, enabling us to create high value and competitiveness together.

We will continue to focus on these collaborations and develop more partnerships like existing ones such as &Money, Dawn Health, Visikon, Kashet and Sundhedspartner.

### Tactical and Strategic M&A

Closely linked to our geographic strategies and segment strategies, we will seek to perform Tactical and Strategic M&A. In doing so we diligently pursue to find "sweet spot investments" that fulfil our criteria for

- Strategic match
- Cultural match
- High value creation
- Being a Market Leader




### Strategic match

Our strategic priorities within M&A are very much driven by our specific country and segment strategies, which we do not disclose in detail to the public.

However, at a high level, our M&A strategy focuses on tactical and capability-driven majority stake acquisitions within our six horizontal and vertical business areas. We engage were we see an opportunity.

### Cultural Match and Founder led

When we screen M&A or investment targets, we focus on what we define as a "cultural fit" and "committed founders". The «Trifork Way» provides a unique space for entrepreneurs to thrive after becoming part of the Trifork Group, and we are proud that almost all founders have remained in the Group after the acquisition and integration stage.

We offer founders a unique environment where we encourage and support them in further developing their business. They typically remain autonomous in the Teal-organization model and become part of a network of entrepreneurs with whom they can collaborate selectively. In addition, our management provides coaching and sparring on organizational development, strategy and business plans.

Another focus point is whether teams in a potential acquisition target seem agile, passionate, and motivated about what they do, and whether they have a stable and skilled team that is committed to the company. Of course, we also look at the collective capabilities of the leadership teams to assess whether the business and organization have the key pillars to successfully embark on accelerated growth.

### Value Creation

When investigating the potential for Value Creation, Trifork's model is clearly differentiated between Trifork Labs product startup investments and Trifork segment acquisitions. In general, we never engage in «bidding rounds» and primarily engage in dialogues where we assess whether we, as an investor, can make a positive difference to the value creation in a company in which we are about to invest. We engage in cases where the founders want to continue within their company and seek options to develop and scale up their business, which also means that we very rarely consider exit-cases.

In acquisitions, there is often a 'natural' point of conflict between buyers' and sellers' views on the value of the company. To mitigate this natural tension and balance our risk to the motivation of the founders whom we want to keep onboard, Trifork typically defines realistic earnout models, that adjust the final price and/or later tranches of investments, based on actual performance and cash flow generated in the company after the acquisition.

### Market Leaders

When assessing a company's growth and value potential, we also pay close attention to its relative competitiveness and value creation. 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 that is defining a new standard or market.

Good examples of this are our previous acquisitions of Invokers and Vilea that are frontrunners in modern mobility solutions, i.e., on the new SAP cloud-based architectures and in designing great user experiences in the enterprise space.

## E Accelerate Partnerships

We seek to constantly strengthen and grow our partnerships, i.e., in the form of re-seller relationships, business development partnerships and operational partnerships with leading companies in the technology industry, including Apple, Google Cloud, Microsoft, AWS and SAP. We also seek operational partnerships with important Silicon Valley start-ups.

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 e.g., Architects in Google Cloud, AWS, Azure, SAP & Microsoft. Trifork presents the partners' products and services, when they are suitable for the customer solutions – 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. A good example of this is our collaboration with SAP & Apple.

## Trifork Labs Strategy

We seek to constantly be at the forefront of technology and use this to innovate and develop new business value with our partners and customers.

At Trifork Labs, we do not see R&D as a cost like many of our peers do. Rather, we focus on generating ideas and create value by steering the ideas on a successful path. For this, we have developed a unique business model to launch successful startup companies based on:

- A close partnership with a customer where the new company pivots around a joint product- or solution-mission, or
- a scalable business idea that is relevant to a large market and can be accelerated with our help, experience and network.

### Forming close Partnerships

Forming partnerships with our customers 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 the partners closer together and makes it easier to collaborate.

Trifork will continuously work to identify strategic collaborations with customers and partners and, when the right circumstances exist, develop ventures around specific needs and new technological solutions. The objective will always be to generate extraordinary high value and competitiveness.

Examples of such partnerships are the ones we have with &Money, Dawn Health, Visikon, Kashet and Sundhedspartner. Trifork Labs has investments in all these companies and drives value creation of these at the same time as they are key partners to the Trifork segment.

### Drive R&D to scalable business and value in Trifork Labs

Trifork Labs has participated in founding or making early investments in several successful companies, including Humio, TradeShift, Chainalysis and CloudCredo.

Our strength lies in our experience and partnerships with growth investors and our business network. Our model of co-founding with entrepreneurs and partners is unique and a solid test of idea quality and commitment.

Trifork Labs Investments primarily focus on promising early-stage companies that we can help shape and accelerate. At Trifork Labs, these entrepreneurs' young companies gain access to network, management sparring and the possibility to collaborate with the Business Units in the Trifork segment.

In other words, Trifork Labs clearly focuses on «smart-money» into next generation tech, new scalable product technologies or businesses that, at the same time, match and provide synergy to our business areas.

We believe that product companies who invent new technologies and solutions have a development cycle where high value is created, and the companies increase in valuation as their product matures and increase outreach. But we also believe that there is a point where the solutions become more mainstream and competition with other products increases to a point where it's harder to continue to increase valuation. Trifork Labs is trying to balance our investments in startups, so that we will exit from these before the developed solutions become mainstream.

# Go-to-market model


Trifork's go-to-market model is based on the three subsegments, 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 Trifork maintains a strong customer relationship throughout the software development journey. At each phase of the go-to-market model, we validate ideas, concepts and products against customer needs and the business value that such ideas, concepts and products represent. This go-to-market model is vital to Trifork's success as it provides the right know-how and enables us to be close to and drive innovation.

## Inspire

The aim of the Inspire phase of our go-to-market model is to enable the creation of ideas. The Inspire phase can be broken down into two parts. The first part revolves around the GOTO brand 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 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 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 main objective of the GOTO conferences is to foster inspiration and provide an opportunity for validation and feedback on new technology ideas. In addition, the GOTO concept is an effective way to promote the Trifork brand and identify potential new customers or colleagues. 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 a design thinking approach - an approach that emphasizes system design. The entire design thinking approach focuses on small scale testing of solutions and the continuous refinement of a prototype.



## Build

As the Build phase usually takes place after the Inspire workshops, where we have already developed a functioning prototype or at least 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 has been approximately 70% in the last two years.

Based on the ideas generated in the Inspire process, we then help our customers bring new ideas to production by developing software solutions using next-gen technologies. This is done in the Build phase of the go-to-market model. Build is most often carried out in the form of development "sprints", through an agile "Scrum" development process. The "Scrum" framework for software development includes frequent customer touch-points and a series of smaller development phases to ensure that development is constantly refined and that all parties involved in the development process are aligned on shared goals. Each small development phase is known as a sprint and each sprint typically lasts two to four weeks. At the end of each sprint, our teams present the outcomes of the sprint 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 tailor-made software solutions, that 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.

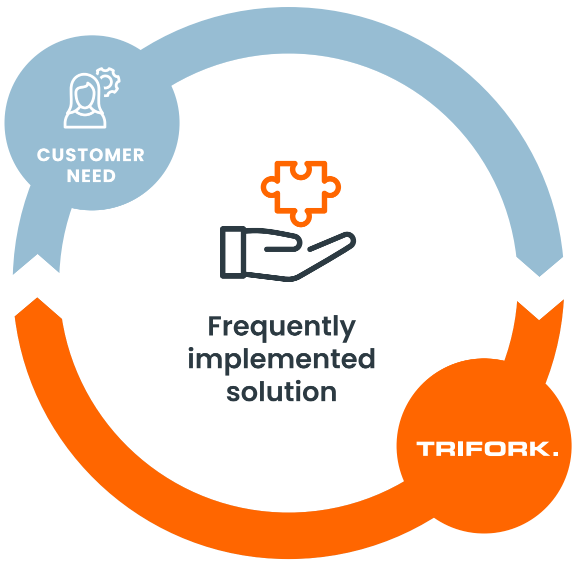
## Run

Once the Build phase has been completed and a solution implemented, Trifork also offers service agreements where we operate the product solution. When operating service agreements, we continuously update and upgrade our customers' platforms with the newest technology, keeping the solutions up to date. This to us is recurring business with our customers and keeps us very close to them. 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.

Trifork has established recognized re-seller relationships/strategic partnerships with all the major global public cloud platforms including Google Cloud, Amazon Web Services and Microsoft Azure. In 2021 we have established a Tier 4 datacenter in Switzerland and built a new modern datacenter in Denmark.

When a particular concept has been implemented a number of times for different customers, it becomes a candidate for Trifork's standard product portfolio. Initially we sometimes hold the IP rights for such concepts/products and other times our customers initially have the IP and then we later negotiate the IP back to Trifork when this makes sense to both the customer and Trifork. In general, the revenue potential from Run grows as the number of such commoditized software products grows. Our mortgage dead administration system Panteos is an example of such a software product.



# Business Areas

Trifork delivers its services across three distinct verticals (FinTech, Digital Health and Smart Building) and three megatrend-driven horizontals (Smart Enterprise, Cyber Protection and Cloud Operation).

Where the verticals are focused on specific markets/domains, 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 attracted some of the best talent in the industry.

In all business areas, we are creating solutions and concepts for our customers and support them on an ongoing basis.

15.0%

FinTech

10.3%

Digital Health

2.7%

Smart Building

Smart Enterprise

49.2%

Cyber Protection

6.9%

Cloud Operations

15.9%

# FinTech

## STRATEGIC PRIORITIES

- Expand the collaboration and business in Switzerland, Denmark, Sweden, the Netherlands and the United Kingdom
- Build new partnerships around new eco-systems and 3rd party offerings
- Further leverage cross-selling, by utilizing Trifork family members capabilities with Nine, OpenCredo, Erlang Solutions & Netic
- Increase productification of services and acquire specialist product companies
- Further invest in new Fintech resources and capabilities

## REVENUE (EURM)


## The FinTech Market

The financial sector is undergoing significant change. In particular, modernization and digital transformation is changing the way the industry interacts with its customers, and to some extent also the structure in the industry. The use of online banking is continuing to grow across markets but there is still a significant untapped potential. The average penetration rate in Europe is estimated to be around 60%, where Denmark, for example, stands at 94% (Statistica 2020).

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. Furthermore, we see an increase in customer expectations for digital and user-friendly solutions across the banking and insurance sector. Typical FinTech solutions include management of data from multiple systems, partners and users, while maintaining a high level of security and user-friendliness.

In 2021, the financial sector experienced a general consolidation trend with mergers and acquisitions of banks and insurance companies. Especially the mobile payment space saw further emergence of new neobanks and the accelerating growth of FinTech startups supported by successful funding rounds. Neobanks and traditional banks showed a strong interest in banking as a service provider, with a focus on building AML solutions and to fulfil regulatory requirements including GDPR.

## Our FinTech Business

With our Inspire-Build-Run model we empower our FinTech customers in their digital transformation journeys. This across a broad sector spectrum in retail banking, investment as well as life- and non-life insurance. We are specialists in developing customer facing and advisor facing solutions as well as infrastructure and eco-systems. This to advance mobile payment solutions, digitalizing transaction processes and bringing existing applications into the cloud.

In 2021, we moved further into the neobank and FinTech startup space. One example was the development of the digital front-end for Kompasbank, a new Danish bank focusing on small and medium enterprise. We also made Trifork Labs investments in the challenger bank Kashet, &Money (in cooperation with three major Danish banks), and founded the new startup ComplyTeq that focuses on onboarding and compliance.

A new partnership was made with Tuum, a banking as a service vendor, and we have increased our focus on advising, developing and testing new FinTech applications and service offerings with new entrants and start-ups. This has sparked interesting dialogues with potential new customers all over Europe.

In 2021, Trifork had the opportunity to partner with selected FinTech companies to build new customer-facing products and solutions. This included block-chain, open banking and voice-to-text that make life easier for the end-customer and more cost-efficient for our FinTech costumers.

With 15+ years of dedicated industry experience, we won new customers in Sweden, Switzerland and Denmark, thereby increasing our FinTech service offering and geographical footprint.

Some examples of our FinTech activities include an AI solution for a leading Swiss insurance company, enhancement and update of infrastructure at VocaLink/ Mastercard in the UK and implementation of a Google AI voice solution for a Danish bank in collaboration with Google.

CUSTOMER

&money

INDUSTRY

Banking

BUSINESS AREA

FinTech


CASE STORY

# bconomy – a new business ecosystem

## A need for more customer facing, innovative solutions

In 2021 Trifork entered as partner into the FinTech company &Money together with the partner banks Spar Nord, Nykredit and Arbejdernes Landsbank. The combination of domain knowledge and customers of the three major banks and the tech capabilities of Trifork has already proven to be a powerful cocktail.

With competing financial systems closing in on banking offerings and the need for banks to innovate and offer more digital solutions, especially for business customers, a new business platform was defined by &Money and Trifork.

As a result, the business platform bconomy will be launched first half of 2022 and will be frequently extended with new features.

## More company value with less administration and worries

The initial focus for bconomy is to provide a business platform for small and medium sized enterprises (SME). A platform that can make it easier to conduct financial transactions, take business decisions based on valid insights and get the business and financial state of the company. This is done through application of technology, data and a user-friendly solution focusing on: "More company value, less administration and worries".

bconomy is a platform for banks and other 3rd party FinTech companies. Banks can provide the solution to their own customers and other FinTech companies can provide their offerings through bconomy in the marketplace and get access to all the bconomy customers. This FinTech ecosystem will be a significant part of the bconomy roadmap.

For SMEs, bconomy will support the company owners, allowing them to focus on running the business and serving customers. The main difference between bconomy and its competitors will be the generation of insightful notifications, which helps the decision maker to take the optimal business decisions. All notifications will be based on the companys own data and bconomy will not only be a platform where you add apps, but also be the place you need to be to run your business.

## A marketplace of FinTech capabilities and offerings

bconomy offers a marketplace where smaller FinTech companies with very specific niche capabilities can offer their services to SMEs – similar to the App store concept.

Some of the features that are included in the first release of bconomy are:

- Easy payment of supplier invoices via email, mobile phone and OCR scanning
- Automatic book keeping of invoices in ERP system
- Supplier management and integration with the Danish CVR register
- Fraud detection of false invoices that companies should not pay
- Bank account overview
- Financial accounting, budgeting and management of liquidity
- Target KPI and progress reporting

## Fast time to market and continuous releases is key

Less than one year ago, Trifork and our &Money partners kickstarted the product development in a lean process with a design thinking workshop. Now, within less than 10 months, bconomy is launched taking advantage of Trifork's experience within building transaction-heavy applications with fast user-adoption. The development speed and short time to market are important as the market for integrated business platforms is highly competitive.

The roadmap for bconomy includes interfaces to more ERP systems and also a PSD-2 bank interface. bconomy will later be extended to support more complex companies like corporate groups. Additional features will be added as bconomy is dedicated to form a user community and listen to user input and feedback.

***"bconomy could be a true game changer in the business. It was key to have a leading tech partner in Trifork, with their experience and knowhow within Fintech and ability to turn ideas into a solution in a very short time."***

Torsten Terp
CEO &money

# Digital Health

STRATEGIC PRIORITIES

- Grow Digital Health revenue with particular focus on interoperability and application of new technologies
- Expand Digital Health business in the DACH region, starting with the launch of a new Business Unit in Switzerland
- Internationalize existing solutions for optimized patient journeys and collaboration enablement. Particular focus on Private Hospitals & GPs
- Establish new business areas for shared care, hospitalized children and assisted living

REVENUE (EURM)


## The Digital Health Market

Healthcare needs are growing across societies due to the demographic development, especially in the Western economies, where our business focus is. An ageing population with more chronic diseases is driving up the demand for healthcare services and medical products. The increase in demand collides with a temporarily restricted supply of qualified labour. This results in an accelerating demand for further digitalization with tech-solutions to enhance efficiency and streamline processes. In addition, the Covid-19 pandemic highlighted the need for fast response and efficiency due to an increased number of patients at the same time as workforce shortages due to quarantine restrictions and illness.

The digital health market is increasingly embracing digital transformation. We are seeing a trend towards more solutions being launched in the regulated space, i.e., companies launching CE-market Apps for patients or Software as a Medical Device (SaMD) to assist professionals in their decision making. Furthermore, we see artificial intelligence (AI) for medical purposes, telemedicine (the remote handling of patients) and Patient Reported Outcome (PRO), all adding to the efficiency and safety in healthcare.

## Our Digital Health Business

At Trifork, we are committed to improving the lives of patients and healthcare professionals. We do this by building the software solutions needed to enable digital health ecosystems, national healthcare IT infrastructures and technology-enabled decision support systems. Our digital health teams are well positioned with a deep know-how in interoperability, international standardization and a range of sector-specific insights in treatment and medical areas.

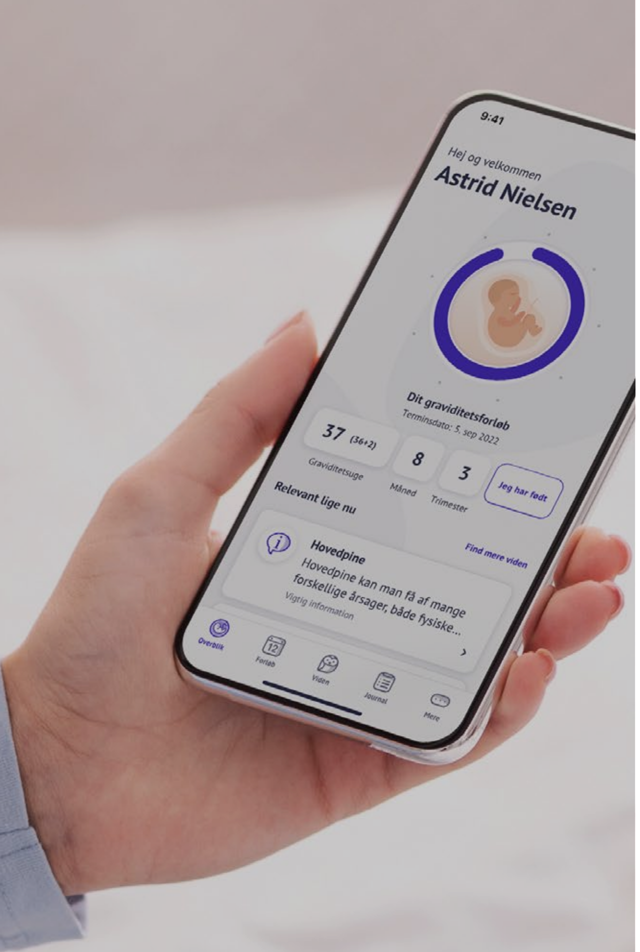
In 2021, we advanced our focus on telemedicine and shared care solutions, enabling doctors and patients to continue holding online consultations through the lockdown periods. We have initiated the development and delivery of additional telemedicine solutions, starting with COPD (lung disease). With this platform, we are shaping the potential to support other disease areas in the future.

In 2021, we also developed the core system of the Covid-19 passport for the Danish Health Data Authority. This included the handling of personal data, security, vaccinations, test results, signing with QR codes and NemID login. The system was launched as the first Covid-19 passport in Europe.

In Switzerland, Trifork developed and launched a sign-up solution for pharmacies, allowing patients to give their consent to collect and store their medical information in the EPD (Elektronisches Patienten Dossier). This was the starting point for a Swiss national infrastructure, which over time is envisioned to enable the sharing of medical data across healthcare institutions.

Trifork Labs invested in Visikon, a digital health startup that empowers patients, relatives, community workers and other stakeholders to understand and actively collaborate on patient treatment from start to finish. Together with Visikon, Trifork can support the entire healthcare journey with easy-to-understand communication via animated videos, direct access to relevant healthcare data and close integration between different healthcare systems. With our international footprint and network, Trifork can internationalize this product and bring scalability to patient journeys by distributing these across markets.

As part of the European Consortium and the 5-year research project – Gravitate Health - we delivered the first prototype. The aim of the project is to make information about medicine more accessible and understandable to patients across the European countries and thereby leading to better patient outcomes.




CUSTOMER

**Danish Health Data Authority**

INDUSTRY

**Healthcare**

BUSINESS AREA

**Digital Health**

CASE STORY

# From Paper to Digital Transforming the Danish Prenatal Record

### The paper-version prenatal record in the golden envelope

Until now, pregnant women in Denmark have been given a golden envelope at their first prenatal consultation. The envelope contained a paper version of a prenatal record used to ensure that data and information was shared across sectors and between all the health professionals involved in the prenatal care and delivery. This group of health professionals included the GP, the midwife, the hospital and the municipal healthcare. The pregnant woman was responsible for bringing with her the prenatal records, every time she had a consultation with her GP, midwife and hospital, through all stages of her pregnancy to the moment of delivery.

### Facilitating data sharing, communication and involvement

Today, most referrals in the Danish healthcare sector are sent electronically. Problems occur because the health professionals often use their own electronic records as well as the prenatal record in the golden envelope. Consequently, they have to fill in information twice, and sometimes information is lost in the process. Pregnant women might also forget to bring their envelope, or it eventually becomes that damaged by wear it can be difficult to decipher the information. In the future, both the prenatal record and the medical record will be replaced by one digital solution in three modules that facilitates the sharing of data across sectors. This will simplify and improve communication between the pregnant woman and all relevant parties throughout her entire pregnancy.

### Three-module solution

The digital solution consists of three modules:

- National Services - The Shared Pregnancy Portfolio
- Web solution for healthcare professionals – The Pregnancy Portal
- App for the pregnant women - My Pregnancy

The core of the solution is the Shared Pregnancy Portfolio, which ensures that all parties involved in the course of the pregnancy can access the data that was previously entered manually in the paper version of the prenatal record.

The healthcare professionals involved can enter information into the Shared Pregnancy Portfolio via the Pregnancy Portal or access this directly from their own clinical domain systems after a local implementation.

The pregnant woman gets access to her own data from the pregnancy folder and information about the course of the pregnancy via the My Pregnancy app that gives a comprehensive overview of all the information needed.

### Cross-sectoral collaboration with the citizen as the focal point

The purpose of this solution was to develop an app for pregnant women, a web solution for the healthcare professionals and a backend solution for data storage and integration, thereby transforming the prenatal record from paper to digital form. We find this type of cross-sectoral user centric collaboration very exciting, new and innovative. The citizen is a very important part of this type of digital health projects. They get an individual overview of their own course of pregnancy, simply because all the parties involved, right from hospitals and midwives to GPs, enter information and data into the same system. The easy access to personal and relevant data enables citizen empowerment and guarantees the pregnant woman a safe course of pregnancy. The collaboration with the Danish Health Data Authority is characterized by very agile problem solving and an effective clarification process. This has accelerated the development and ultimately ensured that we can test in clinics and with end-users in 2022 and make life easier for pregnant women and healthcare professionals in the future.

*"In collaboration with Danish Health Data Authority, Trifork carried out a professional agile development process, where the development team ensured that we came through safely and successfully. The pregnancy portal is a great product, that we look forward to being tested by the clinics in 2022."*

Ida Bachmann Anthony
IT project manager, Danish Health Data Authority

# Smart Building

## STRATEGIC PRIORITIES

- Increase focus on Smart Factory and Industry 4.0/4.U concepts to increase revenue from existing customers
- Expand in existing markets by scaling and promoting existing product offerings
- Develop new attractive and scalable concepts through R&D in TSBOne and Trifork Labs companies
- Grow outside the existing geographies with a first priority in Switzerland

## REVENUE (EURM)


## The Smart Building Market

The Smart Building market is currently undergoing a radical change. The markets are driven by a desire to reduce the environmental footprint, while increasing efficiency, reducing costs, and improving customer experiences. The European markets are expected to show high demand for Smart Building solutions in the years to come due to the ambitious CO2 reduction targets of 55% by 2030, set forth in the European Green Deal agreement.

The Smart Building market comprises of investments in intelligent solutions with IoT technology as the backbone and solutions that utilize the building data to optimize energy, maintenance costs and workflows in the buildings. The main areas of IT spending focus on installation services, application areas like smart grid, freight management, omni-channel operations and smart building/smart home solutions.

The use of data for optimizing facility management, service and consumption, is increasingly interesting as customers seek IoT providers that can orchestrate integration with existing systems. In addition to integration, service providers need to have capabilities in data analysis, data management/use and security.

The multi-vendor ecosystems in many buildings are often difficult to master and rely solely on in-house IT resources. This often leads to limitations, given the complexity and need for specialized technical knowledge.

## Our Smart Building Business

Trifork Smart Building remains focused on fulfilling the need for solutions to support smart buildings and smart factories, thereby actively contributing to CO2 reduction and, ultimately, CO2-neutral ambitions. We see a growing demand for frictionless user interaction and digital connection with the physical world. In Denmark, we launched an initiative named Industry 4.U (industry for users) to optimize user experiences in industrial production and make the information easily available for users in an intuitive way. This leads to less training time in the use of machinery and faster workflows.

With the acquisition of Vilea in 2021, we grew our footprint for Smart Building in the Swiss market. Vilea works with a range of solutions that are in the cross-field between Smart Building and Smart Enterprise. One example is delivering an IoT solution to a top international lift supplier, while another example is the implementation of a building inspection app for a Cantonal Building Insurance company.

Within the Smart Building business area, Trifork currently runs two high profile R&D efforts in TSBOne and TSBThree. These are two Trifork-designed office buildings that will serve as research and development labs for our teams. Here, we have a live environment where ideas and solution concepts can be tested in a real-life environment. The buildings will, to the greatest extent possible, be constructed of wood to reduce their carbon footprint. They will be fitted with solar panels on the roof. Also, when design and technology can complement one another, a range of technical installations will be added to minimize the building's energy consumption at the same time as ensuring an optimal indoor climate and work environment.

Our vision with the Smart Buildings is that our customers can benefit from these improvements in R&D and even benefit from Trifork's data-driven innovation. One example is our implementation of securely-bridged digital twins in the cloud in combination with edge computing and artificial intelligence. Trifork believes that open application programming interfaces (APIs) that facilitate communications across systems are advantageous.

In 2021, Trifork Lab also invested in the cleantech company, Dryp, which uses IoT technology and big data to enable waterworks and wastewater companies to optimize operations and planning, including the prevention of sewer overflow and congestion of drainage systems.

CUSTOMER
**Trifork**

INDUSTRY
**Construction**

BUSINESS AREA
**Smart Enterprise**




CASE STORY

# Smart Buildings: The Next Frontier

### From Ambition to Reality

The dream of smarter buildings has roamed the world for decades. We want buildings that respond to our needs and

can indeed anticipate them. We want buildings that lower our energy consumption to sustainable levels and, needless to say, we want to build them as cheap as possible.

In the case of office buildings, we also want its inhabitants to perform at the top of their ability. Offering an environment that enables workers to perform at top level at all times, however, is not an easy task.

At a time when highly skilled workers are an increasingly precious resource, it's even more important to offer an attractive workplace to attract and retain talent.

We have decided to face the smart building challenge head-on. With 58 business units working across 28 different buildings, we have accrued a wealth of know-how allowing us to untie the Gordian knots of smart building. We decided to do it the Trifork way with less talk and more action, and this was how we started the first Trifork Smart Building.

### Raising the Bar for Sustainable Office Buildings

Our overarching goal is to raise the bar for sustainable office buildings. A Smart Building needs to be both technologically, financially, and environmentally smart. If this is not the case, the building itself might be "smart", but investing in it won't be.

Much can be improved in the construction phase itself. We aim to reduce $CO_2$ emissions by up to 85 percent compared to a traditional building. We can achieve this by, among other things, using timber for all load-bearing constructions.

A common challenge is the mismatch between the need to reduce resource consumption and the need to create a pleasant work environment that caters to individual needs. The most resource-efficient indoor climate is rarely the most pleasant one.

> ***"Creating the smart buildings of the future seems a natural course for Trifork to take, given our passion for sustainability, our tech savvy people, and our desire to change the world with software"***
>
> Jørn Larsen
> CEO, Trifork

### An Evolving List of Features

Trifork Smart Buildings are built on three pillars:

1. Optimized work environment for highly autonomous knowledge-based companies
2. Sustainable building materials and construction techniques
3. Reduced energy consumption

For our teams to be consistently creative and efficient, we want to provide them with the optimal work environment. This translates into an AI–controlled indoor climate that balances the needs of each team:

- Heating and cooling of the interior is handled by radiators powered by a sophisticated system that uses the decentralized ventilation system in each room
- Surplus heat is extracted before the air is led outside
- Air quality and temperature is closely monitored for each room, triggering automatic ventilation
- Sensors register the number of people present and optimize indoor climate accordingly

Furthermore, sensors embedded in each workstation will automatically power off equipment if no one is present.

Employees have the power to monitor and control their workspace by using the dedicated app integrated with our Smart Building software. Visual feedback is shown on monitors throughout the building, encouraging employees to be mindful of energy consumption in real-time.

A lot of thought has gone into the construction details. The roof is fitted with solar panels to harvest energy, and heat is drawn from the ground. Huge water tanks not only play a key part in the building's heating and cooling but are also connected to the city's water utility company, enabling unprecedented control and resilience to climate events.

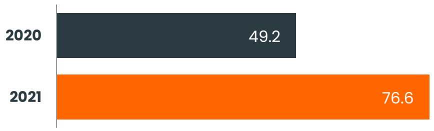
The above features are just examples from an evolving list. We hope our smart buildings become landmarks that inspire other organizations to keep pushing for a better future.

# Smart Enterprise

STRATEGIC PRIORITIES

- Growth through acquisitions, primarily in the DACH region, the Netherlands and the UK
- Growth based on our core competencies through the creation of new business units
- Increase the revenue share of both 'Inspire' and 'Run' business by developing our offering within DesignLabs and Operations, and offering these in new geographies
- Develop relevant products for existing customers by leveraging partnerships
- Strive to be a “great place to work” to be able to attract talents to support our organic growth

REVENUE (EURM)




## The Smart Enterprise Market

The Smart Enterprise market covers private and public organizations’ IT and services spending on enterprise software, which also includes mobility and AI solutions.

Typically, organizations invest in enterprise software with the aim of optimizing, streamlining and automating business processes. We see a growing demand for integration of ERP and isolated systems in the market. This primarily with the aim to transform these into simple user-friendly solutions by removing the underlying complexity and system fragmentation for the users.

Growth in the Smart Enterprise market is driven by a continuous need for digitalization and a growing number of options to implement new use cases for enterprise systems, as data is moved to the cloud and new technologies are introduced. Particularly, the demand for external IT services has increased as most in-house IT departments neither have the capacity for nor the experience with the new technologies.

As part of the COVID-19 pandemic, we are seeing an increase in remote working, triggering the need for modern and secure architectures that enable users to seamlessly access their companies’ applications from home.

## Our Smart Enterprise Business

Our Smart Enterprise customers are typically the leaders in their industries and/or large public sector organizations in a broad spectrum of sectors. This includes discrete manufacturing, travel and transport, logistics and warehousing as well as retail and FMCG.

In 2021, we added Vilea to the Trifork Group. Vilea is a Swiss and Austrian-based IT-firm that specializes in designing and delivering tailor-made mobile enterprise applications for large Swiss enterprise customers. With Vilea’s excellent team of developers, we were able to strengthen our local position and expand our scope of activity in Switzerland and central Europe with the new offices in Zurich and Vienna. Another noteworthy activity is the further expansion of our Business Unit in Barcelona, where we were able to further grow the team with competent colleagues, benefiting our network of units across Europe.

In 2021, we helped an international branded consumer goods company by developing and integrating a new modern drop shipment solution that optimized the deployment of goods, reduced delivery times and helped reduce logistics costs. We also developed an in-flight catering app for a leading airline group, enabling flight personnel to offer better service to airline passengers by using an iPad.

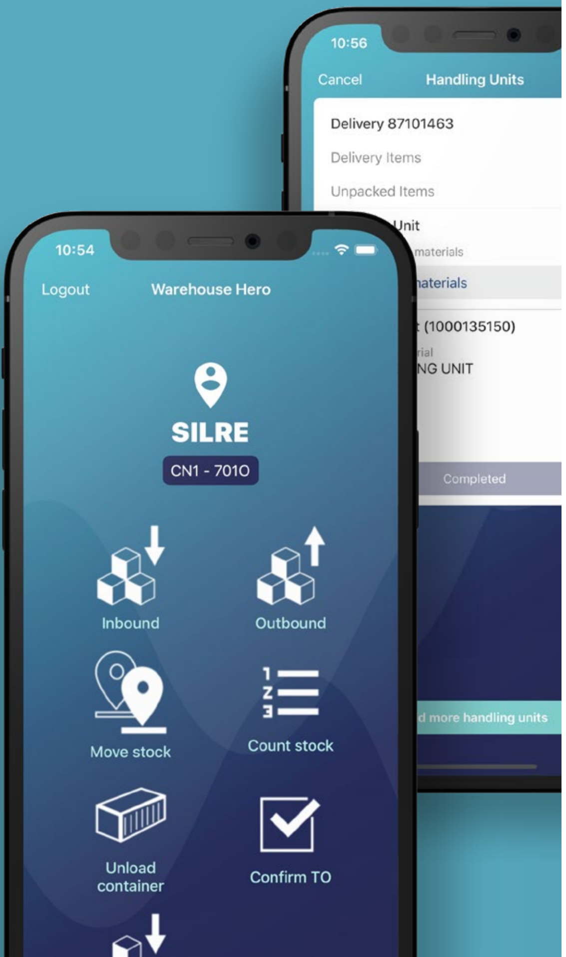
In the public sector, we completed a large compensation management project for the Danish Parliament and initiated a multi-year project for the Danish Justice Ministry. This is an area where we see interesting opportunities in the future. In addition, we helped Banedanmark develop a suite of digital tools for their field workers and administrative staff, further replacing paper-based processes. Banedanmark is responsible for the maintenance and traffic control of the Danish railway network.

In 2021, we have also seen successful engagements with our Trifork Labs company Arkyn Studios. They focus on standard enterprise apps to amend SAP systems (SAP-Apple Fast Start program). The combination of our competencies and standard products enabled us to win tenders based on a highly attractive value proposition.

CUSTOMER
**Vestas**

INDUSTRY
**Renewable Energy**

BUSINESS AREA
**Smart Enterprise**




CASE STORY

# Warehouse Hero

## Trusted Partnership

Vestas Wind Turbines A/S is a global leader in the field of renewable energy. They design, manufacture, install, and service wind turbines across the globe with a total of 23 plants covering 83 countries globally.

For more than a decade, Trifork Smart Enterprise has acted as a trusted advisor and innovation infuser at Vestas, with Warehouse Hero being the most recent example of our strategic collaboration.

## Retiring Ineffective Solution

For years, Vestas was using a Movilizer solution for inventory management, but the lack of flexibility and the tricky user interface of the app led warehouse mangers to opt out of using their mobile devices in favor of their desktop solution – thereby seeing the potential productivity gain of a mobile solution go down the drain.

Vestas decided to rid themselves of the rather expensive Movilizer framework for custom app development that enabled warehouse transactions. Instead, they chose to develop a native app that handles the same tasks – only better, faster and without the steep licensing cost.

## Warehouse Transactions Mobilized

As per best practice in Trifork, Vestas and Trifork initiated the product development by means of a Design Thinking process in which the current challenges were approached from every angle to create a viable IT solution that adds value to the business while making life easier for inventory managers.

As a result of an agile and iterative scoping phase, Trifork and Vestas developed Warehouse Hero, a scalable consumer grade inventory management solution that meets the actual needs of users while optimizing the flow of inventory management.

A new native iOS app integrates functionality from several different web apps: Goods receipt, material handling, stock count, outbound, and is further enhanced with functionality that normally only can be achieved in the MIGO transaction.

With Warehouse Hero, all functionality related to warehouse management is gathered in one user-centric and low maintenance mobile application that is easily accessed with a standard Vestas user ID. Bluetooth functionality allows for handsfree scan and feedback actions, and the solution has full offline capability in areas without WiFi.

## Easy Intuitive User Interface

The Warehouse Hero app has been released to +1,000 key warehouse employees in Vestas. Due to its user-centric core, the app required no training to use – thus ensuring a frictionless roll-out.

The app was well-received by the entire warehouse organization. Not only is Vestas saving on licensing costs, the optimization of workflows and the stable performance of the app have helped Vestas save around 180,000 hours annually.

Within the next couple of years, the app will be rolled out to +5,000 users, yielding even greater results over time.

## Boost the SAP Experience

Warehouse Hero is a central part of Vestas' modern high-performance mobile iOS platform that is based on SAP IM/WM – exposing data and functions to SAP Cloud Platform. By utilizing SAP Cloud Mobile Services, we are able to provide offline data to mobile devices in areas without WiFi. SAP Cloud Platform mobile service (SCPms) allows for easy onboarding, push notifications and offline capabilities.

**+180K**
hours saved/year

**+1000**
users

**0**
hours of training

CUSTOMER
**Mosaic World**

INDUSTRY
**Real Estate**

BUSINESS AREA
**Smart Enterprise**

CASE STORY

# How Mosaic World accelerates sustainable ecosystems for improved community living

### Sustainable urban ecosystems

Mosaic World helps property owners and investors manage, secure, and develop their real estate portfolios. They are committed to providing living spaces for over a quarter of a century, across nine countries in Europe. Mosaic World connects a wide variety of people with an extensive range of affordable living spaces: from raw concrete studios to fully-furnished flats and bustling student campuses. These living spaces contain tailormade facilities and digital services that help nurture, grow, and diversify the communities that use them.

Trifork helps Mosaic World achieve its goal of strengthening human connections. By delivering outstanding housing experiences, Mosaic World aims to exceed community expectations. This ranges from frictionless access to everyday necessities such as shared laundry and pick-up facilities to eco-friendly transportation services connecting universities, city centers, and mobility hubs. But that is just the start. Amenities like private cinemas and indoor sporting facilities are just a few examples of how Mosaic World creates exceptional experiences for its communities.

### Cutting-edge technologies enable a frictionless customer journey

Trifork made the entire customer and employee journeys smart: from searching to living, and from living to leaving with strategic processes implemented at the speed of light. Through smart automated publishing, new property listings are promoted on relevant channels when rooms or houses become vacant.

Applicants need to comply with intake criteria such as a minimum monthly income and proof of university enrollment. If the applicant passes all requirements, a smart contract is generated that matches the building, regional and country regulations. In addition, the system makes those contracts traceable and manageable for Mosaic and its stakeholders. By integrating over 200 contract types within Mosaic World's digital platform, the company safeguards the rights of tenants while remaining flexible for property owners and making risks manageable for investors.

Property inspections and quality management processes ensure that new tenants can move in seamlessly and efficiently. The user centric self-service app is provided to make occupancy equally enjoyable.

At any point in the customer journey, tenants can take ownership of their surroundings to make their house their home. In addition, it delivers quick rotation, stability, and continuity for business revenue, safeguarding income streams during the tenant's occupancy.

> *"Trifork is instrumental in achieving our strategic goals towards operational excellence. From conceptualising the needs of Mosaic World and our customers, till the delivery of a state-of-the-art digital platform, Trifork has shown with great empathy to understand our needs, those of our tenants and investors."*

Peter Habraken
Chief Financial Officer, Mosaic World

### The place where happy living and good investments meet

Trifork helps Mosaic World reshape urban living by creating more vibrant communities that improve the lives of both tenants and investors. By delivering smart processes, safeguarding data quality, and meeting the requirements of national and regional policy makers, the platform benefits all stakeholders. Because we know, happy living makes good investments. Because we know, happy living makes good investments.

**31%**
reduction of tenant rotation times safeguard revenue stream continuity

**23%**
increase of overall occupancy through smart property management processes

**9**
countries served with a centralised unified contract streaming process

CUSTOMER

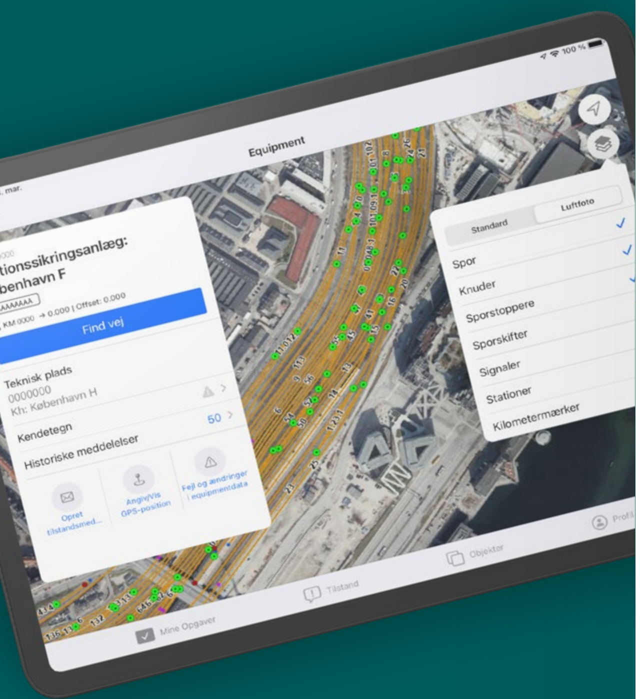
**Banedanmark**

INDUSTRY

**Rail**

BUSINESS AREA

**Smart Enterprise**




CASE STORY

# Banedanmark: Turning Mobility Smart

## Keeping the Danish Railways Safe

Banedanmark, the Danish company in charge of maintenance and traffic control of the entire state-owned railway network, is committed to keeping railways in Denmark safe.

Every day, 650 field workers clock in, ready to ensure that more than 750,000 assets are in impeccable condition - using SAP as the backbone of their organization.

## Unlocking the Full Potential

Banedanmark found their mobile fieldwork solution to have shortcomings in several areas: Sign-on issues, unstable performance and the lack of flexibility created a continuous stream of technical obstacles in the everyday life of their field workers.

To unlock the full potential of the field service workforce, Banedanmark executed a request-for-proposal process to select and procure a replacement of their existing solution.

After a competitive bidding process, Trifork was accepted as the supplier of the new solution.

## The FastFieldwork & FastTime Solutions

Banedanmark's IT-mission mandates the delivery of value-creating and reliable IT solutions. To this end, Banedanmark has prudently recognized the immediate value of simplicity and user experience in employee-facing IT solutions. Banedanmark placed significant emphasis on these areas.

The solution delivered by Trifork to Banedanmark is a set of two contemporary and user-friendly mobile solutions designed for their field workers.

Based on SAP and Apple technology, they represent a perfect symbiosis between business strengths and humanized technology:

- Next-generation app performance and usability
- Seamless integration with SAP backend
- Intelligent use of mobile hardware capabilities
- Superior security and privacy
- Instant sign-in and data access

With the new Banedanmark mobile apps, field workers have seamless access to work orders and notifications from the SAP backend, enabling them to conduct their daily work without technical interruptions.

Additionally, with the delivery of the FastTime app, getting accurate and timely time registrations and correct time allocation is now easier and more intuitive than ever.

A special focus in the business requirements was also placed on a seamless, smooth and user-friendly integration with Banedanmark's Graphical Information System to better assist maintenance technicians in the field. The delivered solution provides efficient, accurate and aesthetically pleasing built-in maps and visual representations of technical structures and maintenance objects.

## Outstanding User Experience

The Banedanmark apps have an intuitive and user-friendly interface comparable to that of consumer-grade software. Verifiable built-in insights facilities have proven to have a very high adoption rate for the solution.

The high adoption rate, security compliance, improved data quality and the timely execution of tasks and work orders all make a compelling case for creating an outstanding user experience with such enterprise apps.

## Tech

The Banedanmark solution is based on the standard products, FastFieldwork and FastTime, both of which are from a suite of products created by the Trifork Labs company Arkyn and tailored by Trifork to fit Banedanmark's requirements.

Running on a modern, event-driven, real-time capable, microservice-based architecture provisioned with SAP Business Technology Platform, the solution is highly secure, scalable and flexible.

Being engineered specifically as a state-of-the-art Best Practice Enterprise Mobility solution, the solution and its underlying architecture are fully prepared for transitioning to S/4HANA. This paves the way for Banedanmark's digital transformation journey.

**+750K**
managed assets

**+60K**
annual work orders

**650**
users

# Cyber Protection

## STRATEGIC PRIORITIES

- Focus on large to midcap companies in Trifork's core countries
- Expand the consulting business with leading vendors
- Analytic/big data solutions within security and other sectors with a strong Trifork footprint
- Growth through acquisitions to add competencies and strengthen market position

## REVENUE (EURM)


## The Cyber Protection Market

The cyber security market consists of organizations' spending on software, hardware and service solutions that prevent or mitigate malicious cyber threats from criminal organizations and other bad actors. The importance and awareness of cyber security continue to increase, driven by the fact that we are becoming more dependent on technology and its integration, and on more frequent news about attacks and threat levels that compromise its proper functioning. Vulnerabilities are being exploited, resulting in an increasing number of organizations being infected and having a significant impact on operation and reputation. We see an increased focus and move towards improving protection and procuring external professional support to tackle these challenges.

For organizations, cyber security is no longer just about protecting the integrity of systems infrastructure and applications, but also about protecting the organization from data loss across complex architectures, in different clouds and even on premises. The rising cost of security breaches, combined with the increasing sophistication of attacks and continuous expansion of threat vectors, have resulted in a skills and resource shortage in many organizations, driving the cyber security market towards external service providers. This all represents an attractive market for Trifork Security where we see considerable growth potential for the future.

## Our Cyber Protection Business

Trifork's cyber protection business has broad expertise and offers an end-to-end cyber capability before, during and after an attack. We have major projects in the areas of critical infrastructure, commerce, finance, enterprise clients, publishing, education, insurance, defense and other areas.

We seek to ensure that customer data is accessible, confidential, reliable and secured, while minimizing the risk of security breaches. We work for a mix of private and public large and medium-sized organizations, most of which are mature and have realized the need for cyber protection. We offer all the services and products customers need to identify, protect, detect, respond and recover from an attack. In addition, we offer cyber security assessments tailored to company size to help customers move from current state to the desired state of cyber protection.

We also offer Log-as-a-Service (LaaS) to customers who outsource log management and observation responsibilities. We offer SIEM-as-a-Service to customers who outsource the responsibility of building and operating a security incident platform, and finally SOC or Managed Detection & Response (MDR) for customers who do not have the capability and skills to investigate incidents and respond to incidents in their own environment.

In addition, we conduct analyses of security and operational data in the customer environment to visualize and provide intelligence on significant service impacts to the customer's business. In offering these services, Trifork Security is also the reseller of hardware and 3rd party licenses to provide customers with a comprehensive toolbox for managing all these challenges.

In 2021, Trifork Security was awarded IBM Security Partner of the year, underlining the quality of our services and appreciation of Trifork's contribution to a successful partnership. To internationalize these capabilities, we implemented Trifork's new Operation Centre in Switzerland to lay the foundation for further growth of our cyber protection business.

Within the security area, Trifork Labs has invested in Promon, a Norwegian company working across a wide range of industries with various global Tier 1 customers.

CUSTOMER

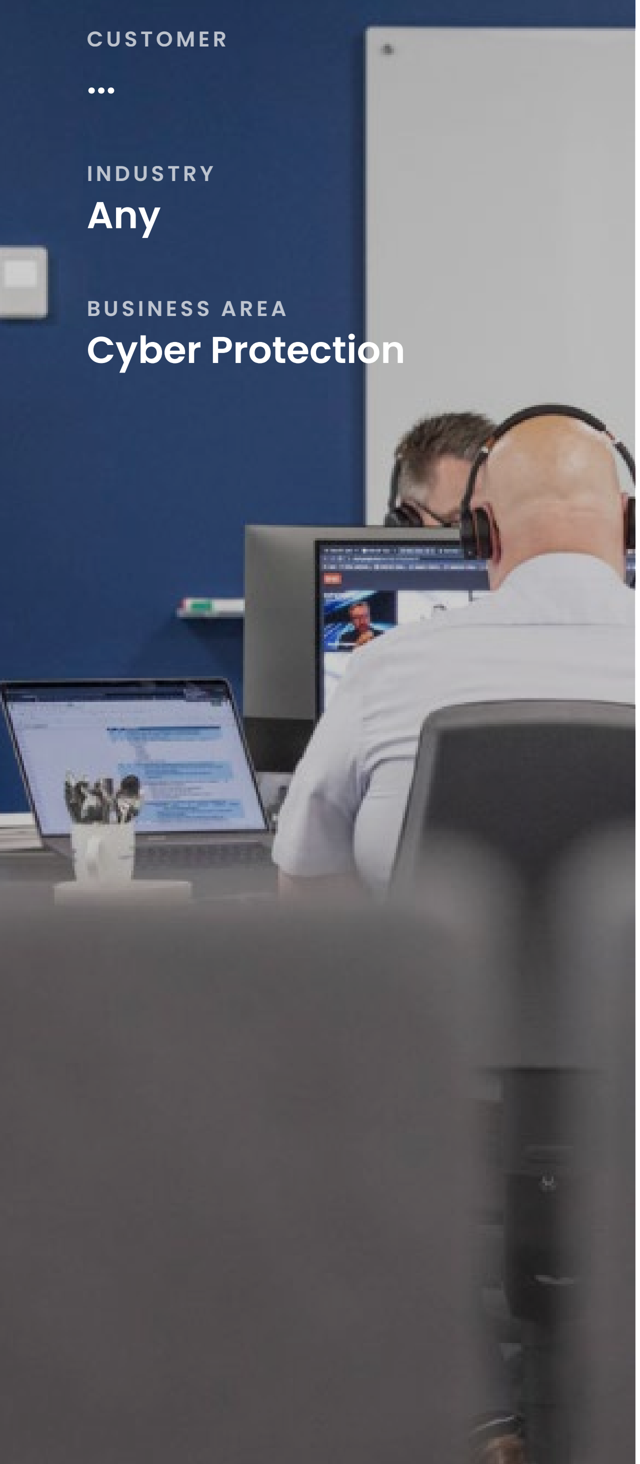
...

INDUSTRY

Any

BUSINESS AREA

Cyber Protection



CASE STORY

# Is your organization empowered to navigate the evolved cyber reality?

### The cyber threat landscape has evolved and so has the risk

Looking a few years back, a number of areas have been evolving in cyberspace. We have moved from a core financially motivated agenda to an equally political agenda. Moreover, as human beings we have been digitizing our existence to an ever-increasing extent that involves personal property as well as company and intellectual property. This is a clear call for action to rethink how we manage security, both at an industry specific level as well as a customer specific level.

### Internal and external threats are becoming more imminent

It doesn't take much threat research to identify that the ransomware risk is as high as ever. However, being able to make informed decisions based on your specific operating environment and your business-critical assets and the threat landscape within your organization is a much more challenging task.

As an example, we have gathered insight into the darknet and intel from trusted partners, indicating that known malicious actors wish to exploit and pivot off of insider threats and disgruntled employees of western European and Nordic tech companies.

The malicious threat actors are willing to offer up to 100,000 Euros for adding a few lines of code into the core systems of the organizations they work for. Such potentially harmful code could pose a threat to the financial integrity and existence of the company.

### Shifting gear across people, processes and technology reduces the cyber risk

Trifork believe there is a need for including both tech, process and human interaction when planning Cyber Protection. It's crucial for each company to identify where the risks are and how each risk can be handled and mitigated in the best way. Each organization needs to clarify exactly where it has full control and where there are loopholes or potential unidentified risks since the consequenses of not being in control very likely could be disastrous if they were attacked.

### Business-critical cyber transformation

With the current situation in mind, we have developed The Cyber Transformation Model. This model helps organizations prepare for the risks described previously. The model helps organizations make informed decisions and regain control across the cyber agenda.

*"We empower you to take control of your cyber posture. From strategic, tactical and operational aspects. We will make sure you are in control."*

Anders Fleinert Larsen
Business unit leader, Cyber Protection

**4EURm**

Avg. cost per incident when hit by malicious insider

**+20K**

Security vulnerabilities identified in 2021

# Cloud Operations

## STRATEGIC PRIORITIES

- Develop new services & products to offer solutions, that ensure reliable and secure operations in the private, public and hybrid cloud
- Expand internationally and scale our services to other Trifork markets
- Continue the investments in future assets like datacenters, infrastructure, products and services
- Drive automation and ease of doing business with us and provide best in class DEVOPS
- Be "best place to work" to enable recruiting and retaining the best employees

## REVENUE (EURM)


## The Cloud Operations Market

The Cloud Operations market is increasingly important for Trifork and its customers. Cloud continues to increase its importance as a 'deployment model' for both applications and infrastructure across our markets. This gives developers greater flexibility and efficiency in DEVOPS and better accessibility to users when using their organizations' IT infrastructure.

The Cloud Operations market is heavily influenced by the three main 'Hyperscalers' that set the standard for many of the services and price levels in the market. However, we begin to see the effects of EU privacy regulation and companies' increasing attentiveness to privacy and control over their own applications and data. We expect this will cause the private cloud model to grow additionally in the market. At the same time, the requirements for the technical capabilities of IT service providers and the products they deliver have increased. To cope with the increasing number of business-critical applications and changing regulatory landscape, the demand for solutions that are secure, flexible and capable of being migrated from local storage to private or public cloud and vice versa is increasing. Development of new cloud applications exceeds the capabilities of most in-house IT departments and with the introduction of multiple cloud environments, there is an increased need for external IT services.

## Our Cloud Operations Business

Our ambition in Cloud Operations remains to improve the everyday lives of developers in our customers' organizations by advising, educating, designing, implementing, and running cloud-based solutions that suit each individual organization.

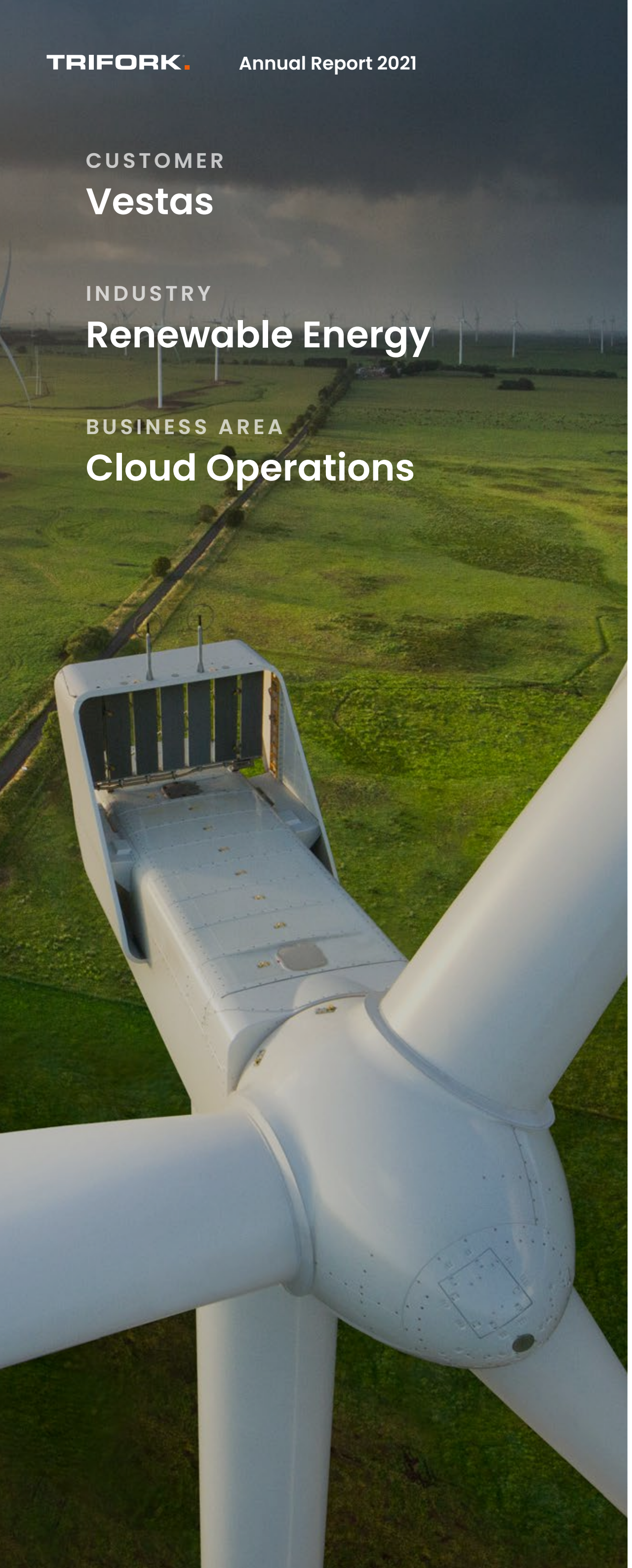
Our product offering spans from data storage on-premises to multi- and hybrid cloud solutions as well as public cloud solutions, where we work with all the major global public cloud platforms: Amazon (AWS), Microsoft (Azure) and Google (Google Cloud Platform).

At Trifork, we most often develop solutions that are agnostic between cloud environments, ensuring a high degree of flexibility for our customers. Our services range from advising and designing infrastructure solutions to implementing and maintaining complete cloud-based solutions. Recently, we have introduced new products and services which enable us to add an additional layer of observability and other services that make DEVOPS faster, easier and based on standards that allow us to offer our clients better operation services in both the private and public cloud.

In 2021, based on our strong presence in the Nordics, we took an important step forward to expand our Cloud Operations globally, in particular through the founding of Trifork Operations AG in Switzerland and the establishment of a Tier 4 datacenter.

In 2021, we observed a tendency towards larger mandates caused by increased customer size and more comprehensive solutions offered. We transferred all operations from SOS International from their own data centers and IT department to our Netic datacenter and introduced an additional security layer from Trifork Security. The scope of work has further evolved after the transfer and currently engages multiple Trifork Business units in cloud operations and cyber security. In the same year, a leading home design and furniture retailer from Denmark renewed its five-year operations contract on an even broader scope. In addition, Trifork signed an operations contract with Vestas, the global leader in wind turbines for clean energy solutions.

Trifork also invested in a new datacenter in Denmark to meet the growing demand from new customers. We plan to build further capacities over the next few years in order become an even more relevant partner to our customers and to accelerate the conversion from a Build to Run based business.



CUSTOMER
**Vestas**

INDUSTRY
**Renewable Energy**

BUSINESS AREA
**Cloud Operations**

CASE STORY

# Application Monitoring Platform resulted in clear insights

### A diverse application landscape

Vestas Wind Systems is a Danish manufacturer, retailer, installer, and servicer of wind turbines. Founded in 1945, the company operates manufacturing plants in many countries, including Denmark, Germany, India, China, and the United States, and employs more than 25,000 people globally.

Vestas' business units have autonomous control over the development and use of mission critical applications – many of which interface with the corporation's SAP-stack. Because the application landscape is quite diverse, the monitoring and day-to-day operations of these applications have not been clearly defined, resulting in a lack of insights into the performance of each individual application, and a lack of clear responsibilities in case of operational incidents.

### From operating a single application to a uniform application operations model

At first, Vestas described the need of being able to operate and monitor one or two applications. Right from the initial dialogue about a solution, the need for a single monitoring platform emerged, one that could collect and visualize metrics from any application, regardless of the business unit, the application it belongs to, and whether the application was running out of public or a private cloud.

Netic was as such able to use our expertise in operating applications in multi- and hybrid-cloud environments to impart upon the customer the importance of a uniform way of monitoring customer-built applications.

### How to monitor an application from a user perspective

There are frameworks in existence that describe how to operate and monitor cloud applications from a best-practice standpoint. Depending on which public cloud vendor you use, these frameworks are either called Site Reliability Engineering or Well Architected Framework.

Together, Netic and Vestas decided to use a slightly different approach by taking the best of Microsoft's SRE-principles and looking at the application from a user experience perspective. This means that the metrics that are collected and monitored are the metrics that directly influence how the user experiences the performance of the applications.

By employing this method, we were able to focus on letting the application monitor its own dependencies. This enables the product owners to detect the errors users are experiencing.

### A uniform application governance model

How does one ensure that applications are treated in the same way from an operations and monitoring standpoint? This solution has partially succeeded in answering the question by giving Vestas a uniform way of monitoring applications, regardless of the operating environment.

By requiring that the application meets certain standards and by passing certain tests before onboarding it in the operating platform, Vestas and Netic together have ensured clear traceability in terms of what part of an application failed in case of an incident.

As a result of this, Vestas is now able to resolve incidents faster which, in turn, is a big win for both business units and product owners.

*"We are used to working with large international corporations for operating out IT-solutions. We are happy with Netic, to have found a partner who understands our needs, and are able to translate those need into technical solutions that provide a real benefit to us."*

Bo Linddahl Rasmussen
Head of App and API Platforms, Vestas

# Trifork Labs & Investments

The objective of Trifork Labs is to lead the venture-financed research and development (R&D) activities of the Trifork Group.

For more than 20 years, Trifork has been active in founding and investing in tech start-ups that develop innovative software solutions. In the process of working with start-up companies, Trifork gains valuable know-how from their technological development, ensuring that it becomes familiar with emerging disruptive technologies at an early stage.

Trifork Labs investments are determined based on three well-defined investment criteria: first, the target must be a software product company that invents new technology. Second, the investment should build technology to support the Inspire, Build, or Run part of the go-to-market model in the Trifork segment. Finally, investments are evaluated based on their potential to become a strategic partner to Trifork and potential synergies that can be expected from the investment.

## AxonIQ B.V. (21.5%)

www.axoniq.io

In 2017, Trifork co-founded the company, AxonIQ, with Jeroen Speekenbrink (CEO) and Allard Bujize (CTO). Jeroen was successful in the role of director at Trifork Amsterdam, while Allard is the creator of the Axon Framework, so it was a perfect foundation to launch this new company. AxonIQ offers a unique end-to-end development and infrastructure platform for smoothly evolving event-driven microservices focused on CQRS and Event Sourcing.

As of end of 2021, the Axon Framework has more than 10 million unique downloads, adding around 350.000 every month and is continuously growing.

Organizations like Standard Chartered Bank, Lidl, Toyota, Ford, IBM and Tech Mahindra as well as the Dutch, Belgian, US and Norwegian governments trust AxonIQ and use their products.

CEO Jeroen Speekenbrink

AxonIQ

## Dawn Health (32.6%)

www.dawnhealth.com

With an ownership of 50.4%, Trifork in 2016 co-founded the company Dawn Health as a consolidated company with the focus to create solutions to MedTech and Pharma companies. The ambition was to save lives by bringing research, care and technology together.

In the last five years the company has worked closely together with other Trifork Digital Health business units and has managed to grow significantly.

Dawn Health is frontrunner in providing software as a medical device (SaMD) and now within the next year has the opportunity to become a certified legal manufacturer.

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.

CEO Daniel Gewecke Daugaard

# Trifork Labs & Investments

Trifork's main focus in these investments is to support R&D that can be used in the Trifork segment and to grow the value of the start-up companies by creating and accelerating their recurring revenue.

Trifork Labs has historically generated positive financial results. Since 2016, Trifork Labs has generated positive gain on financial assets of EURm 81, as measured by the aggregate realized and unrealized gains less Trifork's cost in respect to its active investments. Realized gains in 2021 grew by EURm 58.6 and contributed in this way with a significant part of the positive cash flow for the Trifork Group.

## ExSeed Health Ltd. (21.8%)

www.exseedhealth.com

Trifork co-founded ExSeed Health in 2017 with Morten G. Ulsted as CEO & co-founder, who has a background from Novo Nordisk's Leadership Development program, and Emil Andersen as CSO & co-founder, who is a PhD researcher at the Center for Basic Metabolic Research, specializing in reproduction and epigenetics. ExSeed is a platform for men to accurately test and actively improve their sperm quality.

It has developed a handy tool with a sophisticated algorithm and lens technology that makes testing of sperm quality possible from any smart phone. In the end of 2019, the product got CE-certified as Software as a Medical Device. This was a major milestone achieved since this certification was needed before the product could be marketed and sold. Sales in 2021 started throughout all of Europe as direct sales and sale through partners. In the beginning of 2022 a new financing round was completed, providing funds to accelerate sales and optimize production.

CEO Morten G. Ulsted

## Promon AS (5.0%)

www.promon.no

Built on the foundation of continuous product innovation, Promon's platform, SHIELDTM, offers unparalleled application protection and shielding technology by extending security beyond the downloaded application and proactively detecting and blocking potential security threats at rest and at runtime, ultimately safeguarding applications used on +300 million devices from malware attacks and application tampering.

Since 2006, Promon has been a pioneer within the application shielding software eco-system and has acquired +250 customers and +25 strategic partners globally, with offices in Norway, Germany, US and India. Promon's software is validated by a broad portfolio of blue-chip customers across a multitude of industry verticals. The company's growth journey is expected to continue, as the demand for application security solutions is expected to accelerate significantly in response to customers safeguarding against ever increasing malware attacks on application level.

CEO Gustaf Sahlman

**Programmable Infrastructure Solutions (19.5%)**
Cloud Migration and solutions

**C4Media (9.8%)**
Online communication and conferences

**EDIA (17.4%)**
AI for education material and language processing

**ComplyTeq (48.3%)**
Fintech - KYC and onboarding

**Verica (2.6%)**
Continuous verification of software systems

**&Money (25.0%)**
Fintech solutions

**XCI (20.0%)**
Cyber protection

**Implantica Mediswiss (0.1%)**
Medical implants

**Atomist (0.2%)**
Tools for program developing process

**Develco (40.0%)**
Embedded software, electronics and IoT

**Youandx.com (3.8%)**
Speaker screening and validation

**Feats (5.0%)**[1]
Employee credits and satisfaction

**TSBOne (39.1%) and TSBThree (25.0%)**
Smart Building innovation

**Visikon (15.0%)**
Visualization of medical operations

**Firmnav (14.9%)**
ML powered search engine

**Upcycling Forum (21.7%)**
Sustainability by reuse and upcycling of building materials

**Dryp (25.0%)**
Water utilities with access to information

**Arkyn Studios (48.0%)**
FastStart apps for SAP

**Kashet (4.3%)**
Mobile first banking

**Beem (4.4%)**
Employee communication platform

1 Investment made in January 2022

# History and key events

Trifork was founded in Denmark in 1996. Between 2007 and 2014, Trifork shares were listed on Nasdaq Copenhagen. At the beginning of 2014, the headquarters were moved to Schindellegi, Switzerland, and Trifork Holding AG was established as the holding company of the Trifork Group. As part of this reorganization, Trifork was delisted from Nasdaq Copenhagen. In May 2021 Trifork Holding AG was listed on Nasdaq Copenhagen.

Trifork's capabilities and entry into new markets have been supported by the following significant acquisitions:

In 2011, Trifork acquired a controlling stake in Erlang Solutions Ltd., headquartered in London, in order to expand Trifork's presence to Stockholm, London and Krakow and offer its customers end-to-end solutions in telecommunications, messaging, payment systems and process control. In 2021, additional NCIs was acquired and Trifork end of 2021 held 74.4%.

In 2012, Trifork acquired Orangell, headquartered in Amsterdam. Orangell was renamed Trifork after the acquisition. The product offering complemented Trifork's product offering and enabled Trifork to expand in the Dutch market.

In 2013, Trifork invested in a minority in Open Credo Ltd., headquartered in London, expanding the Trifork's footprint in the United Kingdom. Trifork acquired full control in 2015 and all remaining shares in 2016.

In 2014, Trifork acquired 51% of the Design agency Duckwise to strengthen the groups ability to make UX-design and focus on usability. In 2021 all remaining shares was acquired by Trifork.

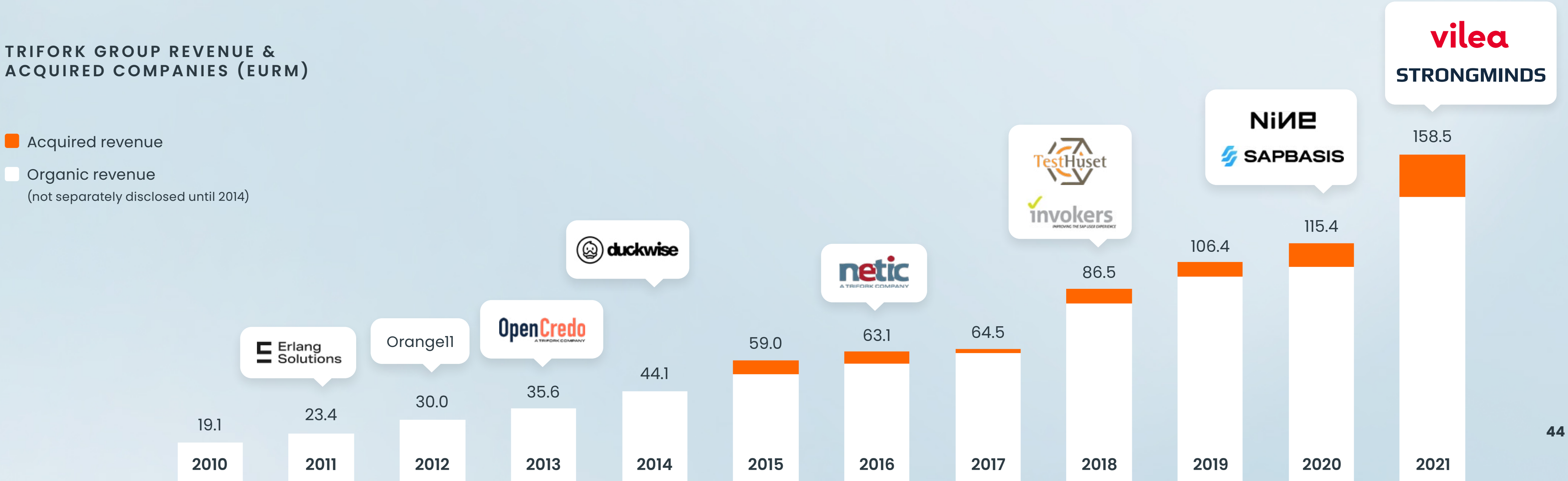
In 2016, Trifork acquired an 88% stake in Netic A/S, headquartered in Denmark. The acquisition enhanced Trifork's capacity to deliver ongoing operational support to its customers.

In 2018, Trifork acquired 51% of Invokers A/S, headquartered in Copenhagen, in order to kick-start the Trifork Smart Enterprise business area and give Trifork the ability to deliver solutions integrating SAP-backend with mobile front-end, and to increase focus on Design Thinking. In 2019, all remaining shares were acquired and the company was renamed to Trifork Smart Enterprise. Trifork also acquired 70% of Testhuset A/S. Testhuset focus on software quality and testing and was to support in increasing software quality.

In 2020, Trifork acquired a 70% stake in Nine A/S, a Danish next-gen IT company, strengthening and anchoring Trifork's role as a provider of software development services to the Danish public sector, thereby increasing the diversity of the customer and revenue mix. Trifork also acquired 51% of SAPBASIS which is focusing on SAP-solutions and operations. This to strengthen the Smart Enterprise business area.

In 2021, Trifork acquired Vilea, a Swiss-based IT-firm specializing in designing and delivering tailor-made mobile enterprise applications. This to expand Trifork's position in Switzerland. Trifork also acquired the company StrongMinds, which has specialist knowledge within cloud technologies and also brought in relationships with new public and private customers.

TRIFORK GROUP REVENUE & ACQUIRED COMPANIES (EURM)



# 05

TRIFORK GROUP

# Financial Review 2021

# Trifork Group

**Financial targets**

| EURm | 2021/05 | 2021/08 | 2021/09 | 2021/11 | 2021/11 | 2022/02 | Result |
|---|---|---|---|---|---|---|---|
| Revenue | 140 - 150 | 145 - 150 | 150 - 155 | 150 - 155 | 150 - 155 | 158 - 159 | 158.5 |
| EBIT | 12.8 - 14.8 | 12.8 - 14.8 | 13.0 - 15.5 | 13.0 - 15.5 | 34.0 - 36.5 | 35.5 - 36.0 | 35.6 |

## General

The management of the Trifork Group is satisfied with the results achieved in 2021.

Overall, the growth in the Trifork segment is higher than initially expectations. This has been satisfying in a year where the economic environment to some extend has been influenced by Covid-19 lockdowns and restrictions.

The Inspire sub-segment was still in most of 2021 restricted from completing in-person conferences. We only managed to complete one physical conference (GOTO Aarhus) and a hybrid conference (GOTO Copenhagen). With short notice we had to postpone our planned GOTO-conference in Amsterdam from December 2021 to June 2022 after local Covid-19 restrictions was reinstalled in the Netherlands in early December.

Build and Run have kept their growth pace throughout the year and developed satisfying.

Trifork Labs has in 2021 again been positively influenced by the exit of Humio Ltd. as the exit proceeds end of 2020 were fixed in USD. This led to a further positive fair value adjustment of EURm 1.7 in Q1/2021 where the profit was realized. Additionally, EURm 0.2 were realized due to a purchase price adjustment. Additionally, financing rounds in 3 Labs investments had a positive fair valuation impact of EURm 0.9.

By the end of November 2021, Trifork Group sold a stake in Dawn Health A/S which led to its deconsolidation with a positive impact on other operating income of EURm 20.3.

The consolidated revenue for the Trifork Group was EURm 158.5 and the EBIT was EURm 35.6, which is within the updated target range.

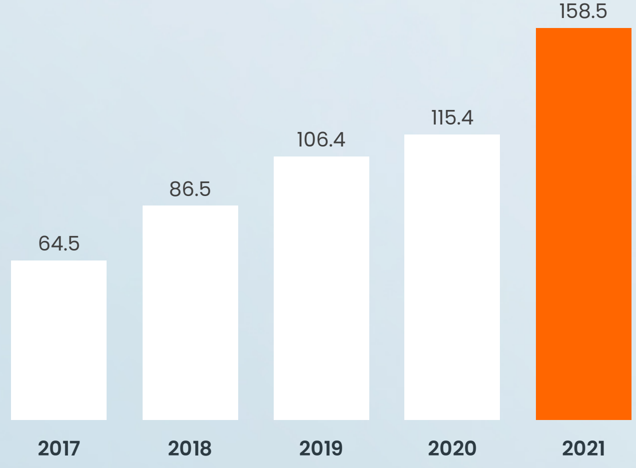
## Development in revenue

The Trifork Group revenue of EURm 158.5 equals 37.4% growth compared to 2020, where EURm 115.4 was achieved. The growth was nearly equally achieved organically (19.6%) and from acquisitions (17.8%). For 2021, the Group has outperformed its mid-term target to obtain an annual 10-15% organic revenue growth.

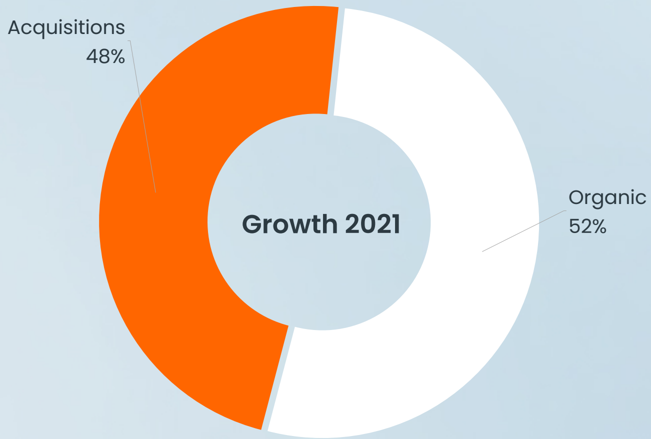
Acquisitional growth reported in 2021 comprises of the revenue from Jan-Aug for Nine A/S, May-Dec from Vilea Group and Nov-Dec from Strongminds ApS.

In 2021, none of the investments in Trifork Labs contributed to the Trifork Group revenue since the status and ownership ratio of the companies do not meet the requirements for the Trifork Group to make a full consolidation. So, even though the activities in Trifork Labs were substantial in 2021, this is not shown as an increasing activity in the Trifork Group.

TRIFORK GROUP REVENUE (EURM)




ORIGIN OF GROWTH



## Origin of growth

In 2021, 52.4% of the adjusted growth was organic and 47.6% came from acquisitions.

Trifork will continue to focus on growth of revenue in our core markets being Denmark, Switzerland, the Netherlands and United Kingdom. Growth outside of these markets will be more opportunistic. We believe in growth on more markets to strengthen the Trifork Group and make it more resilient. Activities in more markets reduce the overall risk exposure if one market shows poor performance and it also provides further business opportunities.

## Revenue divided into segments

The two overall segments in the Trifork Group are defined as Trifork and Trifork Labs. The external revenue in 2021 was divided in the following way (as no Trifork Labs investment is consolidated into Trifork Group, Trifork Labs does not contribute to the Group revenue).

| **Revenue** (EURm) | **2021** | **2020** |
|---|---|---|
| Trifork | 158.5 | 115.4 |
| Trifork Labs | 0.0 | 0.0 |
| **Trifork Group** | **158.5** | **115.4** |

## Employees

In 2021, the Group grew organically but also by the acquisitions of Vilea Group and Strongminds ApS. Both areas contributed to increase the average FTE reported for the Trifork Group. On the other hand the deconsolidation of Dawn Health decreased the total number of employees.

End of 2021, the total number of employees within companies consolidated in the Trifork Group accounted to 950 compared to 828 end of 2020. Following the revenue drop in the Inspire business and the continuing low activity due to Covid-19 restrictions, Trifork did not reduce the number of employees accordingly, on one hand in order to invest in alternatives, such as online conference, a new virtual book-club and our YouTube tech-channel and on the other hand also to be able to continue with in-person conferences as soon as lockdowns related to Covid-19 allow for this.

The average number of Full Time Employees (FTE) was calculated to 880 for 2021. This is an increase of 198 FTE compared to 2020.

## Costs

The most significant cost in the Trifork Group is personnel costs. In 2021, total personnel costs were EURm 87.7 compared to EURm 64.1 in 2020. Personnel cost per employee has increased by 6.0% compared to 2020. Main reason for the increase is the market demand for highly skilled specialists reflected in higher salaries in most countries.

Personnel costs as a proportion of revenue were a slightly lower in 2021 with 55.3% compared to 55.6% in 2020. The future development in this KPI is estimated to be positive with a lower ratio, driven by resuming the conference business and an increased product based revenue in the Trifork segment.

***Revenue has grown by 37.4% to EURm 158.5 from 2020 to 2021***

FULL TIME EMPLOYEES

## Development in adjusted EBITDA

In 2021, the Trifork Group realized EURm 27.1 adjusted EBITDA*, an increase of 51.3% compared to 2020.

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

| **Adjusted EBITDA** (EURm) | **2021** | **2020** |
|---|---|---|
| Trifork | 28.6 | 20.2 |
| Trifork Labs | -1.5 | -2.3 |
| **Trifork Group** | **27.1** | **17.9** |

As with revenue the primary driver for adjusted EBITDA was the Trifork segment with EURm 28.6. This was a 41.6% growth compared to 2020 and equal to an 18.1% adjusted EBITDA-margin compared to 17.5% in 2020.

The negative EBITDA of EURm -1.5 represents all the cost of driving the Labs organization. This is seen as an expected result in relation to the nature of Trifork Labs. Part of the costs represent a variable cost element based on the achieved fair value increase and profits for the Labs segment.

Overall, the results obtained in 2021 correspond to an adjusted EBITDA margin of 17.1% compared to 15.5% in 2020. This development is considered satisfactory and aligned with the Groups target to increase of the margins over the mid-term.

## Development in adjusted EBITA

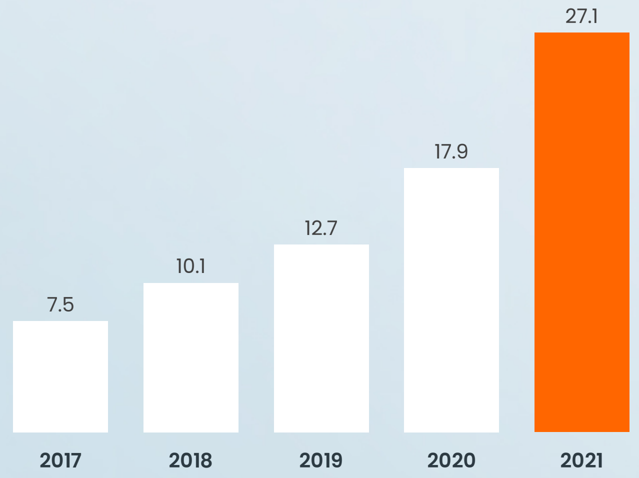
In 2021, the Trifork Group realized an adjusted EBITA* of EURm 19.5, which is a 73.7% increase compared to 2020, where EURm 11.2 was achieved. The 2021 adjusted EBITA equals an 12.3% adjusted EBITA-margin compared to 9.7% in 2020.

| **Adjusted EBITA** (EURm) | **2021** | **2020** |
|---|---|---|
| Trifork | 21.0 | 13.5 |
| Trifork Labs | -1.5 | -2.3 |
| **Trifork Group** | **19.5** | **11.2** |

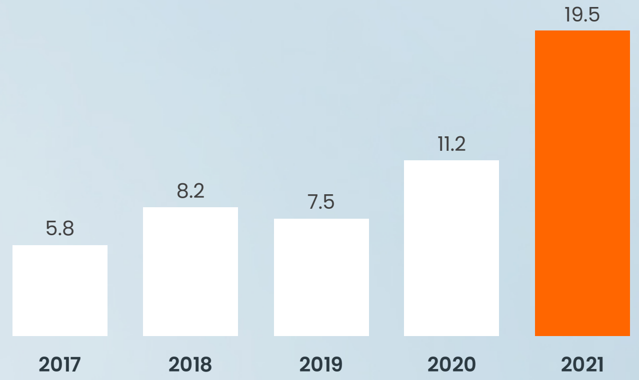
The analysis by EBITA eliminates the differences in lease accounting to other accounting frameworks that consider lease cost as operating expense (except for lease interest expense of EURm 0.5).

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

TRIFORK GROUP ADJUSTED EBITDA (EURM)




TRIFORK GROUP ADJUSTED EBITA (EURM)



## Development in adjusted EBIT

In 2021, the Trifork Group realized an EURm 15.4 adjusted EBIT* compared to EURm 7.9 in 2020. The increase was driven by the overall growth and lower cost included on EBITDA in Trifork Labs. The Trifork segment increased from EURm 10.2 to 16.9 equal to a 66.3% increase compared to 2020.

| **Adjusted EBIT** (EURm) | 2021 | 2020 |
|---|---|---|
| Trifork | 16.9 | 10.2 |
| Trifork Labs | -1.5 | -2.3 |
| **Trifork Group** | **15.4** | **7.9** |

The Trifork Group 2021 adjusted EBIT equals an adjusted EBIT-margin of 9.7% compared to 6.8% in 2020.

Depreciation, amortization and impairment were at the expected level.

## Development in EBIT

In 2021, the Trifork Group realized an EURm 35.6 EBIT compared to EURm 6.4 in 2020. Compared to the adjusted EBIT this include special items in the period of EURm 22.1 from the deconsolidation of Dawn Health and IPO-preparation costs of EURm 1.8.

| **EBIT** (EURm) | 2021 | 2020 |
|---|---|---|
| Trifork | 37.1 | 12.5 |
| Trifork Labs | -1.5 | -2.3 |
| **Trifork Group** | **35.6** | **6.4** |

The Trifork Group 2021 EBIT-margin was 22.5% compared to 5.6% in 2020.

## Development in EBT

In 2021, the Trifork Group reached EURm 36.7 EBT (earnings before tax), which equals a decrease of EURm 10.3 compared to 2020, where EURm 47.0 was realized.

| **EBT** (EURm) | 2021 | 2020 |
|---|---|---|
| Trifork | 33.4 | 7.9 |
| Trifork Labs | 3.3 | 39.1 |
| **Trifork Group** | **36.7** | **47.0** |

The 2021 financial result totalled EURm 2.4 compared to EURm 40.6 in 2020.

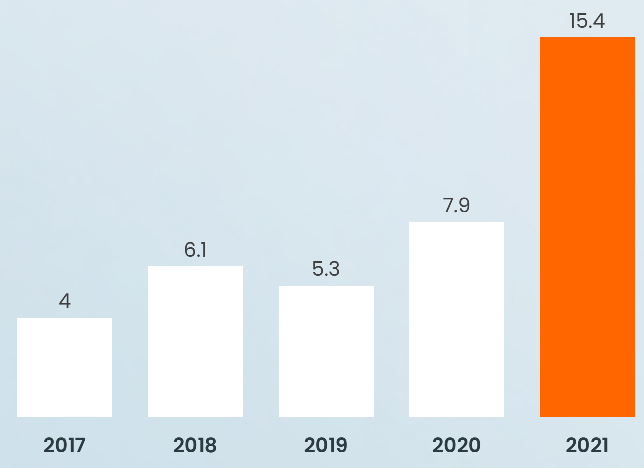
**The main contributors in 2021 were**

- Changes in fair-value valuations of investments of EURm 5.0 in Trifork Labs compared to EURm 41.3 in 2020. The exit of Humio Ltd. contributed significantly to the 2020 results.
- Net interests on capital of EURm -1.4 compared to EURm -1.3 in 2020.
- Net fair value adjustments on contingent consideration liabilities of EURm -0.3 compared to EURm -0.8 in 2020.
- Negative net result of foreign exchange of EURm -2.2 in 2021 compared to EURm 0.0 in 2020. In 2021 this actual was a gain of EURm 0.8 since an income of EURm 3.3 is recorded on OCI.

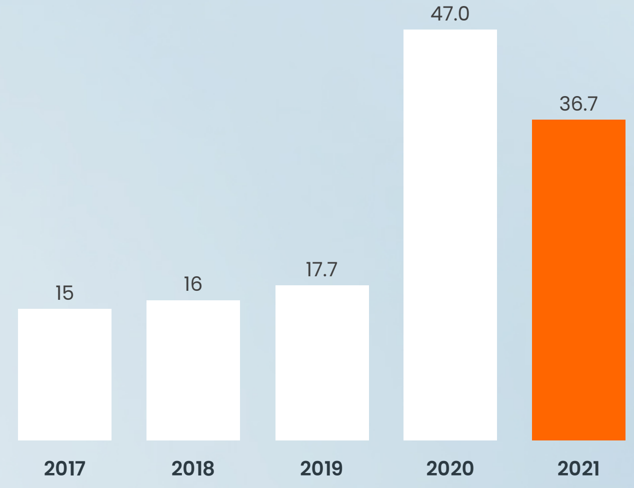
Management considers the earnings before tax for 2021 as satisfying, compared to the EBIT result achieved.

* adjusted for special items (IPO-preparation costs, M&A legal costs and other income from deconsolidation) and in 2020 for a one-off amortization on a purchased development project since this sets off against an equal gain in the financial result (earn-out liabilities)

TRIFORK GROUP ADJUSTED EBIT (EURM)




TRIFORK GROUP EBT (EURM)



## Net income

In 2021, the Group net income was EURm 32.7, which equals a decrease of EURm 12.0 compared to 2020, where EURm 44.7 was realized.

In 2021, EURm 3.3 of the profit belongs to non-controlling interests. In 2020, this was EURm 1.4.

The result corresponds to a EUR 1.52 basic earning per share.

Management considers this result satisfying.

The effective tax rate for the Group was 10.8% in 2021 and 5.1% in 2020. The low tax-rate in 2021 is primarily due to the non-taxable income from the deconsolidation of Dawn Health and from investments in Trifork Labs.

The result gives a total 30.8% return on equity compared to 63.4% in 2020. Management considers this level very satisfactory.

## Total comprehensive income

In 2021, total comprehensive income (TCI) ended at EURm 36.0, compared to EURm 44.3 in 2020.

**The main contributor were**

- Actuarial gain on pension liabilities of EURm 0.3
- Positive currency translations adjustments of EURm 3.0. This is connected and mainly sets off the negative foreign exchange result of EURm -2.2 in the income statement as described in the section "Development of EBT". Accounting for these effects in the income statement and in other comprehensive income is required by IFRS as the underlying assets are held in companies with another functional currency than the Group.

## Balance and equity

### TOTAL ASSETS

Total assets increased by 7.2% from EURm 229.1 as of 31 December 2020 to EURm 245.7 as of 31 December 2021.

**The main contributors were**

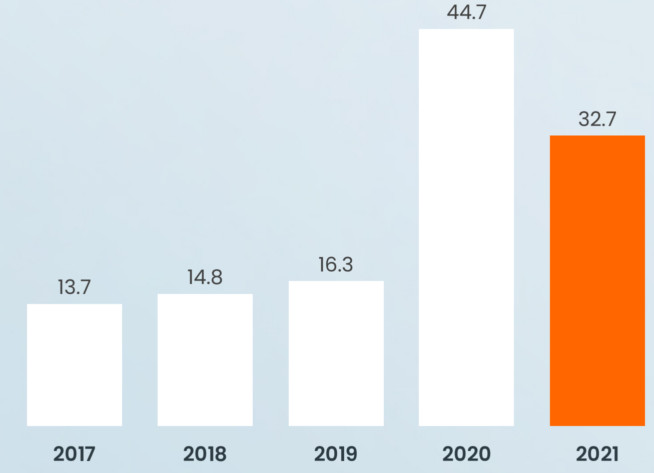
- Net reduction of financial assets of EURm 28.6 in Trifork Labs investments (sale Humio, new acquisitions, addition of Dawn Health A/S, fair value adjustments).
- EURm 7.8 of new assets acquired through business combinations of Vilea Group and Strongminds ApS.
- Net cash inflows of EURm 26.6.
- Net increase of trade receivables from business growth of EURm 10.5.

### NON-CURRENT ASSETS

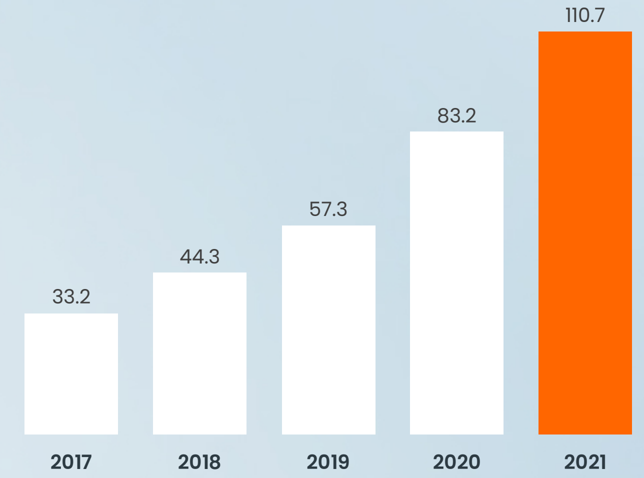
Non-current assets have increased EURm 34.5. The most significant reason for this being changes to Labs investments (acquisitions, addition of Dawn Health A/S to Labs investments and the fair valuation) and the recognition of goodwill from business combinations.

Product development capitalized at the end of 2021 accounted for EURm 2.6 in total compared to EURm 3.2 as of end 2020. The decrease is mainly due to the fact that the development cost used on smaller products in 2021 has not been capitalized in the balance sheet. Further details are to be found in note 4.6 of the consolidated financial statements.

TRIFORK GROUP NET INCOME (EURM)




TRIFORK GROUP EQUITY (EURM)



TREASURY SHARES

Due to the listing of the shares at NASDAQ Copenhagen, the Group has seen a significant decrease in the number of treasury share transactions. End of 2021, the company held 45,019 treasury shares.

SHAREHOLDERS' EQUITY

As of 31 December 2021, Group equity amounts to EURm 110.7, which is a 33.1% increase compared to end 2020 where the equity was EURm 83.2.

A total of EURm 0.9 of the shareholders' equity is allocated to non-controlling interests (NCI).

Equity ratio (excl. NCI) at the end of 2021 is 46.0% compared to 35.1% end of 2020.

## Cash flow and cash position

OPERATING ACTIVITIES

In 2021, net cash flows from operating activities amounted to EURm 7.8 compared to EURm 17.8 in 2020. This decrease is mainly due to the net increase in net working capital of EURm 12.8, based on the organic and acquisitional growth and including a payment of EURm 3.3 to the Employees' Holiday Fund.

Trade receivables increased from EURm 25.5 in 2020 to 36.1 in 2021. Compared to total revenue for the year this is equal to a ratio of 22.8% compared to 21.9% in 2020. The target for the Group is to have a ratio below 20%. The ratios in 2020 and 2021 were impaired the significant lack of conference revenue.

INVESTING ACTIVITIES

Cash flows from investing activities amounted to EURm 49.7 compared to EURm -31.5 in 2020.

**The main contributors were**

- Transactions with Trifork Labs investments, of which acquisitions of EURm 5.6, sales of EURm 58.8 and dividends EURm 0.7
- Net capex of EURm 5.3
- Net repayment of loans granted of EURm 0.7

FINANCING ACTIVITIES

Cash flows from financing activities amounted to EURm -32.4 compared to EURm 25.9 in 2019.

**The main contributors were**

- Net decrease of borrowings of EURm 27.1, due to accelerated amortization with the proceeds received from the Humio Ltd. exit.
- Net proceeds from capital increases of EURm 17.4
- Dividends of EURm -13.0, paid to Trifork Holding AG shareholders and to minorities in subsidiaries
- Net acquisition of NCI for EURm -2.5
- Interest paid of EURm -1.6
- Lease payments of EURm -5.0
- Net acquisition of treasury shares for EURm -0.8

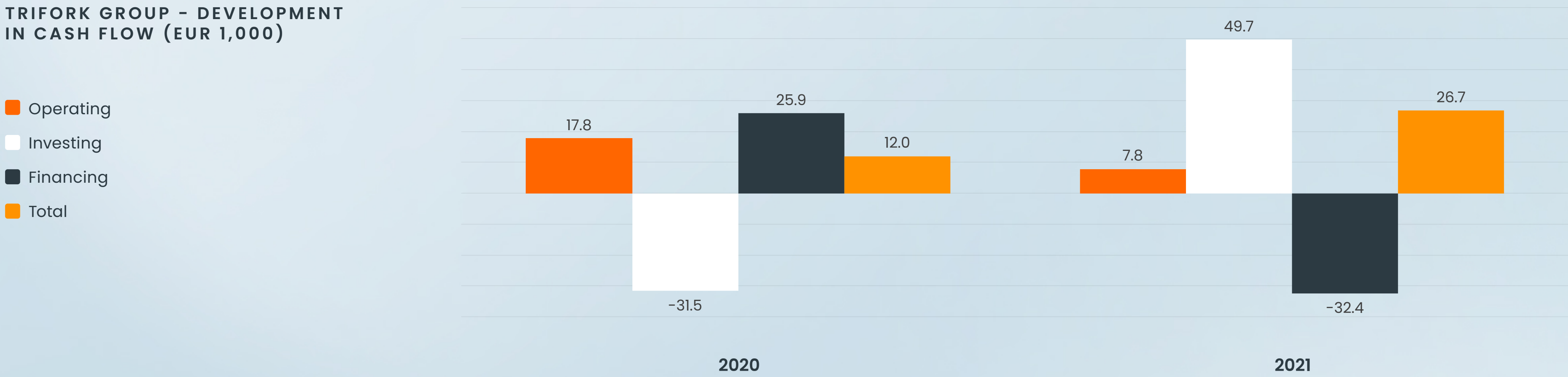
CASH POSITION

As of 31 December 2021, Trifork Group has a net cash position of EURm 17.1 and a Net-debt-to-EBITDA-ratio of -0.36x, compared to a net debt position of EURm 37.4 and a Net-debt-to-EBITDA-ratio of 2.20x.

## Events after the reporting date

None.

TRIFORK GROUP - DEVELOPMENT IN CASH FLOW (EUR 1,000)



# Trifork Segment

**Financial targets**

| EURm | 2021/05 | 2021/08 | 2021/09 | 2021/11 | 2021/11 | 2022/02 | Result |
|---|---|---|---|---|---|---|---|
| Revenue | 140 - 150 | 145 - 150 | 150 - 155 | 150 - 155 | 150 - 155 | 158 - 159 | 158.5 |
| Adjusted EBITDA | 23.7 - 28.5 | 26.0 - 28.5 | 27.5 - 30.0 | 27.5 - 30.0 | 27.5 - 30.0 | 28.5 - 29.0 | 28.6 |

## General

The management finds the 2021 results of the Trifork segment satisfying.

The consolidated revenue for the Trifork segment was EURm 158.5, which is above the original target. The adjusted EBITDA* of EURm 28.6 is also above the initial range of EURm 23.7-28.5.

## Development in revenue

The Trifork revenue of EURm 158.5 was a 37.4% growth compared to 2020. The revenue growth was achieved by 19.6% organic growth and 17.8% growth from acquisitions. The organic growth exceeded the company's mid-term ambition to obtain an annual 10-15% organic revenue growth.

Overall the origin of revenue was with 70.7% from the private sector and 29.3% in the public sector. This is at the same level as in 2020.

## 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:

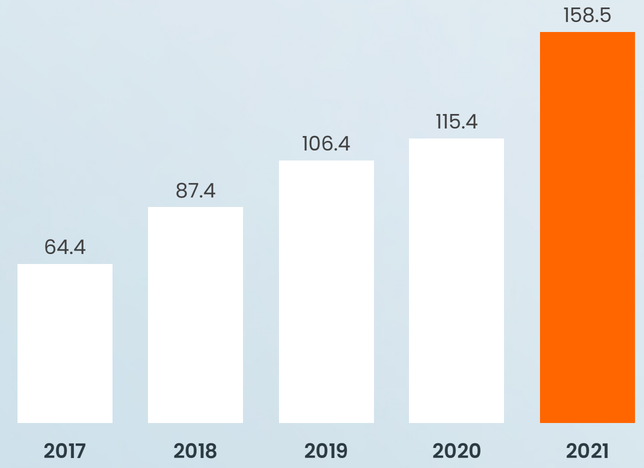
- Inspire (Inspirational workshops and organizing conferences and trainings on software development),
- Build (development of innovative software solutions for customers) and
- Run (delivery and operation of software products and related services for customers)

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

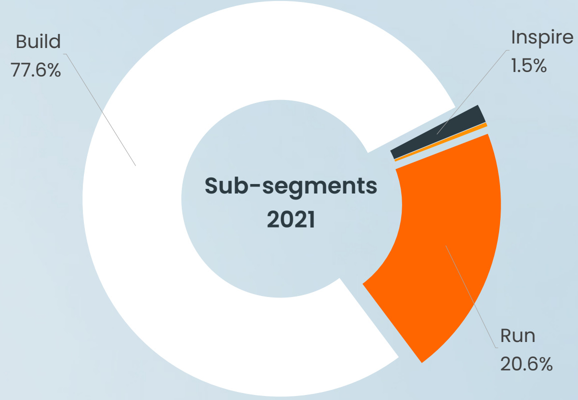
| **Revenue** (EURm) | 2021 | 2020 |
|---|---|---|
| Inspire | 2.4 | 2.0 |
| Build | 123.0 | 86.7 |
| Run | 32.7 | 26.4 |
| Other | 0.4 | 0.3 |
| **Trifork** | **158.5** | **115.4** |

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

TRIFORK REVENUE (EURM)




TRIFORK SUB-SEGMENTS



- **Inspire**
  With a revenue of EURm 2.4 Inspire delivered 1.5% of total revenue in Trifork. Although revenue grew by 22.9% compared to 2020, pre-Covid-19 revenue is not yet reached. In 2021, one physical (Aarhus) and one hybrid (Copenhagen) GOTO conference were held. A hybrid conference planned for Amsterdam had to be postponed to 2022 as Covid-19 measures were locally re-implemented in the end of 2021.
- **Build**
  With a revenue of EURm 123.0 Build delivered 77.6% of total Trifork revenue. Of this 61.6% was repeat revenue with strategic customers. The increase of EURm 36.3 was equal to a growth of 41.8% compared to 2020. Organic growth was 18.3%. With an inorganic revenue of EURm 20.5 the acquisitions from 2020 and 2021 only impacted the revenue increase in the Build sub-segment.
- **Run**
  With a revenue of EURm 32.7 Run delivered 20.6% of total Trifork revenue and delivered an organic growth of 23.6%. Compared to 2020 this was an increase of EURm 6.3 equal to 23.6%. Most Run based revenue is recurring and come from sales of Trifork's own products and related services.

## Development in adjusted EBITDA

In 2021, the Trifork segment realized EURm 28.6 adjusted EBITDA* equal to an adjusted EBITDA-margin of 18.1% and an increase of 41.9% compared to 2020.

Adjusted EBITDA was divided in the following way between the different business areas.

| **Adjusted EBITDA** (EURm) | **2021** | **2020** |
|---|---|---|
| Inspire | -0.6 | -1.5 |
| Build | 26.0 | 16.8 |
| Run | 7.4 | 5.9 |
| Other | -4.2 | -1.0 |
| **Trifork** | **28.6** | **20.2** |

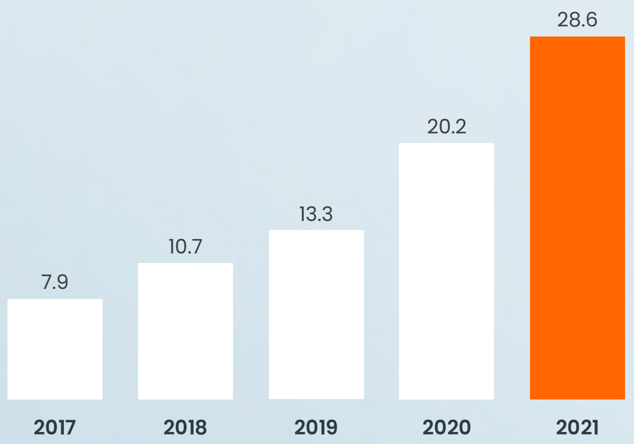
Although two conferences with physical appearance were held in 2021, the Inspire business was still highly affected by the Covid-19 lockdowns. The team in the organization of the well established GOTO conferences has also worked to increase the virtual offering. More content was created for the GOTO YouTube tech-channel, which reached 28.2m views as per end 2021. The costs for these offerings lead to a negative result in 2021. To improve the virtual offering and to be ready again for the physical conferences, Trifork kept the Inspire team together.

With a contribution of EURm 26.0 in adjusted EBITDA the Build sub-segment reported adjusted EBITDA-margin of 21.2%, compared to 19.4% in the previous year. The achieved margin exceeds management target of 18-20%.

The Run sub-segment focuses on creating recurring revenue streams by selling Trifork products and related services on long-term contracts.

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

TRIFORK ADJUSTED EBITDA (EURM)




***From 2020 to 2021, adjusted EBITDA grew from EURm 20.2 to EURm 28.6***

***This represents an increase of 41.9%***

The effect of this was a significant increase in revenue on our own products and especially in operation services. In 2021, the Run business achieved an adjusted EBITDA of EURm 7.4 equal to an adjusted EBITDA-margin of 22.8%, compared to 22.2% in the previous year. The margin is in line with Management expectation of 21-23%.

Overall, for all of the Trifork segment the results achieved in 2021 correspond to an adjusted EBITDA-margin of 18.1% compared to a margin of 17.5% in 2020.

## Development in adjusted EBITA

In 2021, the Trifork segment realized an adjusted EBITA* of EURm 21.0, which is 56.0% increase compared to 2020, where EURm 13.4 was achieved. The 2021 adjusted EBITA-margin was at 13.2% compared to 11.7% in 2020.

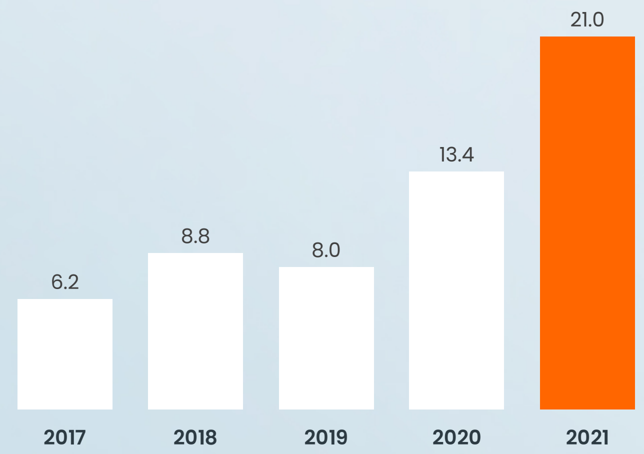
## Development in adjusted EBIT

In 2021, the Trifork segment realized an EURm 16.9 adjusted EBIT*, which is 66.3% increase compared to 2020, where EURm 10.2 was achieved. The 2021 adjusted EBIT equals an 10.6% adjusted EBIT-margin compared to 8.8% in 2020.

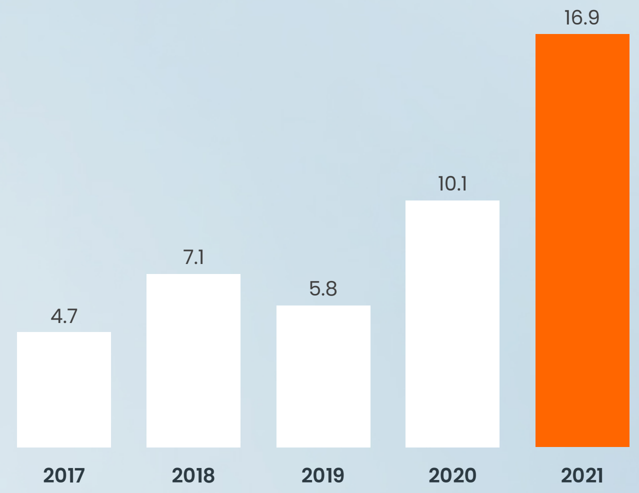
During 2021 depreciation and amortization occurred as expected and a minor impairment was made. The corrections amounted to less than EURm 0.1. For 2022, no extraordinary depreciation/amortizations are expected.

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

TRIFORK ADJUSTED EBITA (EURM)




TRIFORK ADJUSTED EBIT (EURM)



# Description of sub-segments

## Inspire

The Inspire sub-segment is primarily engaged in developing and implementing the GOTO conferences as well as partner conferences in Europe and the USA. Inspirational design thinking workshops and training in agile processes and software development are also part of the deliveries.

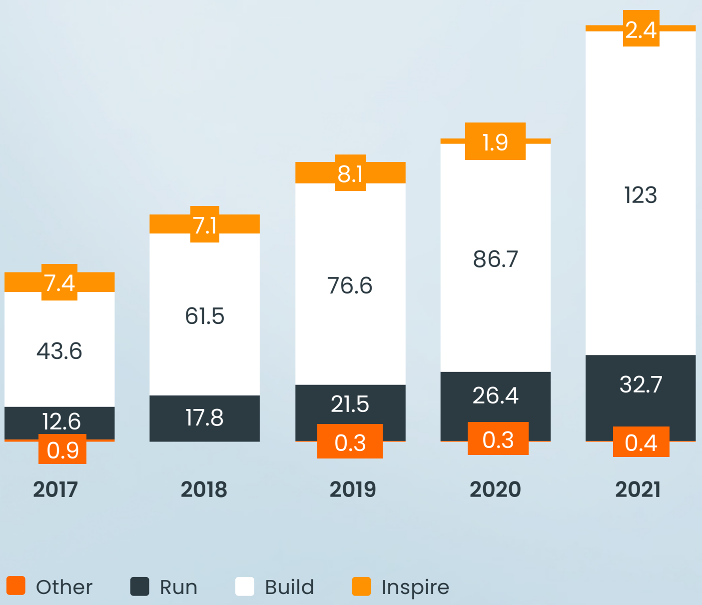
## Build

The Build sub-segment is engaged in building innovative software solutions to the customers of Trifork. The services include building solutions for banks, governments, agencies or leading industrial manufacturers. 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, strategic partnerships are engaged in with the major customers.

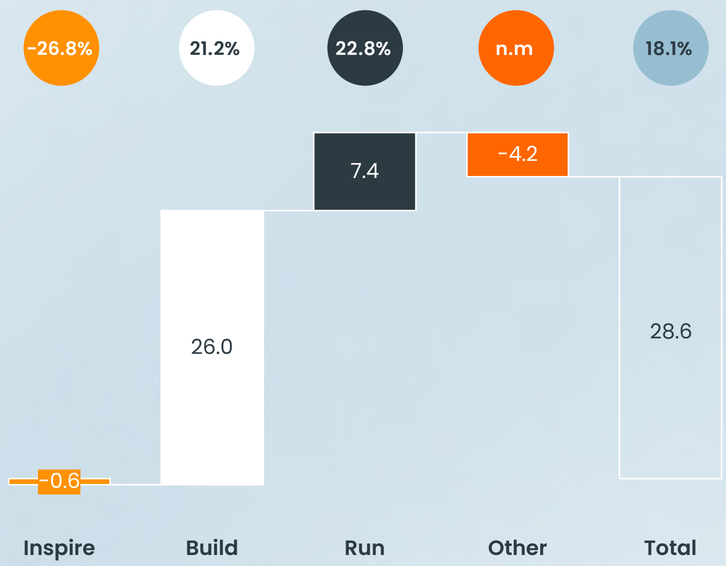
## Run

The Product business area is based on the process and value stream with product development and sale 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 relation to developing new solutions for its customers.

REVENUE BY SEGMENTS (EURM)




ADJUSTED EBITDA (NON-IFRS) AND MARGINS BY SEGMENTS 2021 (EURM)



# Trifork Labs Segment

## General

The 2021, targets for the Trifork Labs segment was to participate in three new startups and to increase the value on the investments (financial assets).

In 2021, Trifork Labs continued the work with the existing investments and seized new investment opportunities:
The Group co-founded two new startups, invested in three in three additional early stage product companies, reinvested in four investments, closed the exit of Humio Ltd. and took over the investment in Dawn Holding A/S after the deconsolidation from the Trifork segment.

Four investments raised EURm 22.6 in new funding rounds in 2021.

In total, all the activities in the Trifork Labs segment resulted in an EBT of EURm 3.3 in 2021.

Management is satisfied with the performed activities.

## Development in revenue, EBITDA and EBIT

The financial focus for the Trifork Labs segment is to increase the value of the capital invested in financial assets.

In 2021, Trifork Labs did not consolidate any of the investments in the Trifork Group financial reporting of Revenue, EBITDA and EBIT and thus these accounts only show the cost of running the investment activities.

| EURm | 2021 | 2020 |
|---|---|---|
| EBITDA | -1.5 | -2.2 |
| EBIT | -1.5 | -2.2 |

EBITDA and EBIT of EURm -1.5 were at the expected level (2020: EURm -2.2) and refer to management cost for the Labs segment, part of which is variable in relation to the annual fair valuation adjustments.

## Development in EBT

EBT (earnings before tax) for 2021 was EURm 3.3 compared to EURm 39.2 in 2020. The result in 2020 was to a large extend generated from the fair value adjustments and sale of Humio Ltd.

This profit is equal to 12.3% return on the value of the financial assets, not taking into account the addition of Dawn Labs A/S, as the profit from its deconsolidation was recognized in the Trifork segment.

| EURm | 2021 | 2020 |
|---|---|---|
| EBT | 3.3 | 39.2 |

TRIFORK LABS EBT (EURM)

## Total profit from investments

The graph aside shows the overall financial development and results from the Trifork Labs investments in the period from 2017 to 2021.

End of 2021, the total accumulated cashed in profit from exits accounted for EURm 69.6. This includes the deduction of the initial cash invested in all of the disposed investments.

The total investments in the current active Labs companies end of 2021 accounted for EURm 30.6 out of the total value of EURm 47.3. Based on this the accumulated unrealized profit can be calculated to EURm 16.7.

## Financial assets

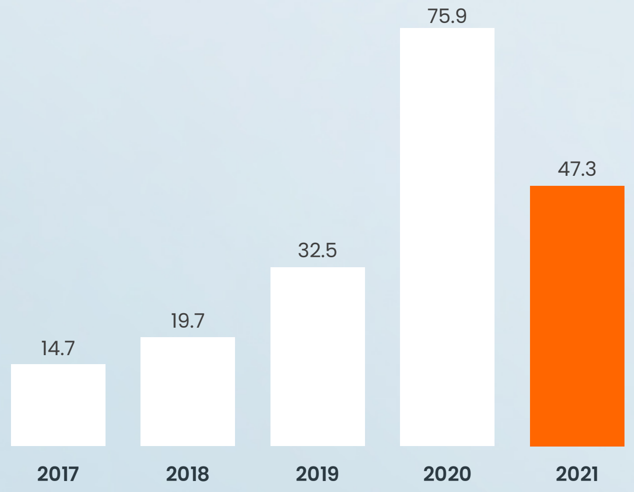
The 2021 development in financial assets had been affected by new investments of EURm 26.0, fair-value adjustments of EURm 5.0 and exits of EURm 59.1.

In total the value of the financial assets reduced from EURm 75.9 end of 2020 to EURm 47.3 end of 2021.

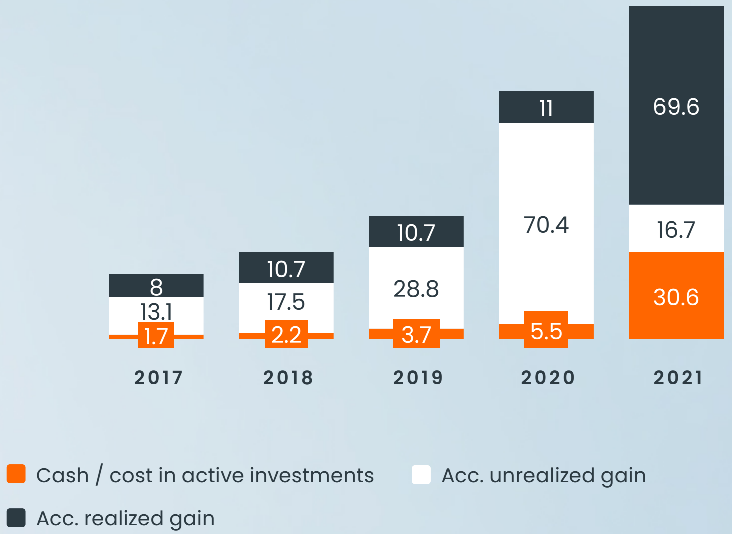
| EURm | 2021 | 2020 |
|---|---|---|
| Financial assets | 47.3 | 75.9 |

***In 2021, Trifork Group recognized a positive fair value adjustment of its Labs investments of EURm 5.0***

TRIFORK LABS FINANCIAL ASSETS(EURM)




TRIFORK LABS INVESTMENTS (EURM)



# 06

# Corporate Governance

# Governance model/ management structure

Trifork has a two-tier management structure, which is comprised of the Board of Directors and the Executive Management.

The Board of Directors is entrusted with the overall direction of the Group and has the overall responsibility for the business and affairs of the Group. In accordance with Trifork's articles of association and its organisational rules, the Board of Directors has delegated the operational management of the Company to the Executive Management, which is headed by the Company's CEO.

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.

It represents the Company in dealings with third parties and deals with all matters not delegated to or reserved for another corporate body of the Company by law, the Company's articles of association, the Company's organisational rules or other internal regulations.

# Board of Directors

Pursuant 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 five 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 Corporate Governance Recommendations, eighty percent of the members of the Board of Directors have been assessed to be independent.

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

The members of the Board of Directors elected by the general meeting 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, if necessary.

The Board of Directors also conducts an annual review of the Board of Directors' performance, composition and achievements, including the competencies of each board member, and the cooperation with the Executive Management. Furthermore, the Board of Directors annually evaluates the work, performance and results of the Executive Management.

CHAIRPERSON OF THE BOARD OF DIRECTORS

## Julie Galbo

| | |
|---|---|
| **Year of joining the BoD** | 2020 |
| **Term of office** | until the Annual General Meeting for the fiscal years 2021 |
| **Committee(s)** | Nomination & Remuneration Committee, Member |
| **Independent** | Yes |
| **Year of birth** | 1971 |
| **Gender** | Female |
| **Nationality** | Danish |
| **Educational background** | Master in Law - University of Copenhagen / Aarhus University<br>Management program - INSEAD |
| **Professional background** | 2014 - 2019: Various positions in Nordea, including member of the Group Executive Management of Nordea and the Executive Management in Nordea Asset Management<br>2009 - 2014: Various public sector positions, including Head of State Capital Injections with the Danish Ministry of Business and Deputy Director General with the DK Financial Supervisory Authority |
| **Other directorships and executive roles** | Member of the Board of Directors of Commonwealth Bank of Australia, DNB Bank ASA (incl. member of the risk committee and the audit committee) and Velliv A/S |

# Board of Directors

VICE-CHAIRPERSON OF THE BOARD OF DIRECTORS

## Olivier Jaquet

| | |
|---|---|
| **Year of joining the BoD** | 2019 |
| **Term of office** | until the Annual General Meeting for the fiscal years 2021 |
| **Committee(s)** | Nomination & Remuneration Committee, Chairperson<br>Audit & Risk Committee, Member |
| **Independent** | Yes |
| **Year of birth** | 1969 |
| **Gender** | Male |
| **Nationality** | Swiss |
| **Educational background** | PhD/Master in Law - University of Basel |
| **Professional background** | From 2016: CEO and Vice Chairman of the Board of Directors at Jaquet Partners AG<br>2015: Vice Chairman of the Board of Directors at Jaquet Technology Group<br>2012-2014: CEO of Centrum Bank<br>2011: CEO of Clariden Leu Bank and Member of the foundation board of the Credit Suisse Pension Fund<br>1999 – 2011: Multiple CEO and Board Member functions at Credit Suisse Group (incl. Credit Suisse Life and Credit Suisse Trust) |
| **Other directorships and executive roles** | Chairman of the Board of Directors of OJA Invest AG, Northwest Real Estate AG and Parashift AG (from 01/01/2022), Vice Chairman of the Board of Directors at Jaquet Partners AG, Member of the Board of Directors of Jaquet Immobilien AG, Jaquet Beteiligungen AG and Sidoma AG |

MEMBER OF THE BOARD OF DIRECTORS

## Maria Hjorth

| | |
|---|---|
| **Year of joining the BoD** | 2020 |
| **Term of office** | until the Annual General Meeting for the fiscal years 2021 |
| **Committee(s)** | Audit & Risk Committee, Chairperson |
| **Independent** | Yes |
| **Year of birth** | 1972 |
| **Gender** | Female |
| **Nationality** | Danish |
| **Educational background** | Master in Economics - University of Copenhagen<br>Master in Business Psychology - University of Westminster |
| **Professional background** | 2019 - 2021: CEO & Deputy CEO of VP Securities (Central Securities Depository of Denmark)<br>2014 – 2019: CEO of Mercer Denmark<br>2005 – 2014: Investor relations, Head of International Corporate Banking and Head of Business Development for Business Banking, Denmark at Danske Bank |
| **Other directorships and executive roles** | Chairperson of the Board of Directors of Grandhood and Monsenso, Vice-Chairperson of the Board of Directors of Thylander Group, Member of the Board of Directors of Maj Invest and Asetek, General partner & Co-founder of Vår Ventures |

# Board of Directors

MEMBER OF THE BOARD OF DIRECTORS

## Lars Lunde

| | |
|---|---|
| **Year of joining the BoD** | 2020 |
| **Term of office** | until the Annual General Meeting for the fiscal years 2021 |
| **Committee(s)** | Audit & Risk Committee, Member |
| **Independent** | No[1] |
| **Year of birth** | 1973 |
| **Gender** | Male |
| **Nationality** | Danish |
| **Educational background** | Master in Economics - University of Copenhagen |
| **Professional background** | From 2015: Founding partner of GRO Capital, a Nordic-based private equity fund, specialized in investing in and developing mid-sized B2B software companies<br>2011 - 2014: Managing Director at Carnegie |
| **Other directorships and executive roles** | Chairman of the Board of Directors for the GRO Capital funds and Netic A/S (Trifork Group company), Member of the Board of Directors of GRO's portfolio companies, including Tacton, Luxion and Promon |

MEMBER OF THE BOARD OF DIRECTORS

## Casey Rosenthal

| | |
|---|---|
| **Year of joining the BoD** | 2019 |
| **Term of office** | until the Annual General Meeting for the fiscal years 2021 |
| **Committee(s)** | Nomination & Remuneration Committee, Member |
| **Independent** | Yes |
| **Year of birth** | 1978 |
| **Gender** | Male |
| **Nationality** | American |
| **Educational background** | Bachelor in Philosophy - Ohio University |
| **Professional background** | Expert on the topics of Chaos Engineering and complexity in large scale software systems<br>From 2018: Founder and CEO of Verica.io<br>2015 - 2018: Engineering manager in the Traffic Engineering and the Chaos Engineering Teams at Netflix |
| **Other directorships and executive roles** | Member of the Board of Directors of Verica.io and Erlang Solutions Ltd (Trifork Group company) |

1 Until 27 May 2021, GRO Capital held 3,760,384 shares of Trifork Holding AG (refer to Company Announcement #15/2021)

# Board Committees

The Board of Directors has established an Audit & Risk Committee and a Nomination & Remuneration.

Committee 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.

## Audit and Risk Committee

The Audit & Risk Committee consists of three members, including a chairperson of the Audit & Risk Committee, appointed by and among the Board of Directors for a one-year term.

## Nomination and Remuneration Committee

The Nomination & Remuneration Committee consists of three members elected by the general meeting among the Board of Directors for a one year term. The chairperson of the Nomination & Remuneration Committee is appointed by the general meeting. With respect to remuneration, the Nomination & Remuneration Committee, in particular, assists the Board of Directors in determining and reviewing the Company's remuneration strategy, remuneration policy and guidelines and the qualitative and quantitative criteria for compensation, and with the preparation of the proposals to the General Meeting concerning the approval of the compensation of the Board of Directors and the Executive Management. With respect to nomination, the Nomination & Remuneration Committee, in particular, supports the Board of Directors in fulfilling its duties relating to succession planning and nomination on a Board of Directors and Executive Management level and annually presents recommendations to the Board of Directors on potential members of the Board of Directors up for election at the Annual General Meeting.

## Meeting attendances

| Member | BoD Meetings | NRC Meetings | ARC Meetings |
|---|---|---|---|
| Total | 19 | 1 | 5 |
| **Members** | | | |
| Julie Galbo | 19 | 1 | - |
| Olivier Jaquet | 18 | 1 | 5 |
| Maria Hjorth | 19 | - | 5 |
| Lars Lunde | 19 | - | 5 |
| Casey Rosenthal | 19 | 1 | - |
| Jørn Larsen[1] | 9 | - | - |
| Kristian Wulf-Andersen[1] | 9 | - | - |

1 Until 29 April 2021

Beside 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 with regard to operatios and governance and to pre-discuss upcoming agenda items.

# Executive Management

The Executive Management, currently comprising the CEO and the CFO, 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.

CEO – MEMBER OF EXECUTIVE MANAGEMENT

## Jørn Larsen

| | |
|---|---|
| **Year of joining the EM** | 1996 |
| **Year of birth** | 1966 |
| **Gender** | Male |
| **Nationality** | Danish |
| **Educational background** | Mechanical engineering degree / Civil engineering degree in Computer Science - University of Aalborg |
| **Professional background** | Serial entrepreneur in the Nordic technology sector with co-foundation of >50 start-ups<br>From 1996: Founder and CEO of Trifork<br>1994 – 1995: Project Manager with Dator A/S<br>1984 – 1989: Technical Naval engineer with A.P. Møller Maersk |
| **Other directorships and executive roles** | Member of the Board of Directors of ExSeed Ltd. (Labs company) and &Money ApS (Labs company), Owner and CEO of Blackbird II ApS |

CFO – MEMBER OF EXECUTIVE MANAGEMENT

## Kristian Wulf-Andersen

| | |
|---|---|
| **Year of joining the EM** | 2007 |
| **Year of birth** | 1971 |
| **Gender** | Male |
| **Nationality** | Danish |
| **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)<br>1996–1999: IT consultant, trainer and management consultant at Siemens Nixdorf A/S / Siemens Business Services A/S<br>1989-2000: Officer at the Royal Danish Airforce |
| **Other directorships and executive roles** | Member of the Board of Directors of EDIA B.V (Labs company) and ComplyTeq AG (Labs company) |

# Recommendations on Corporate Governance

The Company is committed to exercising good corporate governance at all times and the Board of Directors will regularly assess rules, policies and practices according to the Corporate Governance Recommendations and other rules and regulations, applicable from time to time. Under the Nordic Main Market Rulebook for Issuers of Shares on Nasdaq Copenhagen, the Company is permitted to apply either the corporate governance code of its home state, Switzerland, or the Danish Corporate Governance Recommendations.

The Company discloses its Corporate Governance Statement for the financial year 2021 at our investor-site on https://investor.trifork.com/statutes/

The Company 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.

## Whistleblower

Trifork's Board of Directors have adopted a whistleblower protocol and implemented a whistleblower channel for the purpose of giving employees and other stakeholders the opportunity to report serious violations or suspicion thereof in an expedient and completely confidential manner.

When submitting a report through the company's whistleblower channel the Chairperson of the Board of Directors, the Chief Legal Officer and Trifork's external legal counsel will receive the report and will instigate any matter promptly accordingly take appropriate action. In order to secure the whistleblower system has an independent and autonomous channel and the independency is secured by using an external law firm. Any report can also be made directly to the independent external law firm (MemoLaw). The law firm will forward any reports to the Chairman of the Board and CLO, who will investigate the matter promptly and take appropriate action if not conflicted.

All employees, the Executive Management, the Board of Directors as well as any other stakeholders Trifork are strongly encouraged to report any serious violations or suspicion thereof in order to ensure Trifork's continuous integrity, trust and reliability.

2021 saw no change in the number of whistle blower reports filed. Across the Group, no filings were made in 2021.

## Diversity

Diversity is an important factor and Trifork fully recognises the importance of promoting diversity in its management levels, including in relation to gender.

It is the ambition of the Company to have underrepresented genders represented by at least 30% on the Board of Directors and by 20% in the Management.

As of 31 December 2021, two board members were female and three were male, consequently, the company has fulfilled the ambition of having at least 30% of the underrepresented gender on the Board of Directors. Trifork remains committed to ensuring that these targets will be met as further outlined in its Diversity Policy which can be found at 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 fiscal year 2021.

This report satisfies the requirements set out in articles 13 to 16 of the Ordinance against Excessive Remuneration at Listed Joint-Stock Companies (OaEC), which entered into force on 1 January 2014 as well as the Danish Recommendations on Corporate Governance.

The remuneration of the Board of Directors and the Executive Management for the financial year 2021 was determined in accordance with the Group'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) is responsible for the definition and design of Trifork's remuneration policy 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.

The NRC met for three times from 29 April 2021 until the issuance of this report. All members were present at all meetings.

### B. Approval process (for retrospective 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 elected at the AGM of 29 April 2021.

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

# 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 OaEC the BoD has decided to have the AGM voting prospectively for the total remuneration of the BoD. Therefore, the AGM as of 29 April 2021 has voted for remuneration for the office term starting as this date and a maximum amount of CHF k 600 (approval of 100%).

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 in 2021. For the reported office term, fees are as follows:

| | in CHF k |
|---|---|
| Chairperson | 110 |
| Vice-Chairperson | 45 |
| Member | 30 |
| Committee Chairperson | 15 |
| Committee Member | 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 in accordance with tax provisions. 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. 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 OaEC the BoD has decided to have the AGM voting prospectively for the total remuneration of the EM. Therefore, the AGM as of 29 April 2021 has voted for remuneration for the fiscal years 2021 and 2022 and maximum amounts of CHF k 1'600 (fixed) / CHF k 2'800 (variable) for each year (approval of 100%).

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)<br>▪ Social charges<br>▪ Pension benefits | Short-term incentive: Performance-related component in cash (50%) | Long-term incentive: Performance-related component in RSU (50%) | |
| **Factors** | ▪ Responsibility<br>▪ Market value<br>▪ Qualification and experience | Achievement of annual performance targets | Achievement of annual performance targets | Long-term growth of enterprise value |
| **Goals** | ▪ Recruitment<br>▪ Retention<br>▪ 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 compensation | Variable compensation | |
|---|---|---|
| 50% | 25% - cash | 25% - RSU |

### 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 three financial (70%) and three strategic targets (30%) 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.

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

The targets for 2021 were as follows:

- Revenue growth (global (25%) and in selected countries (10%))
- EBITDA margin – 30%
- EBT Labs investments (3-year average) – 15%
- ESG initiatives – 10%
- Views on GOTO Youtube channel – 10%

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

The RSU is 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 share-based payment programme in certain cases, such as in the event of a change of control.

### 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 in accordance with tax provisions. 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. No loans or credits are outstanding.

### F. Contract terms

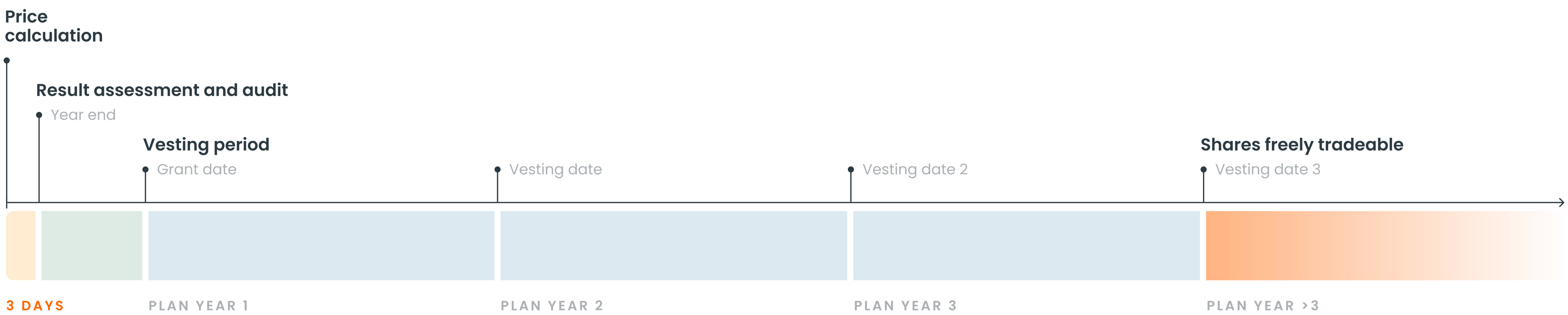
The contracts of the members of the EM are concluded for an unlimited term with a notice period of twelve months.

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.

## 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

The AGM as of 29 April 2021 approved the following maximum remuneration amounts:

| Part of remuneration | Period | CHF k |
|---|---|---|
| **Remuneration to the BoD** | AGM 2021 to AGM 2022 | 600 |
| **Fixed remuneration to the EM** | Financial year 2021 | 1,600 |
| **Variable remuneration to the EM** | Financial year 2021 | 2,800 |

2021

| (in CHF k) | Fixed remuneration | Variable remuneration | | Remuneration in kind | Social charges / pension benefits | Total |
|---|---|---|---|---|---|---|
| | Cash (gross) | Cash (gross) | RSU | | | |
| Julie Galbo, Chairperson [1] | 110 | - | - | - | - | 110 |
| Olivier Jaquet, Vice Chairperson [2/3/8] | 120 | - | - | - | 7 | 127 |
| Maria Hjorth [4] | 45 | - | - | - | - | 45 |
| Lars Lunde [3] | 40 | - | - | - | - | 40 |
| Casey Rosenthal [5] | 40 | - | - | - | - | 40 |
| Jørn Larsen [6] | 10 | - | - | - | 1 | 11 |
| Kristian Wulf-Andersen [6] | 10 | - | - | - | 1 | 11 |
| **Board of Directors** | **375** | **-** | **-** | **-** | **9** | **384** |
| | | | | | | |
| **Executive Management** | **1,155** | **1,265** | **266** | **31** | **511** | **3,229** |
| of which: Jørn Larsen (CEO) | 694 | 659 | 159 | 16 | 290 | 1,818 |
| Members of Executive Management | 2 | | | | | |
| | | | | | | |
| **Related parties** | **8** | **-** | **-** | **-** | **1** | **9** |

1 Member of NRC (without remuneration)
2 Chairperson of NRC
3 Member of ARC
4 Chairperson of ARC
5 Member of NRC
6 Member of the BoD until 29 April 2021
7 Includes employer contributions to social security for Swiss Members of BoD and EM and pension (BVG) for members of EM
8 Receives an additional annual fee of CHF 50k for his extraordinary contribution to Trifork's customer development in Switzerland
9 As per 1 April 2021, 30,032 RSU were granted to the Executive Management (CEO: 17,983) with a total value of CHF k 581. 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

For this disclosure, please refer to Note 14 in the financial statements of Trifork Holding AG.

To the General Meeting of Trifork Holding AG, Feusisberg

# Report of the statutory auditor on the remuneration report

We have audited the remuneration report of Trifork Holding AG for the year ended 31 December 2021. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in section 7 on page 70 of the remuneration report.

## Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

## Auditor's responsibility

Our responsibility is to express an opinion on the remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

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

## Opinion

In our opinion, the remuneration report for the year ended 31 December 2021 of Trifork Holding AG complies with Swiss law and articles 14–16 of the Ordinance.

Zurich, 16 March 2022

**Ernst & Young Ltd**

**Tobias Meyer**
Licensed audit expert (Auditor in Charge)

**Andreas Forster**
Licensed audit expert

# Risk Management

It is important for the Trifork Group's management to ensure that procedures and policies are in place to limit exposure to risks associated with its activities.

## Risk Management

The internal control and risk management systems can be divided into five categories:

1. Control environment
2. Risk assessment
3. Control activities
4. Information and communication
5. Monitoring

### Control environment

The Executive Management is responsible for the implementation of efficient controls and risk management systems. The Executive Management supervises the implementation and compliance with the guidelines and policies established.

The Board of Directors and the Executive Management continuously evaluate the potential risks relevant to the Company.

All business units identify annually the risks that relate directly or indirectly to their area of business. In this context, risks are defined as events or tendencies, that could prevent individual units or Trifork as a whole, of achieving its objectives.

### Risk assessment

Initially, the risks identified in each business unit are assessed in the individual business units from a probability and impact perspective. The impact is assessed on a number of factors, including the impact on the financial accounts, employees, customers, the environment and reputation.

Subsequently, individual risks are reviewed by the Board of Directors and/or Executive Management and assessed in terms of severity of their impact on each individual business unit and the Company as a whole.

As part of an annual risk identification and assessment, business units are required to plan how they will address and manage any given risk.

Significant risks are monitored and assessed on an ongoing basis by the Board of Directors and/or the Executive Management based on assessment of their importance.

Independently of the above, the Board of Directors reviews annually the areas where particular risks may exist.

### Control activities

Control activities are based on a risk assessment. The purpose of the Group's control activities is to ensure that the goals, policies, procedures, etc. adopted by the Board of Directors are met and to prevent and correct possible flaws, errors etc. in a timely manner. The Exexutive Management has created a formal reporting process, which encompasses budget reporting and monthly financial reporting, including deviation and key ratio reports with monthly updating of forecast for the rest of the year.

### Information and communication

The Board of Directors emphasizes that in listed companies there is an open form of communication and that the individuals know their own role in the internal control system.

The main risks and internal controls in the Trifork Group in relation to the financial reporting process, the Board of Directors' approach thereto and the initiatives applied in this context are continuously communicated within the Group.

### Monitoring

Any risk management and control system must be continuously monitored and evaluated to safeguard its effectiveness. Monitoring consists of continuous and / or periodic assessments and controls at all levels in the Trifork Group. The scope and frequency of controls depends primarily on the risk assessment in the individual business areas.

The Board of Directors and Executive Board are committed to ensuring sound risk management at all times. Risk management includes awareness and understanding of risk factors, monitoring them on an ongoing basis and ensuring that procedures and policies are in place to mitigate Trifork's risk exposure.

The Executive Board has identified the following risks which are not exhaustive nor listed in order of priority.

### Dependency on customers

Trifork's success depends on its ability to retain customers and win additional work from new and existing customers.

There is an inherent risk of loosing customers to our competitors. Further, customers may decide to insource part of their software development or outsource to low cost areas. In addition to retaining existing customers, our success also depends in large part on our ability to attract additional work from new and existing customers. Therefore, our success is depends on Trifork's performance for our existing customers and our ability to attract new customers.

MITIGATING ACTIONS

Trifork's dependency on key customers is mitigated by a low customer concentration due to the characteristics of Trifork's customer mandates and service level agreements. Individual customers account for a moderate portion of Triforks consolidated revenue. In 2021, no customer accounted for more than 10% of Group revenue.

Furthermore, the increasing importance of Trifork's run and repeat stacked business results in an increasing number of long-term customer relationships, where entry barriers for competing service providers are relatively high and the BU leaders have a sound and timely understanding for potential disruptions.

Trifork's internal risk management system applies to the risk of dependency on customers. The risk management system, as described in this report, is based on the effective integration and interaction of Board of Directors, Executive Management and Business Unit leaders. This assures, that market and customer information is received in a timely manner for assessment and mitigating actions.

### Development and implementation of attractive IT services

Our results of operations could be negatively affected if we are unable to adapt, expand and develop our IT services and develop new products and features in response to changes in technology, customer demand, or market developments, or if competitors adapt, expand or develop their IT services more successfully than we do.

The market for IT and business services is characterized by intense competition, rapid technological change, frequent new product introductions and technological improvement. Trifork's future success depends on its ability to continue to develop, market and implement IT services that are attractive, timely and cost-efficient for existing and new customers.

MITIGATING ACTIONS

The Inspire phase of our full circle go-to-market model includes our GOTO conferences, the goal of which is to foster inspiration and provide an opportunity for validation and feedback on new technology ideas. In addition, Trifork design thinking teams serve as a bridge to the Build phase.

Trifork has been active for more than 20 years in co-founding and investing in tech start-up companies that develop innovative software solutions. In the process of working with start-ups, Trifork gains valuable know-how from their technological development, ensuring that it becomes familiar with emerging disruptive technologies at an early stage.

Trifork's internal risk management system applies to the lack of development and implementation of attractive IT services.

## Acquisitions and Labs investments

Trifork may not be successful at identifying, acquiring or integrating other businesses or technologies and its estimates and assessments of synergies and earnings potential in acquired companies may not live up to expectations.

In addition, Trifork has co-founded and invested in numerous startup companies through the Trifork Labs segment and may incur substantial losses on such investments, and there can be no assurance that the strategic rationale underlying such investments are realized.

MITIGATING ACTIONS

Strategic acquisition targets are most often relatively small (10-50 employees), which fits well with Trifork's Teal organization. Identification and assessment of opportunities in target companies is facilitated by our GOTO conferences, Trifork's brand recognition, direct search and other factors. Trifork aims at acquiring smaller companies, where the selection of targets is larger, and further develop and grow the companies after integration.

Trifork prefers to keep the founders and management of the acquired companies operationally involved and potentially invested as minority shareholders to align interests and facilitate the achievement of its strategic goals.

Trifork Labs investments are minority investments only. They most often take place with Trifork as co-founder or at a very early stage and may include Trifork's participation in future financing rounds. With more than 20 active Labs investments as of the end of 2021, the loss of strategic leverage (R&D, establishment of long-term partnerships, etc.) and financial value is mitigated with diversification and balanced investments in the active startups.

## Access and retention of talented employees

Our business depends on the performance of our employees. Our ability to attract, engage, maintain and develop the most talented people is critical to our business. In addition, our «build» business is characterized by a limited scalability and therefore requires even more talented employees as the business grows  as a result of new or existing customers. Our search for talent faces a scarce supply of potential new employees and an imminent risk that current employees will leave for a competitor, a customer or other organizations. In addition, the scarcity of talented people in next-gen software development relative to the increasing demand for their skills, result in salary inflation, that Trifork may not be able to pass on to its customers.

MITIGATING ACTIONS

Trifork's GOTO conferences and our YouTube video channel and its closeness to the leading universities in the key geographic areas supports recruitment and retention.

Trifork strengthens its culture to promote next-gen capabilities by continued focus on developing our employees' technical skills through education, allowing experimentation and ensuring inspiration through the tasks and challenges they are given. This supported by advancing the Teal organizational model, where we ensure a flat hierarchy, unbureaucratic way of working and distribute responsibility throughout the organization. We are structured in several smaller business units that have their own community and leadership. We continuously try to be the best place to work by making room for employees to take initiative.

We believe that one of the most important factors for our employees is that they are challenged with interesting work tasks and get to use modern technologies in building solutions for our customers.

Employee retention is further facilitated by an attractive RSU plan, that has been broadened since the IPO in 2021.

## Strategic partnerships

Strategic partnerships are an integral part of Trifork's value proposition, and if such partners decide not to engage with Trifork in the future, it could have a material adverse effect on Trifork's business, financial condition and/or results of operations. There can be no assurance that the current strategic partnerships will continue to be available. Further, new opportunities to enter into strategic partnerships may not present themselves to Trifork.

MITIGATING ACTIONS

We seek to strengthen and grow our re-seller relationships and operational partnerships with leading companies in the technology industry, including Apple, Google Cloud, Microsoft and SAP, and operational partnerships with major technology companies and important Silicon Valley start-ups. We focus on being the best possible partner with deep technical knowledge on the technologies that they provide.

In addition, we are selecting our Labs investments according to the potential of the Labs company developing into a long-term partner of Trifork where Trifork use the technologies developed in providing solutions to our customers.

## Contract management and reputational risks

Errors, defects and failures in the products delivered by Trifork may result in legal claims by customers, including claims for material breach of the underlying customer contracts.

Trifork's relationship with customers depends on its reputation, and negative media coverage and public scrutiny may damage Trifork's reputation and limit demand for the Group's products and services

Trifork's brand and reputation as a leading provider of next-gen software solutions are important corporate assets that help drive demand for Trifork's products and differentiate us from our competitors. However, the brand and reputation can be damaged if defects, deficiencies, delays or failures are discovered in the products or services provided to our customers.

MITIGATING ACTIONS

Trifork is focusing on delivering quality software by using continuous tests in the development process of software solutions. We also focus on ongoing alignment of the expectations to functionality and deliveries during the development process in order to keep alignment between the development teams and customers.

Most often larger solutions are broken down into smaller work-orders with specific deliveries defined in scopes of maximum 3 months. In agile development processes this ensures an ongoing dialogue and prioritization of the most important functionalities to implement - and at the same time it makes the risk of failures lower when new functionality is taken into production in smaller batches.

The day-to-day responsibility is with the BU leaders, who have instructions and thresholds on when to escalate incidents.

Trifork's internal risk management system provides for proper monitoring and mitigation contract management and reputational risks.

## Infrastructure and Cyber Protection

Any disruption in data centre operations or failure of telecommunications systems could harm the Trifork's ability to deliver its IT services, damage its reputation or otherwise have material adverse effect on its business. In addition, Trifork may not be able to protect itself or its IT solutions from cyber threats that have the potential to significantly disrupt Trifork and its customers' businesses and cause reputational damage.

MITIGATING ACTIONS

In the business area Cyber protection Trifork has specialized in using security tools and developing solutions to protect infrastructures and systems against cyber threads. We offer managed security solutions as services to our customers and use these to manage our own in-house security.

With highly educated specialists in our SOC, Trifork monitors cyber security for companies in 24/7 operations and identify and mitigate security incidents when they happen.

Triforks decentralized structure is seen as a strength since a diversity in the use of systems will make a potential impact on one system less severe than if all units were using the same system.

## Privacy and Data Protection

The Group is subject to data protection laws, privacy requirements and other regulatory restrictions in the various jurisdictions in which it operates. Trifork may come into possession of, act as a processor of or otherwise handle sensitive personal data, including health and financial data, for example as a result of our focus on Digital Health and FinTech. This information needs to be handled in compliance with such laws and regulations. Privacy and data protection compliance. Breaches or failure to protect confidential and proprietary information could damage Trifork's reputation and expose it to litigation.

MITIGATING ACTIONS

Trifork's internal risk management system provides for monitoring and mitigation of privacy and data protection risks.

Trifork is committed to be in full compliance with the legal and regulatory requirements in all regions and across all activities. Employees are educated and tested accordingly and must comply with Trifork's Privacy and Data Protection policy. Each BU leader is responsible that all members of the BU comply with the policy and additional requirements.

Our central legal team educates the BU leaders about the relevant requirements and controls and tracks proper application.

# 07

# Environmental Social Governance (ESG)

# ESG & Key Figures

At Trifork, we are driven by our mission to change the world with software, and sustainability is an integral element for how we operate as a business. Trifork's engagement with ESG is not only a focus area in relation to the engagements we have with our customers. It's also an integrated part of how we work internally and reflected in the investments we make.

On the environmental front, Trifork in 2021 has continued the focus on reducing our climate footprint, and we are currently on a journey to build the ultimate sustainable office building – the Trifork Smart Building. The construction is a result of Trifork's philosophy on developing software inspired by and in collaboration with our customers, and we expect several smart buildings to be built in the coming years. Moreover, our investments in innovative technology and clean-tech startups through our Trifork Labs business, in 2021 has included an investment in the company DRYP - a company that develops sensors and systems that can provide important information on the flow of water in our environment. Additionally, Trifork is a sponsor of the Ocean Race where we together with the Ocean Race organization and the stop-over cities raise awareness on ocean pollution. We have also worked together with and made a donation to Elkhorn Marine Conservancy, which is a is a non-profit organization dedicated to enhancing the resilience and local stewardship of Antigua's marine ecosystems through restoration, collaborative management, and conservation.

For Trifork, diversity is key, and it is essential that we as a company provide equal opportunity for people of all ages, genders, nationalities, religions, cultures, skin color, political opinions and sexual preferences.

People are at the centre of Trifork - both as the developers creating software and as the ultimate end-users using the software. The curiosity of people is a part of the Trifork DNA, and we are continuously working with thought leaders in the tech world. As a part of this, Trifork provides the GOTO universe, which consists of conferences, a book club and one of the worlds largest YouTube tech channels, where we seek to inspire and motivate continuous learning. Our tech channel is available and free to use for everyone in the world to get insights into new technologies. In the light of COVID, we managed to convene two successful GOTO conferences and look forward to continue our mission in 2022.

In 2021, Trifork became a participant of the UN Global Compact, which means that we will strengthen our existing focus on the 10 principles of the UN Global Compact and the 17 UN Sustainable Development Goals.

The Trifork ESG report 2021 entails an in-depth walk through of our ESG commitments and communicates our progress and ESG visions. Please refer to:
https://investor.trifork.com/statutes/

| Key figures | Unit | 2021 |
|---|---|---|
| **Environment** | | |
| Energy consumption | kWh per FTE | 4,310 |
| Renewable energy share | % | 77.3% |
| Water consumption | $m^3$ per FTE | 4.8 |
| **Social** | | |
| Average full-time employees | FTE | 880 |
| Employee gender diversity | f/m | 20.7%/79.3% |
| Leader gender diversity | f/m | 27.3%/72.7% |
| Sickness absence | % | 2.4% |
| Employee turnover | % | 15.6% |
| **Governance** | | |
| Gender diversity BoD | f/m | 40.0%/60.0% |
| Attendance at BoD meetings | % | 99.1% |


CASE STORY

# Trifork supports restoring and conserving Antigua's marine ecosystems

Coral reefs continue to decline globally and threats including pollution, overfishing, habitat destruction, disease, and climate change are ever-increasing. Being the breeding ground for several endangered species of fish whilst protecting the coasts against erosion, the coral reefs are as of now a widespread problem.

## Part of reviving Antigua's vital and degraded marine ecosystems

In Trifork we love the ocean, which is why we want to take an active stand and pave the way for a clean thriving ocean floor – full of life. To unleash the full potential, we have joint forces with the non-profit organization Elkhorn Marine Conservancy, because of their remarkable results in coral reef restoration. They establish underwater coral nurseries, by collecting and planting small coral fragments, allowing them to grow in protected conditions. Elkhorn's mission is to enhance the resilience and local stewardship of Antigua's marine ecosystems through restoration, collaborative management, and conservation.

Jørn Larsen, Trifork CEO:
*"Elkhorn is a remarkable and ambitious project, as much as we love and use the ocean, we also want to be part of maintaining it and making sure it will be there for our grandkids. Our partnership with Elkhorn Marine Conservancy, helps us be part of making that a reality. We encourage anybody who loves the sea as much as us to support the mission of Elkhorn."*

**Arthur Gosnell - Chairman of the board, Elkhorn Marine Conservancy**:
*"The collaboration between Trifork and the EMC has expanded our thinking not only with respect to coral restoration, but to other conservation endeavors as well. Trifork has awareness and understanding of conservation models, particularly from Scandinavia and the Mediterranean, that are extremely interesting and could be potentially very significant for Antigua."*

## Conserving life below water

Sustainability is at the core of the way Trifork approach to business. Our efforts are categorized within three main areas: Environment, Social and Governance (ESG). For more detailed information on this, read our 2021 ESG report that can be found on investor.trifork.com.

In 2021, Trifork became a participant of the UN Global Compact, reinforcing our commitment to the ten principles of human rights, labour rights, anti-corruption and the environment. We support the UN's Sustainable Development agenda by using the UN's Sustainable Development Goals (SDG's) as a reference point for our sustainability approach and activities.

Our partnership with Elkhorn Marine Conservancy also enforces our active commitment to Conserve and sustainably use the oceans, seas and marine resources for sustainable development. We highly encourage everyone who love the sea as much as we do to support Elkhorn.

***We highly encourage everyone who love the sea as much as we do to support Elkhorn.***

***"Through our partnership with Trifork, we're developing innovative solutions to complex environmental problems and spreading the word about marine conservation and restoration. We're beyond excited about Trifork's support and the initiatives we will be working on together."***

Dr. Molly Wilson - Lead Scientist
Elkhorn Marine Conservancy

# 08

# Shareholders

## The Trifork Holding AG share

The Trifork Holding AG share was priced at DKK 303.50 on 31 December 2021, which represents an increase of 102% compared to the IPO price of DKK 150 per share. During the same time period, the OMX Nordic Mid Cap index increased by 14.8%. The average daily trading volume from the first trading day on 27 May 2021 to 31 December 2021 was 30,064 shares. The lowest closing price amounted to DKK 175.00 on 27 May 2021, the company's first trading day on Nasdaq Copenhagen, and the highest closing price was DKK 303.50 on 30 December 2021. Trifork's 2021 year end market capitalization amounted to DKK 5.993 billion, equivalent to approximately EUR 806 million.

## The Initial Public Offering

Trifork successfully completed an Initial Public Offering (IPO) on 27 May 2021 and listed its shares on Nasdaq Copenhagen. A total of 8,171,762 shares were sold at the IPO price of DKK 150, resulting in a gross transaction size of DKK 1.23 billion (EUR 165 million). The IPO attracted a substantial interest from Danish retail investors and from Danish and international institutional investors, including Qualified Institutional Buyers in the USA. As part of the IPO, a group of existing shareholders, including GRO Holding I ApS, Kresten Krab Holding ApS, Jørn Larsen and certain other shareholders, sold 7,231,529 shares. In addition, Trifork sold 940,233 shares in a capital increase resulting in net proceeds of approximately DKK 129 million (EUR 17.4 million).

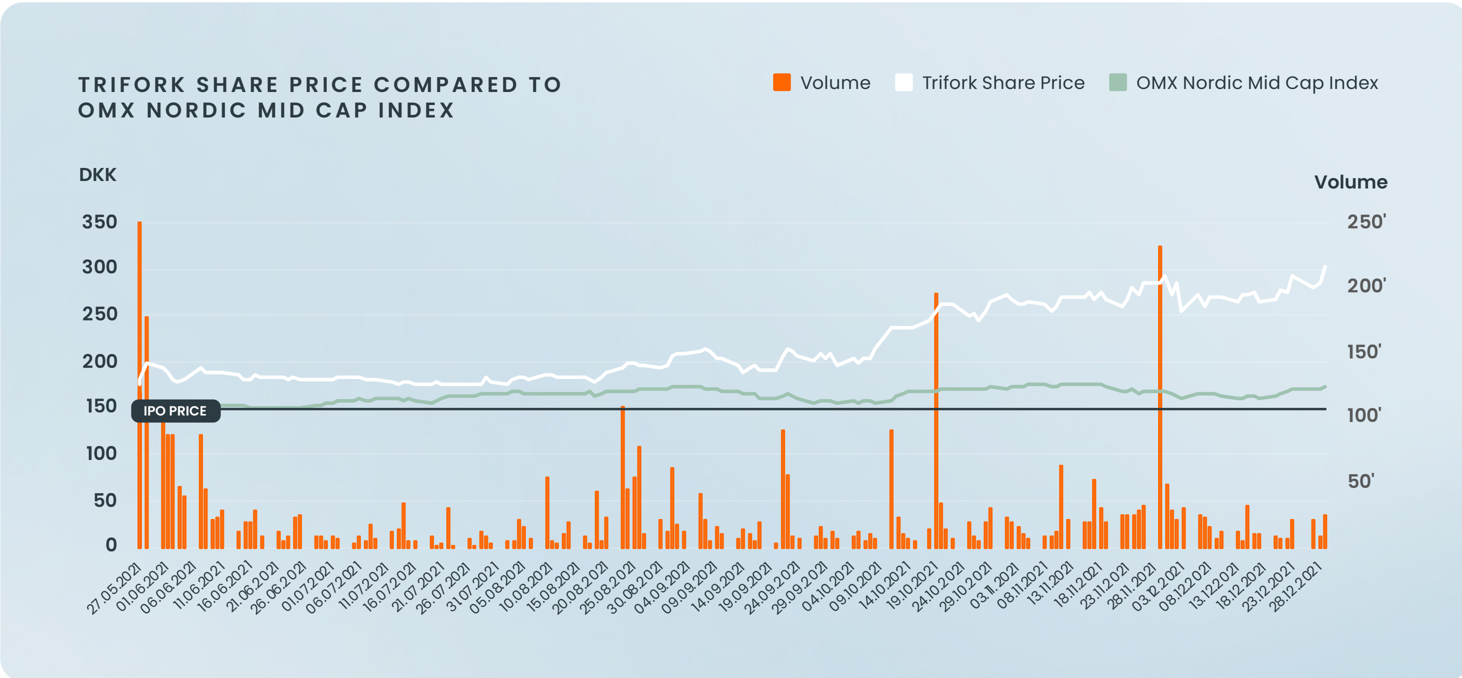
## Share capital and ownership

On 31 December 2021, 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 that date, Trifork had more than 7,100 shareholders. Major shareholders, based on regulatory announcments and voluntary disclosure at the end of 2021, were Jørn Larsen, Co-founder and CEO of Trifork, with 19.5% ownership of shares outstanding, Ferd AS with 10.0%, Kresten Krab Thorup with 6.6% and Chr. Augustinus Fabrikker Akts. with 5.1%. GRO Holding I ApS sold its entire shareholding of Trifork shares in connection with the IPO.

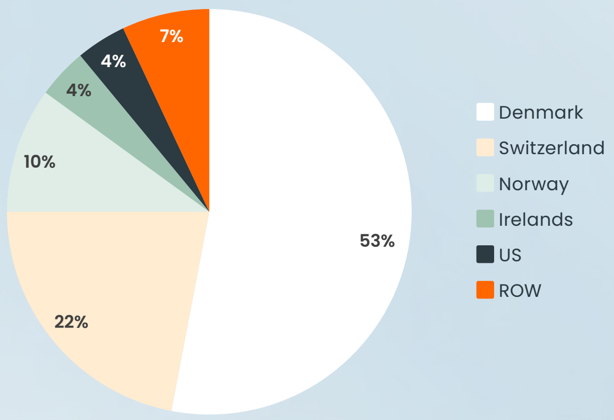
At the end of 2021, Trifork held 45,019 treasury shares that may be used for employee compensation including its RSU plan, financing of acquisition and other purposes.

| Market information | |
|---|---|
| Price at 31 December 2021 (DKK) | 303.50 |
| Price at 31 December 2021 (EUR) | 40.81 |
| Price high (DKK) | 303.50 |
| Price low (DKK) | 175.00 |
| IPO share price on 27 May 2021 (DKK) | 150.00 |
| Market value at 31 December 2021 (DKK) | 5.993 billion |
| Market value at 31 December 2021 (EUR) | 806 million |
| Share performance since IPO to 31/12/2021 | 102% |



## Shareholder Overview

SHAREHOLDER STRUCTURE BY COUNTRY




### Shareholder Structure

On 31 December 2021, Trifork had more than 7,100 shareholders. 53% of the shares were held in Denmark, followed by Switzerland with 22%, Norway with 10% and USA and Ireland with 4% each.

The four largest shareholders accounted for 41.2% of the total number of shares outstanding.

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 2021 | 45,019 |

FINANCIAL CALENDAR

| | |
|---|---|
| 16 March 2022 | Annual and Q4 2021 report |
| 20 April 2022 | Annual General Meeting |
| 4 May 2022 | Q1 2022 report |
| 18 August 2022 | Q2/Half-year 2022 report |
| 2 November 2022 | Q3 2022 report |

### Dividends

According to Trifork's dividend policy, the Board of Directors intends to retain a significant part of Trifork's available financial resources and earnings generated, to support the organic and acquisitive growth of the Group. Accordingly, it proposes a dividend of EUR 0.38 per share for the financial year 2021, which corresponds to 25% of the earnings per share in 2021. For the financial year 2020, Trifork paid a dividend of EUR 0.58 per share, which was 25% of the 2020 earnings per share, taking into account the gain from the sale of Trifork's stake in the Trifork Labs company Humio.

Dividends will be declared in Swiss Francs. For investors holding their shares in the Danish infrastructure through VP Securities, dividends will be paid in Danish Kroner. The exchange rate will be determined at the time of the resolution to distribute dividends by the Annual General Meeting. For Investors holding their shares in the Swiss infrastructure through SIX SIS, dividends will be paid in Swiss Francs.

### Annual General Meeting

Trifork's Annual General Meeting will be held virtually on 20 April 2022.

### 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, 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 period 1 January to 31 December 2021.

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards and the requirement of Swiss law.

The parent company financial statements are prepared in accordance with the Swiss Financial Statements Act.

In our opinion, the consolidated financial statements give a true and fair view of the Group's financial position on 31 December 2021 and of the results of the Group's operations and cash flows for the financial period 1 January to 31 December 2021.

In our opinion, the parent company financial statements for the period from 1 January to 31 December 2021 comply with Swiss law and the company's articles of incorporation.

In our opinion, the management's review includes a true and fair review of the development in the Group's operations and financial matters, the results for the period and the parent company's financial position, and the position as a whole for the entities included in the consolidated financial statements, as well as a review of the more significant risks and uncertainties faced by the Group and the parent company.

We recommend the annual report be approved at the Annual General Meeting.

*Schindellegi, 16 March 2022*

| | |
|---|---|
| **Julie Galbo** | Chairperson |
| **Olivier Jaquet** | Vice-Chairperson |
| **Maria Hjorth** | Board member |
| **Lars Lunde** | Board member |
| **Casey Rosenthal** | Board member |

| | |
|---|---|
| **Jørn Larsen** | CEO |
| **Kristian Wulf-Andersen** | CFO |

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TRIFORK GROUP

# Consolidated Financial Statements 2021

# Contents

## Consolidated financial statements

## Consolidated Income Statement
for the year ended 31 December

| (in EURk) | Notes | 2021 | 2020 |
|---|---|---|---|
| Revenue from contracts with customers | 2.1/2 | 158,525 | 115,358 |
| Rental income | | 473 | 320 |
| Other operating income | 4.2 | 22,923 | 770 |
| **Operating income** | | **181,921** | **116,448** |
| Cost of goods and services purchased | 2.3 | -29,294 | -22,751 |
| Personnel costs | 3.1 | -87,702 | -64,149 |
| Other operating expenses | 2.4 | -17,549 | -12,573 |
| **Operating expenses** | | **-134,545** | **-99,473** |
| **Earnings before financial items, tax, depreciation and amortization** | | **47,376** | **16,975** |
| Depreciation, amortization and impairment | 2.5 | -11,769 | -10,567 |
| **Earnings before financial items and tax** | | **35,607** | **6,408** |
| Fair value adjustments on investments in Trifork Labs | 5.1 | 5,022 | 41,259 |
| Share of results from associated companies | 4.5 | 114 | 15 |
| Other financial income | 2.6 | 145 | 882 |
| Other financial expenses | 2.6 | -2,038 | -1,474 |
| Result on foreign exchange | 2.6 | -2,194 | -48 |
| **Financial result** | | **1,049** | **40,634** |
| **Earnings before tax** | | **36,656** | **47,042** |
| Income tax expense | 2.7 | -3,960 | -2,384 |
| **Net income** | | **32,696** | **44,658** |
| Attributable to shareholders of Trifork Holding AG | | 29,349 | 43,216 |
| Attributable to non-controlling interests | | 3,347 | 1,442 |
| Earnings per share of Trifork Holding AG, basic (in EUR) | 2.8 | 1.52 | 2.33 |
| Earnings per share of Trifork Holding AG, diluted (in EUR) | 2.8 | 1.52 | 2.33 |

## Consolidated Statement of Comprehensive Income
for the year ended 31 December

| (in EURk) | 2021 | 2020 |
|---|---|---|
| **Net income** | **32,696** | **44,658** |
| **Items that may be reclassified to profit or loss, after tax** | | |
| Currency translation adjustment for foreign operations | 3,006 | 36 |
| Currency translation adjustment reclassified to profit or loss | - 1 | - |
| **Items that will not be reclassified to profit or loss, after tax** | | |
| Remeasurements of the net defined benefit liabilities | 339 | -362 |
| **Other comprehensive income** | **3,344** | **-326** |
| **Total comprehensive income** | **36,040** | **44,332** |
| Attributable to shareholders of Trifork Holding AG | 32,618 | 42,934 |
| Attributable to non-controlling interests | 3,422 | 1,398 |

# Consolidated Statement of Financial Position

for the year ended 31 December

| **Assets** (in EURk) | **Note** | **2021** | **2020** |
|---|---|---|---|
| Intangible assets | 4.6 | 76,288 | 72,990 |
| Right-of-use assets | 4.7 | 23,295 | 21,470 |
| Property, plant and equipment | 4.8 | 9,117 | 6,144 |
| Investments in Trifork Labs | 5.1 | 47,259 | 19,755 |
| Investments in associated companies | 4.5 | 21 | 15 |
| Other non-current financial assets | 4.9 | 2,897 | 3,956 |
| Deferred tax assets | 2.7 | 193 | 224 |
| **Total non-current assets** | | **159,070** | **124,554** |
| Trade receivables | 6.1 | 36,066 | 25,226 |
| Contract assets | 6.1 | 1,883 | 2,107 |
| Other current financial assets | 4.9 | 343 | 340 |
| Other current receivables | | 825 | 559 |
| Prepaid expenses | | 2,849 | 2,260 |
| Investments in Trifork Labs | 5.1 | - | 56,106 |
| Cash and cash equivalents | | 44,628 | 17,957 |
| **Total current assets** | | **86,594** | **104,555** |
| **Assets** | | **245,664** | **229,109** |

| **Liabilities and shareholders' equity** (in EURk) | **Note** | **2021** | **2020** |
|---|---|---|---|
| Share capital | 7.1 | 1,663 | 1,562 |
| Treasury shares | 7.1 | -994 | -524 |
| Retained earnings | | 107,696 | 81,043 |
| Currency translation adjustment | | 1,433 | -1,587 |
| **Equity attributable to shareholders of Trifork Holding AG** | | **109,798** | **80,494** |
| Non-controlling interests | 8.2 | 938 | 2,702 |
| **Total shareholders' equity** | | **110,736** | **83,196** |
| Non-current financial liabilities | 7.3 | 60,405 | 66,879 |
| Other non-current liabilities | 3.3 | 2,670 | 6,119 |
| Deferred tax liabilities | 2.7 | 5,264 | 5,580 |
| **Total non-current liabilities** | | **68,339** | **78,578** |
| Current financial liabilities | 7.3 | 35,753 | 40,297 |
| Trade payables | | 7,262 | 4,754 |
| Contract liabilities | | 6,726 | 4,015 |
| Current tax liabilities | | 2,322 | 2,481 |
| Other current liabilities | 6.2 | 14,526 | 15,788 |
| **Total current liabilities** | | **66,589** | **67,335** |
| **Total liabilities** | | **134,928** | **145,913** |
| **Liabilities and shareholders' equity** | | **245,664** | **229,109** |

## Consolidated Statement of Changes in Shareholders' Equity
for the year ended 31 December

| (in EURk) | Share capital | Treasury shares | Retained earnings | Currency transla-tion adjustment | Equity attributable to the shareholders of Trifork Holding AG | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|
| **1 January 2020** | **1,562** | **-1,250** | **57,121** | **-1,676** | **55,757** | **1,577** | **57,334** |
| Net income | - | - | 43,216 | - | 43,216 | 1,442 | 44,658 |
| Other comprehensive income | - | - | -362 | 81 | -281 | -45 | -326 |
| **Total comprehensive income** | **-** | **-** | **42,854** | **81** | **42,935** | **1,397** | **44,332** |
| Dividends | - | - | -905 | - | -905 | -961 | -1,866 |
| Transactions with treasury shares | - | -2,050 | 228 | - | -1,822 | - | -1,822 |
| Additions from business combinations | - | 2,776 | -2,391 | - | 385 | 4,967 | 5,352 |
| Changes in liabilities towards non-controlling interests | - | - | -15,864 | 8 | -15,856 | -4,278 | -20,134 |
| **31 December 2020** | **1,562** | **-524** | **81,043** | **-1,587** | **80,494** | **2,702** | **83,196** |
| Net income | - | - | 29,349 | - | 29,349 | 3,347 | 32,696 |
| Other comprehensive income | - | - | 339 | 2,930 | 3,269 | 75 | 3,344 |
| **Total comprehensive income** | **-** | **-** | **29,688** | **2,930** | **32,618** | **3,422** | **36,040** |
| Capital increase | 101 | - | 18,845 | - | 18,946 | - | 18,946 |
| Costs related to capital increase | | | -1,559 | - | -1,559 | - | -1,559 |
| Dividends | - | - | -10,871 | - | -10,871 | -2,147 | -13,018 |
| Transactions with treasury shares | - | -977 | 2 | - | -975 | - | -975 |
| Additions from business combinations | | 11 | 1,912 | - | 1,923 | - | 1,923 |
| Disposal / loss of control of a Group company | - | - | - | - | - | -608 | -608 |
| Acquisition of non-controlling interests, net | - | 496 | -1,735 | - | -1,239 | -294 | -1,533 |
| Changes in liabilities towards non-controlling interests | - | - | -9,876 | 90 | -9,786 | -2,137 | -11,923 |
| Share-based payments | - | - | 247 | - | 247 | - | 247 |
| **31 December 2021** | **1,663** | **-994** | **107,696** | **1,433** | **109,798** | **938** | **110,736** |

# Consolidated Cash Flow Statement

for the year ended 31 December

| (in EURk) | Notes | 2021 | 2020 |
|---|---|---|---|
| **Net income** | | **32,696** | **44,658** |
| | | | |
| **Adjustments for:** | | | |
| Depreciation, amortization and impairment | 2.5 | 11,769 | 10,567 |
| Non-cash other operating income | | -22,268 | -350 |
| Fair value adjustment from investments in Trifork Labs | 5.1 | -5,022 | -41,259 |
| Share of result from associated companies | 4.5 | -114 | -15 |
| Other financial result | 2.6 | 4,087 | 640 |
| Income taxes | 2.7 | 3,960 | 2,384 |
| Adjustment for other non-cash items | | 217 | 776 |
| Changes in net working capital | | -9,607 | 3,680 |
| Payment to Employees' Holiday Funds | 3.3 | -3,289 | - |
| Income taxes paid | | -4,654 | -3,294 |
| **Cash flow from operating activities** | | **7,775** | **17,787** |
| | | | |
| Acquisition of Group companies, net of cash acquired | 4.1 | -1,630 | -26,201 |
| Acquisition of Group companies, settlement of contingent consideration liabilities | 4.3 | -216 | - |
| Sale of Group companies, net of cash disposed | 4.2 | 2,063 | - |
| Purchase of intangible assets | 4.6 | -756 | -1,306 |
| Sale of intangible assets | | 150 | - |
| Purchase of property, plant and equipment | 4.8 | -4,946 | -2,108 |
| Sale of property, plant and equipment | | 250 | 127 |
| Dividends received from associated companies | 4.5 | 107 | 41 |
| Purchase of investments in Trifork Labs | 5.1 | -5,645 | -2,678 |
| Sale of investments in Trifork Labs | 5.1 | 58,756 | 728 |
| Dividends received from investments in Trifork Labs | 5.1 | 688 | - |
| Loans granted | | -775 | -357 |
| Repayment loans granted | | 1,478 | 151 |
| Interest received | | 131 | 87 |
| **Cash flow from investing activities** | | **49,655** | **-31,516** |

| (in EURk) | Notes | 2021 | 2020 |
|---|---|---|---|
| Proceeds from borrowings | 7.3 | 4,925 | 36,547 |
| Repayment of borrowings | 7.3 | -32,012 | -1,511 |
| Payment of lease liabilities | 7.3 | -4,986 | -3,926 |
| Proceeds from capital increase | | 18,946 | - |
| Costs related to capital increase | | -1,559 | - |
| Interest paid | | -1,549 | -1,561 |
| Acquisition of non-controlling interests, net | 4.3/8.2 | -2,481 | - |
| Purchase of treasury shares | 7.1 | -727 | -7,283 |
| Sale of treasury shares | 7.1 | 55 | 5,477 |
| Dividends paid | | -13,018 | -1,866 |
| **Cash flow from financing activities** | | **-32,406** | **25,877** |
| | | | |
| Exchange differences on cash and cash equivalents | | 1,647 | -143 |
| **Change in cash and cash equivalents** | | **26,671** | **12,005** |
| | | | |
| Cash and cash equivalents at the beginning of the period | | 17,957 | 5,952 |
| **Cash and cash equivalents at the end of the period** | | **44,628** | **17,957** |

# 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 accounting policies applied for the topics of the individual notes.

# Contents

## Notes to the Consolidated Financial Statements

### SECTION 5



### SECTION 6



### SECTION 7



### SECTION 8

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 International Financial Reporting Standards (IFRS) 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.

Apart from changes due to the implementation of new or amended standards and interpretations as described in note 1.2, accounting policies as described below and in the respective notes are unchanged from last year.

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

### § Accounting Policies

The overall accounting policies applied to the consolidated financial statements as a whole are described below. The accounting policies related to specific line items are described in the notes to which they relate. The description of accounting policies in the notes forms part of the overall description of Trifork's accounting policies:

| | |
|---|---|
| **2.2** | Revenue from contracts with customers |
| **2.3** | Cost of goods and services purchased |
| **2.7** | Income taxes |
| **3.1** | Personnel costs |
| **3.2** | Share-based payments |
| **3.3** | Pension and similar obligations |
| **4.1** | Acquisition of businesses |
| **4.2** | Business disposed/loss of control |
| **4.4** | Redemption amount of put-options |
| **4.5** | Investments in associated companies |
| **4.6** | Intangible assets |
| **4.7** | Right-of-use assets |
| **4.8** | Property, plant and equipment |
| **4.9** | 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 2021, all of which are prepared in accordance with uniform accounting principles. The consolidated financial statements of the Trifork Group include all companies in which the Group holds more than 50% of voting rights, or which it controls in some other way.

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 and Note 4.2 Businesses disposed/loss of control.

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

NOTE 1.1

## General information (continued)

### 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.

#### 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 | 2021 | 2020 | 2021 | 2020 |
| DKK | 1 | 0.1345 | 0.1344 | 0.1345 | 0.1341 |
| CHF | 1 | 0.9680 | 0.9211 | 0.9250 | 0.9345 |
| GBP | 1 | 1.1901 | 1.1073 | 1.1629 | 1.1253 |
| USD | 1 | 0.8829 | 0.8143 | 0.8454 | 0.8776 |

NOTE 1.2

## Changes in accounting policies

The accounting policies adopted in these consolidated financial statements 2021 are consistent with those applied in 2020 except as outlined below:

### Adoption of new and revised IFRS standards

The Group has applied new and amended International Financial Reporting Standards (IFRS) on 1 January 2021:

| Standard | Subject |
|---|---|
| IFRS 9, IAS 39 & IFRS 7 | Interest rate benchmark reform - phase 2 (amendments - 2021) |

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 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 2021 onwards:

| Standard | Subject |
|---|---|
| IFRS 3 | Reference to the conceptual framework (amendment - 2022) |
| IAS 37 | Onerous contracts - Costs of fulfilling a contract (amendment - 2022) |
| Annual improvements | Collective standard with amendments to various IFRS with the primary goal of eliminating inconsistencies and clarifying terminology (2022) |
| IAS 1 | Classification of liabilities as current and non-current (2023) |
| | Disclosure of accounting policies (amendment - 2023) |
| IAS 8 | Definition of accounting estimates (amendment - 2023) |
| IAS 12 | Deferred tax related to assets and liabilities arising from a single transaction (amendment - 2023) |

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**

| | |
|---|---|
| **2.7** | Income taxes |
| **4.3** | Contingent consideration liabilities |
| **4.4** | Redemption amounts of put-options |
| **4.6** | 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.

2

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 comprise of general corporate costs, management services to individual Labs investments and IPO-preparation costs.

### Trifork Labs

Trifork Labs is focused on founding new tech start-ups 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.

| **2021** (in EURk) | Inspire | Build | Run | Other | Trifork | Labs | Elimination | Total |
|---|---|---|---|---|---|---|---|---|
| Revenue | | | | | | | | |
| - from external customers | 2,390 | 122,980 | 32,650 | 505 | 158,525 | - | - | 158,525 |
| - from other segments | - | | | 1,426 | 1,426 | - | -1,426 | - |
| **Total segment revenue** | **2,390** | **122,980** | **32,650** | **1,931** | **159,951** | **-** | **-1,426** | **158,525** |
| **Earnings before financial items, tax, depreciation and amortization** | **-640** | **48,146**[1] | **7,438** | **-6,065** | **48,879** | **-1,503** | **-** | **47,376** |
| Depreciation and amortization | -288 | -6,382 | -3,546 | -1,456 | -11,672 | - | - | -11,672 |
| Impairment | - | - | -97 | - | -97 | - | - | -97 |
| **Earnings before financial items and tax** | **-928** | **41,764** | **3,795** | **-7,521** | **37,110** | **-1,503** | **-** | **35,607** |
| Financial result | n/a | n/a | n/a | n/a | -3,757 | 4,806 | - | 1,049 |
| **Earnings before tax (EBT)** | **n/a** | **n/a** | **n/a** | **n/a** | **33,353** | **3,303** | **-** | **36,656** |
| **Average number of employees** | **19** | **626** | **154** | **79** | **878** | **2** | **-** | **880** |

1 Including gain of EURk 22,131 from the deconsolidation of Dawn Holding ApS (refer to Note 4.2).

NOTE 2.1

## Segment information (continued)

| **2020** (in EURk) | Inspire | Build | Run | Other | Trifork | Labs | Elimination | Total |
|---|---|---|---|---|---|---|---|---|
| Revenue | | | | | | | | |
| - from external customers | 1,945 | 86,705 | 26,422 | 286 | 115,358 | - | - | 115,358 |
| - from other segments | - | - | - | 878 | 878 | - | -878 | - |
| **Total segment revenue** | **1,945** | **86,705** | **26,422** | **1,164** | **116,236** | **-** | **-878** | **115,358** |
| **Earnings before financial items, tax, depreciation and amortization** | **-1,522** | **16,810** | **5,866** | **-1,941** | **19,213** | **-2,238** | **-** | **16,975** |
| Depreciation and amortization | -165 | -4,929 | -3,327 | -1,393 | -9,814 | - | - | -9,814 |
| Impairment | - | - | -753 | - | -753 | - | - | -753 |
| **Earnings before financial items and tax** | **-1,687** | **11,881** | **1,786** | **-3,334** | **8,646** | **-2,238** | **-** | **6,408** |
| Financial result | n/a | n/a | n/a | n/a | -762 | 41,396 | - | 40,634 |
| **Earnings before tax (EBT)** | **n/a** | **n/a** | **n/a** | **n/a** | **7,884** | **39,158** | **-** | **47,042** |
| **Average number of employees** | **20** | **459** | **128** | **73** | **680** | **2** | **-** | **682** |

GEOGRAPHICAL INFORMATION

| (in EURk) | Revenue from external customers[1] | Non-current assets[2] |
|---|---|---|
| **2021** | | |
| Denmark | 112,563 | 82,719 |
| UK | 10,006 | 9,412 |
| Netherlands | 8,242 | 7,221 |
| USA | 4,337 | 1,031 |
| Switzerland | 4,113 | 6,781 |
| Others | 19,264 | 1,536 |
| **Total** | **158,525** | **108,700** |
| **2020** | | |
| Denmark | 83,808 | 79,974 |
| UK | 9,736 | 9,879 |
| Netherlands | 8,418 | 6,281 |
| USA | 2,821 | 1,017 |
| Switzerland | 1,727 | 1,951 |
| Others | 8,848 | 1,502 |
| **Total** | **115,358** | **100,604** |

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

2 Intangible assets, right-of-use assets and property, plant and equipment.

NOTE 2.2

# Revenue from contracts with customers

## A. Revenue streams

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Inspire | 2,390 | 1,945 |
| Build | 122,980 | 86,705 |
| Run: | | |
| - Licenses and support | 7,824 | 7,626 |
| - Hardware | 4,782 | 2,644 |
| - Hosting and security | 20,044 | 16,152 |
| Other | 505 | 286 |
| **Total revenue from contracts with customers** | **158,525** | **115,358** |

## B. Revenue by business area

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Inspire | 2,390 | 1,945 |
| Digital health | 16,026 | 14,572 |
| Smart enterprise | 76,560 | 49,237 |
| Smart building | 4,191 | 2,859 |
| Cloud operations | 24,739 | 21,735 |
| Cyber protection | 10,793 | 8,057 |
| Fintech | 23,321 | 16,668 |
| Others | 505 | 285 |
| **Total revenue from contracts with customers** | **158,525** | **115,358** |

## C. Timing or revenue recognition

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Goods and services transferred at a point in time | 6,957 | 7,657 |
| Services transferred over time | 151,568 | 107,701 |
| **Total revenue from contracts with customers** | **158,525** | **115,358** |

## 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 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

## Costs of goods and services purchased

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Costs of goods and services purchases | -29,294 | -22,751 |

### Accounting policies

Costs of goods and services purchased from external providers assist in the fulfilment of the performance obligations from contracts with customers (e.g. subcontractors).

NOTE 2.4

## Other operating expenses

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Sales and marketing expenses | -3,139 | -1,723 |
| Service cost for leased property | -2,252 | -1,951 |
| Administration expenses | -12,033 | -8,841 |
| *- of which IPO-preparation costs, net*[1] | *-1,847* | *-852* |
| *- of which lease cost of short term and low value contracts* | *-32* | *-20* |
| Others | -125 | -58 |
| **Total other operating expenses** | **-17,549** | **-12,573** |

1 As per IPO, Trifork became compensated for the preparation costs by other selling shareholders in the amount of EURk 1,629.

NOTE 2.5

## Depreciation, amortization and impairment

| (in EURk) | Note | 2021 | 2020 |
|---|---|---|---|
| Depreciation of property, plant and equipment | 4.8 | -2,194 | -1,846 |
| Depreciation of right-of-use assets | 4.7 | -5,454 | -4,874 |
| Amortization of intangible assets | 4.6 | -4,024 | -3,094 |
| Impairment of intangible assets | 4.6 | -97 | -753 |
| **Total depreciation, amortization and impairment** | | **-11,769** | **-10,567** |

In 2020, acquired intangible assets were impaired due to not living-up to the business plan. The corresponding contingent consideration liability was simultaneously adjusted by EURk 535 to EURk 0 (see Notes 2.6 and 4.3).

NOTE 2.6

# Other financial result

## A. Other financial income

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Interest income | 132 | 87 |
| Reversal of impairment losses on other financial assets | 4 | 41 |
| Fair value adjustments on contingent consideration liabilities | 9 | 754 |
| **Total other financial income** | **145** | **882** |

The main impact of the fair value adjustments on contingent consideration liabilities in 2020 comes from an earn-out agreement for an acquired intangible asset not living up to the business plan. The corresponding contingent consideration liability was simultaneously adjusted by EURk 535 to EURk 0 (see Notes 2.5 and 4.3).

## B. Other financial expenses

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Interest expenses | -1,545 | -1,426 |
| *- of which lease interests* | *-504* | *-487* |
| *- of which net interest for defined benefit plans* | *-3* | *-4* |
| Fair value adjustments on contingent consideration liabilities | -292 | - |
| Impairment losses on other financial assets | -201 | -48 |
| **Total other financial expenses** | **-2,038** | **-1,474** |

Due to updated result estimation and realization for SAPBASIS ApS, the amounts for due and expected earn out payments increased (see Note 4.3).

## C. Result of foreign exchange

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Foreign exchange gains | 1,392 | 1,534 |
| Foreign exchange losses | -3,586 | -1,582 |
| **Total result on foreign exchange** | **-2,194** | **-48** |

NOTE 2.7

## Income taxes

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

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Tax expense recorded in the income statement | | |
| Current income tax expense | -4,636 | -2,861 |
| Deferred tax (expense)/income | 676 | 477 |
| **Total tax expense recorded in the income statement** | **-3,960** | **-2,384** |
| | | |
| Tax effect recorded in other comprehensive income | | |
| Deferred income tax from remeasurement of defined benefit plans | -41 | 62 |
| **Total tax effect recorded in other comprehensive income** | **-41** | **62** |

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) | 2021 | 2020 |
|---|---|---|
| Earnings before tax | 36,656 | 47,043 |
| Weighted applicable tax rate | 24.7% | 23.6% |
| **Expected income tax expense** | **-9,063** | **-11,147** |
| | | |
| Effect of changes in tax rates | 2 | - |
| Non-taxable income | | |
| - from investments | 5,768 | 9,337 |
| - others | 164 | 92 |
| Non-deductible expenses | -752 | -384 |
| Unrecognized tax losses from current period | -485 | -367 |
| Recognized tax losses from earlier periods | 397 | 267 |
| Others | 9 | -182 |
| **Actual income tax expense** | **-3,960** | **-2,384** |
| | | |
| Effective tax rate | 10.8% | 5.1% |

NOTE 2.7

# Income taxes (continued)

## B. Deferred tax assets and liabilities

DEFERRED TAX ASSETS/(LIABILITIES), NET

| (in EURk) | 2021 | 2020 |
|---|---|---|
| **1 January** | **-5,356** | **-2,589** |
| Net deferred tax recognized in profit or loss | 676 | 477 |
| Net deferred tax recognized in other comprehensive income | -41 | 62 |
| Additions from business combinations | -296 | -3,302 |
| Exchange differences | -54 | -4 |
| **31 December** | **-5,071** | **-5,356** |

UNRECOGNIZED TAX LOSSES CARRIED FORWARD

| (in EURk) | 2021 | 2020 |
|---|---|---|
| **Expiry in:** | | |
| - 1 year | - | - |
| - 2 to 5 years | 560 | 48 |
| - more than 5 years | 2,238 | 1,533 |
| - do not expire | 5,473 | 4,478 |
| **Total unrecognized tax losses carried forward** | **8,271** | **6,059** |

RECOGNIZED IN THE STATEMENT OF FINANCIAL POSITION AS:

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Deferred tax asset | 193 | 224 |
| Deferred tax liability | -5,264 | -5,580 |
| **Total** | **-5,071** | **-5,356** |

**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 2.7

# Income taxes (continued)

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

| | 2021 | | 2020 | |
|---|---|---|---|---|
| (in EURk) | Deferred tax assets | Deferred tax liabilities | Deferred tax assets | Deferred tax liabilities |
| Intangible assets and property, plant and equipment | 101 | -5,333 | 103 | -5,574 |
| Leases (net) | 282 | -55 | 241 | -73 |
| Trade receivables | 52 | - | 38 | - |
| Other current assets | - | -3 | - | -14 |
| Current liabilities | 17 | -301 | 5 | -185 |
| Defined benefit liabilities | 138 | - | 123 | - |
| Other non-current liabilities | - | - | - | -107 |
| Tax losses carried forward | 31 | - | 87 | - |
| **Total deferred tax assets/(liabilities)** | **621** | **-5,692** | **597** | **-5,953** |
| Offsetting | -428 | 428 | -373 | 373 |
| **Total deferred tax assets/(liabilities), net** | **193** | **-5,264** | **224** | **-5,580** |

Deferred tax assets of EURk 31 (2020: EURk 87) were recognized in respect of available tax losses carried forward of EURk 205 (2020: EURk 450). 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.

### § 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 acquisition 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 2.8
## Earnings per share

| | 2021 | 2020 |
|---|---|---|
| **Net income attributable to the shareholders of Trifork Holding AG** (in EURk) | **29,349** | **43,216** |
| Weighted average number of shares issued | 19,331,752 | 18,637,230 |
| Weighted average number of treasury shares | -47,646 | -53,685 |
| **Number of shares used for calculating earnings per share** | **19,284,106** | **18,583,545** |
| **Earnings per share of Trifork Holding AG, basic** (in EUR) | **1.52** | **2.33** |
| **Earnings per share of Trifork Holding AG, diluted** (in EUR) | **1.52** | **2.33** |

The dilutive effect was calculated based on the average number of RSU outstanding. In the reporting period, 20,791 shares were included in the calculation (2020: none).

The Group intends to buy-back the shares for the plan from the market.

SECTION 3

# Compensation

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

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

3

NOTE 3.1

## Personnel costs

| (in EURk) | Note | 2021 | 2020 |
|---|---|---|---|
| Wages and salaries | | -82,377 | -61,310 |
| Share-based payments | 3.2 | -247 | - |
| Social security costs | | -2,632 | -1,927 |
| Pension expense related to defined contribution plans | | -3,877 | -2,672 |
| Pension expense related to defined benefit plans | 3.3 | -110 | 387 |
| Government grants on personnel costs | | 498 | 564 |
| Salary refunds received | | 478 | 440 |
| Personnel costs capitalized as development projects | | 565 | 369 |
| **Total personnel costs** | | **-87,702** | **-64,149** |
| | | | |
| **Average number of employees** | | **880** | **682** |

### § 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 introduced a share-based payment scheme for the members of Executive Management in order to focus part of the compensation on the long-term development of the Group. With this scheme the employees are compensated with restricted share units (RSU) that will evenly convert into shares of Trifork Holding AG after one, two and three years. One RSU will convert into one share.

The number of RSUs to be allocated are subject to meeting several financial and strategic targets.

The RSU are granted on the first day of the month following the publication of the annual results and convert in equal portions after one, two and three years into shares of Trifork Holding AG if the members of the EM are employed with the Group at these vesting dates.

§ **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.

| | Number of RSU | Fair value per RSU | Fair value of grant (in EURk) |
|---|---|---|---|
| Executive Management - RSU 2020 | 30,032 | 17.50 | 526 |
| **Granted in 2021** | **30,032** | **17.50** | **526** |

For this plan, the vesting period has started on 1 April 2021 and EURk 247 were recorded in personnel expenses for share-based payments for in 2021. The remaining weighted average contractual life of the outstanding RSU is 1.25 years.

30,032 RSU (at a fair value of EUR 17.5/RSU) were granted of which 10,010 RSU will vest on 31 March 2022, 10,010 RSU on 31 March 2023 and 10,012 RSU on March 2024.

NOTE 3.3

## Pension and similar obligations

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Defined benefit liabilities | 1,015 | 1,042 |
| Non-current liability for holiday funds payable | 1,643 | 5,077 |
| Other non-current liabilities | 12 | - |
| **Other non-current liabilities** | **2,670** | **6,119** |

### 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 plan administered by Swiss Life and AXA.

The pension plan contains a cash balance benefit which is essentially contribution-based with certain minimum guarantees. Due to these minimum guarantees, this plan is 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 2021, the plan at Swiss Life lowered the conversion rates for the 2022 and the following years. This resulted in negative past service costs of EURk 73.

In 2020, a new plan at the Swiss Life Collective BVG Foundation, effective 1 January 2021, was introduced for salaries exceeding CHF k 129. Plan participants can choose from various investment strategies to suit their personal risk profile. The Group's obligation is limited to the annual contributions. The plan is classified as defined contribution scheme and the Group recognized a settlement gain of EURk 726 in 2020.

NOTE 3.3

## Pension and similar obligations (continued)

### The following weighted actuarial assumptions were applied in determining the defined benefit obligation (DBO):

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Discount rate | 0.4% | 0.2% |
| Estimated future salary increases | 1.5% | 1.5% |
| Mortality assumptions | BVG 2020 GT | BVG 2015 GT |

### The net defined benefit liabilities developed as follows:

| (in EURk) | 2021 | 2020 |
|---|---|---|
| **1 January** | **1,042** | **1,223** |
| Cost of defined benefit plans, in profit and loss | 113 | -384 |
| Remeasurement, in other comprehensive income | -380 | 420 |
| Employer contributions | -140 | -221 |
| Additions from business combination | 331 | - |
| Exchange differences | 49 | 4 |
| **31 December** | **1,015** | **1,042** |
| | | |
| **Breakdown of the net defined benefit liability** | | |
| Present value of the DBO | 4,283 | 3,519 |
| Fair value of plan assets | -3,268 | -2,477 |
| **Net defined benefit liability/(asset)** | **1,015** | **1,042** |

### Present value of the DBO

| (in EURk) | 2021 | 2020 |
|---|---|---|
| **1 January** | **3,519** | **2,560** |
| Current service cost | 184 | 339 |
| Interest expense | 9 | 8 |
| Ordinary employee contributions | 119 | 221 |
| Additional contributions by plan participants | 118 | 974 |
| Benefits paid | -528 | -254 |
| Past service cost | -73 | - |
| Settlement gain | - | -726 |
| Additions from business combination | 979 | - |
| Actuarial (gains)/losses | -249 | 408 |
| Exchange differences | 205 | -11 |
| **31 December** | **4,283** | **3,519** |

### Fair value of plan assets

| (in EURk) | 2021 | 2020 |
|---|---|---|
| **1 January** | **2,477** | **1,336** |
| Interest income at discount rate | 6 | 4 |
| Ordinary employer contributions | 141 | 221 |
| Ordinary employee contributions | 119 | 221 |
| Additional contributions by plan participants | 118 | 974 |
| Benefits paid | -528 | -254 |
| Additions from business combination | 648 | - |
| Return on plan assets (excluding interest income at discount rate) | 131 | -11 |
| Exchange differences | 156 | -14 |
| **31 December** | **3,268** | **2,477** |

NOTE 3.3

## Pension and similar obligations (continued)

### Components of defined benefit cost in profit or loss

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Service cost in personnel costs | -110 | 387 |
| Net interest in financial expenses | -3 | -4 |
| **Total** | **-113** | **383** |

### Remeasurement of the net defined benefit liabilities in other comprehensive income

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Remeasurement of the net defined benefit liabilities | | |
| - Actuarial gain/(loss) from changes in demographic assumptions | 111 | - |
| - Actuarial gain/(loss) from changes in financial assumptions | 58 | -86 |
| - Actuarial gain/(loss) from experience adjustments | 80 | -322 |
| Return on plan assets (excluding interest income at discount rate) | 131 | -11 |
| **Total** | **380** | **-420** |

The Macaulay duration is 17.1 years (2020: 18.8 years).

### Sensitivity

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Increase of discount rate by 0,5% | -289 | -138 |
| Decrease of discount rate by 0,5% | 332 | 160 |

### Breakdown of the fair value of plan assets by investment category

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Receivables from an insurance company (collective foundation) | 3,268 | 2,477 |

The Trifork Group expects employer contributions of EURk 179 for 2022.

### § 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 1,643 (2020: EURk 5,077) is included in the statement of financial position. In 2021, the Group transferred EURk 3,289 to the Employees' Holiday Funds (2020: EURk 0).

### § Accounting policy

The indexation of the frozen holiday funds starts at the same time as the accrual period of the frozen holiday funds has ended, and the new holiday law actually enters into force - that is, from 1 September 2020.

Once a year, the companies will be notified by the government of which indexation applies for a backward period for the frozen holiday funds that have not yet been paid into the fund. The indexation reflects the addition of interest and is, therefore, presented as other financial expenses in the income statement.

The indexing is calculated per commenced month in which the holiday funds have not been paid into the Employees' Holiday Funds but retained by the company.

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

### 2021

In 2021, the Group acquired control (100% of the share capital) of Vilea GmbH, Zurich and Vilea Austria GmbH, Vienna ("Vilea Group") and Strongminds ApS, Aarhus. Other acquisitions are not material.

The purchase price allocations are not final as at 31 December 2021. The provisionally assessed fair values of assets identified and liabilities assumed of companies as at acquisition date are as follows:

| (in EURk) | Vilea Group | Strongminds ApS | Other | Total |
|---|---|---|---|---|
| Intangible assets | 1,671 | 652 | 75 | 2,398 |
| Right-of-use assets | 179 | - | - | 179 |
| Property, plant and equipment | 12 | 3 | - | 15 |
| Other non-current assets | - | 7 | 1 | 8 |
| Trade receivables | 212 | 171 | 30 | 413 |
| Other current assets | 945 | 75 | 56 | 1,076 |
| Deferred tax liabilities, net | -136 | -144 | -16 | -296 |
| Other non-current liabilities | -473 | - | - | -473 |
| Current liabilities | -182 | -135 | -80 | -397 |
| **Net assets acquired, attributable to shareholders of Trifork Holding AG** | **2,228** | **629** | **66** | **2,923** |
| Goodwill | 3'157 | 540 | - | 3'697 |
| **Purchase price** | **5'384** | **1'169** | **67** | **6'620** |
| - of which contingent consideration | 1'945 | 336 | - | 2'281 |
| - of which Trifork shares transferred | 1'923 | - | - | 1'923 |
| **- of which cash consideration** | **1'516** | **833** | **67** | **2'416** |
| Acquired cash and cash equivalents | -711 | -74 | -6 | -791 |
| Foreign exchange impact on purchase price payments | 5 | - | - | 5 |
| **Net outflow of cash and cash equivalents** | **810** | **759** | **61** | **1'630** |

VILEA GROUP

The acquisition took place at the end of April 2021. EURk 1,590 of customer relationships have been recognized as intangible assets and are amortized over an estimated useful life of 10 years. Further, EURk 81 of order backlog have been recognized as intangible assets and are amortized by contract fulfilment. Goodwill of EURk 3,157 is justified by the expertise of the Vilea Group in its specific field of action for Smart Enterprise solutions and assumed synergies and is not tax deductible.

The fair value of the 102.073 Trifork shares transferred amounts to EURk 1.923 and has been determined by using the Trifork treasury shares price model.

The contingent consideration payments are subject to achieving operational results in the financial years 2021 – 2023 (refer to Note 4.3).

Of the cash consideration of EURk 1,516 an amount of EURk 994 was paid as per acquisition date and the remainder of EURk 527 (including a foreign exchange impact of EURk 5) subsequently in 2021.

In 2021, Vilea Group contributed revenue of EURk 1,459 and earnings before tax of EURk 218 to Trifork Group. If the acquisition had taken place on 1 January 2021, the total revenue of the Trifork Group would have been EURk 703 higher and the earnings before tax for the period would have increased by EURk 256.

Transaction costs related to the acquisition amount to EURk 31 and are included in other operating expenses.

#### STRONGMINDS APS

The acquisition took place at the beginning of November 2021. EURk 602 of customer relationships have been recognized as intangible assets and are amortized over an estimated useful life of 10 years. Further, EURk 50 of order backlog have been recognized as intangible assets and are amortized by contract fulfilment. Goodwill of EURk 540 is justified by the expertise of Strongminds ApS in its specific field of action for Smart Enterprise solutions and assumed synergies and is not tax deductible.

The contingent consideration payments are subject to achieving operational results in the financial years 2022 – 2024 (refer to Note 4.3).

In 2021, Strongminds ApS contributed revenue of EURk 139 and earnings before tax of EURk 5 to Trifork Group. If the acquisition had taken place on 1 January 2021, the total revenue of the Trifork Group would have been EURk 746 higher and the earnings before tax for the period would have increased by EURk 62.

Transaction costs related to the acquisition are immaterial.

#### OTHER

The other acquisition was merged with Trifork Smart Enterprise A/S.

### 2020

In 2020, the Group acquired control of SAPBASIS ApS, MM Technologies ApS and Nine A/S.

#### SAPBASIS APS

The acquisition took place at the beginning of January 2020. EURk 1,262 of customer relationships have been recognized as intangible assets and are amortized over an estimated useful life of 10 years. Further, EURk 126 of order backlog have been recognized as intangible assets and are amortized by contract fulfilment. Goodwill of EURk 584 has been allocated with an indefinite lifetime and is justified by the expertise of SAPBASIS ApS in its specific field of action and is not tax deductible.

The fair value of the 44,307 Trifork shares transferred amounts to EURk 386 and has been determined by using the Trifork treasury shares price model.

The contingent consideration payments are subject to achieving operational results in the financial years 2020 – 2022 and are due from 2021 (refer to Note 4.3 for further information).

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

In 2020, SAPBASIS ApS contributed revenue of EURk 2,008 and earnings before tax of EURk 481 to Trifork Group. If the acquisition had taken place on 1 January 2020, the impact on revenue and earnings before tax would not be material.

Transaction costs related to the acquisition are immaterial.

#### MM TECHNOLOGIES APS (RENAMED TO TRIFORK SMART DEVICE APS)

The acquisition took place at the beginning of March 2020. EURk 67 of development projects (unpatented) and EURk 29 of customer relationships have been recognized as intangible assets and are amortized over an estimated useful life of 5 and 10 years. Goodwill of EURk 51 is justified by market potential of the development projects and is not tax deductible.

The non-controlling interest is calculated based on the share of identifiable net assets.

In 2020, MM Technologies ApS contributed revenue of EURk 37 and earnings before tax of EURk 74 to Trifork Group. If the acquisition had taken place on 1 January 2020, the total revenue of the Trifork Group would have been EURk 7 higher and the earnings before tax for the period would have increased by EURk 15.

Transaction costs related to the acquisition are immaterial.

#### NINE A/S

The acquisition took place at the beginning of September 2020. EURk 12,478 of customer relationships have been recognized as intangible assets and are amortized over an estimated useful life of 10 years. Further, EURk 1.089 of order backlog have been recognized as intangible assets and are amortized by contract fulfilment. Goodwill of EURk 25,958 is justified by the expertise of Nine A/S in its specific field of action and assumed synergies and is not tax deductible.

The Group delivered 191,000 Trifork shares to the sellers of Nine A/S and entered into a put-option arrangement on these shares.

The sellers are entitled to put back 50% of the shares 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 can be exercised in early 2023. Management considers this arrangement as a contingent consideration and has recognized the fair value of EURk 4,081 at acquisition date, refer to Note 4.3 for further explanation.

The weighted average cost of the 191,000 Trifork shares delivered (EURk 2,390) has been transferred to retained earnings at the acquisition date.

The non-controlling interests are calculated based on the share of identifiable net assets. For the remaining non-controlling interests call options were acquired and put options written.

In 2020, Nine A/S contributed revenue of EURk 9,336 and earnings before tax of EURk 1,575 to Trifork Group. If the acquisition had taken place on 1 January 2020, the total revenue of the Trifork Group would have been EURk 15,121 higher and the earnings before tax for the period would have increased by EURk 1,840.

Transaction costs related to the acquisition amount to EURk 103 and are included in other operating expenses.

The purchase price allocations were finalized in 2021. The fair values of assets identified and liabilities assumed of companies as at acquisition date are as follows:

| (in EURk) | SAPBASIS ApS | MM Technologies ApS | Nine A/S | Total |
|---|---|---|---|---|
| Intangible assets | 1,388 | 96 | 13,567 | 15,051 |
| Right-of-use assets | 305 | - | 1,815 | 2,120 |
| Property, plant and equipment | 17 | 2 | 146 | 165 |
| Other non-current assets | 287 | 1 | - | 288 |
| Trade receivables | 449 | 6 | 4,814 | 5,269 |
| Other current assets | 266 | 297 | 7,699 | 8,262 |
| Deferred tax liabilities | -305 | -19 | -2,977 | -3,301 |
| Other non-current liabilities | -252 | - | -3,115 | -3,367 |
| Current liabilities | -281 | -26 | -8,867 | -9,174 |
| **Net assets acquired** | **1,874** | **357** | **13,082** | **15,313** |
| Non-controlling interests | -935 | -107 | -3,925 | -4,967 |
| **Net assets acquired, attributable to shareholders of Trifork Holding AG** | **939** | **250** | **9,157** | **10,346** |
| Goodwill | 584 | 51 | 25,958 | 26,593 |
| **Purchase price** | **1,523** | **301** | **35,115** | **36,939** |
| - of which contingent consideration | 558 | - | 4,081 | 4,639 |
| - of which Trifork shares transferred | 386 | - | 2,390 | 2,776 |
| - allocation of Trifork shares transferred, subject to put-option, to contingent consideration | - | - | -2,390 | -2,390 |
| **- of which cash consideration** | **579** | **301** | **31,034** | **31,914** |
| Acquired cash and cash equivalents | -261 | -278 | -5,174 | -5,713 |
| **Net outflow of cash and cash equivalents** | **318** | **23** | **25,860** | **26,201** |
| **Non-controlling interests at the time of acquisition** | **49.9%** | **30.0%** | **30.0%** | |

## § Accounting policy

Subsidiaries are consolidated from the date that control is obtained. The acquisition method is applied. 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

# Businesses disposed / loss of control

## 2021

DAWN HEALTH A/S

In the second half 2021, Trifork Group completed the strategic review for its subsidiary Dawn Health A/S to bring in new external capital for financing and to further accelerate growth in the rapidly expanding market for digital therapeutics and software as a medical device. After a share-swap into shares of Dawn Holding ApS, a 6% stake in the shares of the company was sold for EURk 2,466, reducing the Group's shareholding to 45%. This led to a loss of control and deconsolidation of the company from the Trifork segment on 30 November 2021 and transfer of the retained investment to the Trifork Labs segment at an initial fair value of EURk 20,297.

A capital round by other investors subsequent to the deconsolidation diluted the interest of Trifork Group in Dawn Holding ApS to 33%.

The transaction resulted in a gain from disposal of Group Companies of EURk 22,131, included in "other operating income" of EURk 22,923.

In 2021, Dawn Health A/S contributed with a revenue of EURk 4,405 and earnings before tax of EURk 548 to Trifork Group.

| (in EURk) | Carrying amount of assets and liabilities disposed |
|---|---|
| Property, plant and equipment | 85 |
| Right-of-use assets | 327 |
| Other non-current assets | 68 |
| Trade receivables | 704 |
| Other current assets | 1,271 |
| Non-current liabilities | -218 |
| Current liabilities | -996 |
| **Net assets disposed** | **1,241** |
| Non-controlling interests derecognized | -608 |
| Dawn Holding ApS shares retained as Trifork Labs investment | -20,297 |
| Consideration received in cash | -2,466 |
| Currency translation adjustment reclassified to profit or loss | -1 |
| **Gain from disposal of Group companies** | **-22,131** |
| | |
| Cash and cash equivalents disposed | -403 |
| Consideration received in cash | 2,466 |
| **Net inflow of cash and cash equivalents** | **2,063** |

## 2020

No businesses were disposed.

### § Accounting policy

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interests and other components of equity, while any resulting gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

NOTE 4.3

## Contingent consideration liabilities

| (in EURk) | Level 3 |
|---|---|
| **1 January 2020** | **949** |
| Additions from business combinations | 4,639 |
| Other additions | 535 |
| Fair value adjustments recognized in profit or loss | -743 |
| Exchange differences | -2 |
| **31 December 2020** | **5,378** |
| Additions from business combinations | 2,281 |
| Settlements | -1,157 |
| Fair value adjustments recognized in profit or loss | 283 |
| Exchange differences | 131 |
| **31 December 2021** | **6,916** |

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 4,084 (2020: EURk 4,082) 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 are 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 can be exercised in early 2023. The weighted average cost of the Trifork shares delivered has been transferred to retained earnings at the acquisition date. Should the put-option on the Trifork shares expire unexercised, the put-option liability will be reclassified to retained earnings. Trifork Group assumes the targets to be met. The maximum to be paid is EURk 4,084.

An amount of EURk 2,065 (2020: EURk 0) 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 is due.

Considering business planning, Trifork Group expects that for the remaining periods the maximum amount becomes due.

An amount of EURk 336 (2020: EURk 0) 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 336 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 recent results and business planning for Strongminds ApS, Trifork Group expects that for all periods the maximum amount becomes due.

An amount of EURk 431 (2020: EURk 355) relates to the acquisition of SAPBASIS ApS:

The contingent consideration arrangement comprises a total pay-out of up to EURk 215 in 2023 in case the company meets defined EBIT-targets for 2022. If the target is missed by more than 10%, there will be no pay-out. Based on recent results and the budget for SAPBASIS ApS, Trifork Group expects that the maximum amount becomes due.

For 2021, the EBIT-target was met and the amount of EURk 216 will be paid out in 2022.

For 2020, the EBIT-target was met and the amount of EURk 216 was paid out in March 2021.

An earn-out agreement relating to the acquisition of the remaining non-controlling interests (49%) of Trifork Smart Enterprise A/S was settled in 2021 by the payment of EURk 941 (2020: EURk 941).

An earn-out agreement relating to the acquisition of software products (completed development projects) ended in 2021 not resulting in any payments. In 2020, the fair value of the contingent consideration liability was already reduced by EURk 535 to EURk 0.

Fair value adjustments recognized in profit or loss form part of other financial income or expense, refer to Note 2.6.

**! 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 4.4

## Redemption amount of put-options

| (in EURk) | 2021 | 2020 |
|---|---|---|
| **1 January** | **24,240** | **4,089** |
| Addition | 9,283 | 20,013 |
| Exercise of put-options | -1,260 | - |
| Adjustment recognized in retained earnings | 3,890 | 114 |
| Exchange differences | 10 | 24 |
| **31 December** | **36,163** | **24,240** |

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, a first acquisition of 10.6% was made subsequently (refer to Note 8.2).
Based on the result achieved by the companies having put-options on non-controlling interest and its pricing mechanism, the redemption amount was adjusted.

In 2020, Trifork Group acquired 70% of the shares of Nine A/S. The sellers have put-options, subject to certain conditions, on the remaining non-controlling interest.

### 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 prices 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 4.5

## Investments in associated companies

| (in EURk) | 2021 | 2020 |
|---|---|---|
| **1 January** | **15** | **41** |
| Share of result from associated companies | 114 | 15 |
| *- of which share of result applying the equity method* | *114* | *15* |
| Dividends received | -107 | -41 |
| Exchange differences | -1 | - |
| **31 December** | **21** | **15** |

The associated companies are considered individually 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 4.6

## Intangible assets

| (in EURk) | Goodwill | Completed development projects | Ongoing de-velopment projects | Customer relation-ships/ order backlog/ others | Total |
|---|---|---|---|---|---|
| **Acquisition cost** | | | | | |
| **1 January 2020** | **18,104** | **12,126** | **768** | **17,290** | **48,288** |
| Additions | - | 1,325 | 369 | 147 | 1,841 |
| Additions from business combinations | 26,593 | 67 | - | 14,984 | 41,644 |
| Disposals | - | -210 | - | -314 | -524 |
| Transfers | - | 821 | -821 | - | - |
| Exchange differences | -35 | -15 | 1 | -93 | -142 |
| **31 December 2020** | **44,662** | **14,114** | **317** | **32,014** | **91,107** |
| Additions | - | - | 565 | 191 | 756 |
| Additions from business combinations | 3,697 | - | - | 2,398 | 6,095 |
| Disposals | - | -875 | - | - | -875 |
| Transfers | - | 373 | -373 | - | - |
| Exchange differences | 368 | -51 | - | 400 | 717 |
| **31 December 2021** | **48,727** | **13,561** | **509** | **35,003** | **97,800** |

| (in EURk) | Goodwill | Completed development projects | Ongoing de-velopment projects | Customer relation-ships/ order backlog/ others | Total |
|---|---|---|---|---|---|
| **Accumulated amortization and impairment** | | | | | |
| **1 January 2020** | **-** | **-9,332** | **-** | **-5,511** | **-14,843** |
| Amortization | - | -1,356 | - | -1,738 | -3,094 |
| Impairment | - | -753 | - | - | -753 |
| Disposals | - | 210 | - | 314 | 524 |
| Exchange differences | - | 22 | - | 27 | 49 |
| **31 December 2020** | **-** | **-11,209** | **-** | **-6,908** | **-18,117** |
| Amortization | - | -1,012 | - | -3,011 | -4,023 |
| Impairment | - | -97 | - | - | -97 |
| Disposals | - | 802 | - | - | 802 |
| Exchange differences | - | 82 | - | -159 | -77 |
| **31 December 2021** | **-** | **-11,434** | **-** | **-10,078** | **-21,512** |
| **Net carrying amount as of 31 December 2020** | **44,662** | **2,905** | **317** | **25,106** | **72,990** |
| **Net carrying amount as of 31 December 2021** | **48,727** | **2,127** | **509** | **24,925** | **76,288** |

Expenditure on research and development recognized in the income statement (personnel costs) amounts to EURk -2,121 (2020: EURk -1.373).

In 2020, the Group acquired a completed development project of EURk 535 that was subject to a contingent consideration (see Note 2.5, 2.6 and 4.3).

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 4.6

## Intangible assets (continued)

GOODWILL

As of 31 December, goodwill is allocated the following CGU's:

| in EURk | 2021 | 2020 |
|---|---|---|
| **Build sub-segment** | | |
| Trifork A/S | 224 | 224 |
| Trifork Public A/S | 577 | 577 |
| Trifork B.V. | 3,756 | 3,756 |
| Erlang Solutions Group | 1,201 | 1,136 |
| Open Credo Ltd. | 1,333 | 1,240 |
| Duckwise ApS | 5 | 5 |
| Testhuset A/S | 4,056 | 4,054 |
| Trifork Smart Enterprise A/S | 1,308 | 1,308 |
| SAPBASIS ApS | 587 | 587 |
| Trifork Smart Device ApS | 51 | 51 |
| Nine A/S | 25,976 | 25,966 |
| Vilea Group | 3,353 | - |
| Strongminds ApS | 540 | - |
| **Total** | **42,967** | **38,904** |
| | | |
| **Run sub-segment** | | |
| Netic A/S | 5,760 | 5,758 |
| **Total Goodwill** | **48,727** | **44,662** |

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 a growth rate of 1% which does not exceed the long-term growth rate for the respective market 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 4.6

## Intangible assets (continued)

| | 2021 | | | 2020 | | |
|---|---|---|---|---|---|---|
| | 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 | 9.2% | 15.8% | 11.9% | 8.4% | 17.5% | 11.4% |
| Trifork Public A/S | 8.0% | 20.6% | 11.9% | 11.1% | 20.0% | 11.4% |
| Trifork B.V. | 4.2% | 15.8% | 11.8% | 8.3% | 18.3% | 11.4% |
| Erlang Solutions Group | 11.6% | 14.6% | 12.8% | 16.5% | 11.9% | 12.0% |
| Open Credo Ltd. | 12.3% | 10.7% | 12.8% | 0.2% | 11.7% | 12.0% |
| Duckwise ApS | 14.8% | 11.6% | 11.9% | 14.1% | 14.9% | 11.4% |
| Testhuset A/S | 5.9% | 10.4% | 11.9% | 7.7% | 12.1% | 11.4% |
| Trifork Smart Enterprise A/S | 9.6% | 15.3% | 11.9% | 11.4% | 14.9% | 11.4% |
| SAPBASIS ApS | 16.8% | 26.0% | 11.9% | 15.0% | 27.5% | 11.4% |
| Trifork Smart Device ApS | 35.8% | 9.8% | 11.9% | 101.7% | 36.0% | 11.5% |
| Nine A/S | 8.3% | 20.7% | 11.9% | 10.6% | 23.1% | 11.4% |
| Vilea Group | 29.5% | 20.0% | 11.3% | - | - | - |
| Strongminds ApS | 16.5% | 20.0% | 11.8% | - | - | - |
| **Run sub-segment** | | | | | | |
| Netic A/S | 11.5% | 12.6% | 11.9% | 8.5% | 16.9% | 11.4% |

### § 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* |

NOTE 4.6

## Intangible assets (continued)

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

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.

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 4.7

## Right-of-use assets

| (in EURk) | Offices | IT-Hardware | Cars | Total |
|---|---|---|---|---|
| **2021** | | | | |
| Additions | 5,590 | 1,931 | 527 | 8,048 |
| Depreciation | -4,342 | -754 | -358 | -5,454 |
| Net carrying amount as of 31 December | 20,175 | 2,350 | 770 | 23,295 |
| **2020** | | | | |
| Additions | 9,669 | 460 | 334 | 10,463 |
| Depreciation | -3,919 | -566 | -389 | -4,874 |
| Net carrying amount as of 31 December | 19,061 | 1,596 | 813 | 21,470 |

For the expense relating to short-term leases and variable lease payment not included in the measurement of lease liabilities refer to Note 2.4.

For the incurred interest expense on lease liabilities refer to Note 2.6.

For the maturity analysis of lease liabilities refer to Note 7.5.

Total cash outflow for leases amounted to EURk 5,522 (2020: EURk 4,433), refer to Notes 2.4 (for short-term and low value leases), 2.6 (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 4.8

## Property, plant and equipment

| (in EURk) | Real estate | Leasehold improve-ments | Other equipment, fixtures and fittings | Assets under construc-tion | Total |
|---|---|---|---|---|---|
| **Acquisition cost** | | | | | |
| **1 January 2020** | **1,114** | **3,416** | **9,106** | **-** | **13,636** |
| Additions | - | 861 | 1,246 | - | 2,107 |
| Additions from business combinations | - | - | 165 | - | 165 |
| Disposals | - | -35 | -160 | - | -195 |
| Exchange differences | - | -71 | 106 | - | 35 |
| **31 December 2020** | **1,114** | **4,171** | **10,463** | **-** | **15,748** |
| Additions | - | 1,417 | 2,208 | 1,321 | 4,946 |
| Additions from business combinations | - | - | 15 | - | 15 |
| Disposals | - | - | -702 | - | -702 |
| Disposals of Group companies | - | -5 | -177 | - | -182 |
| Transfers[1] | - | - | 1,323 | - | 1,323 |
| Exchange differences | - | 106 | 196 | 1 | 303 |
| **31 December 2021** | **1,114** | **5,689** | **13,326** | **1,322** | **21,451** |

| (in EURk) | Real estate | Leasehold improve-ments | Other equipment, fixtures and fittings | Assets under construc-tion | Total |
|---|---|---|---|---|---|
| **Accumulated depreciation and impairments** | | | | | |
| **1 January 2020** | **-36** | **-1,971** | **-5,897** | **-** | **-7,904** |
| Depreciation | -13 | -402 | -1,431 | - | -1,846 |
| Disposals | - | 35 | 77 | - | 112 |
| Exchange differences | - | 28 | 6 | - | 34 |
| **31 December 2020** | **-49** | **-2,310** | **-7,245** | **-** | **-9,604** |
| Depreciation | -13 | -420 | -1,761 | - | -2,194 |
| Disposals | - | - | 390 | - | 390 |
| Disposals of Group companies | - | 1 | 96 | - | 97 |
| Transfers[1] | - | - | -822 | - | -822 |
| Exchange differences | - | -54 | -147 | - | -201 |
| **31 December 2021** | **-62** | **-2,783** | **-9,489** | **-** | **-12,334** |
| **Net carrying amount as of 31 December 2020** | **1,065** | **1,861** | **3,218** | **-** | **6,144** |
| **Net carrying amount as of 31 December 2021** | **1,052** | **2,906** | **3,837** | **1,322** | **9,117** |

1 Trifork Group has acquired cars and hardware from lease contracts. Before, the Group accounted for these items as right-of-use assets.

NOTE 4.8

## 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 etc.* | *7 years* |
| *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.

At each reporting date, the Group assesses whether there is any indication that an item of property, plant and equipment may be impaired. If any such indication exists, the recoverable amount of such asset is determined. Where it is not possible to estimate the recoverable amount of an individual property, plant and equipment asset, the Group estimates the recoverable amount of the smallest cash generating unit to which the asset belongs. 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 such asset 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 asset or cash generating unit in prior periods.

NOTE 4.9

## Other financial assets

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Loans to investments in Trifork Labs | 1,994 | 3,015 |
| Deposits for lease contracts | 1,254 | 1,293 |
| Expected credit loss allowance | -8 | -12 |
| **Total financial assets** | **3,240** | **4,296** |
| - of which non-current | 2,897 | 3,956 |
| - of which current | 343 | 340 |

### Accounting policy

Refer to accounting policy 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 2020** | **-** | **32,531** | **32,531** |
| Acquisitions | - | 2,953 | 2,953 |
| Transfers | 144 | -144 | - |
| Disposals | - | -1,050 | -1,050 |
| Fair value adjustments | 87 | 41,172 | 41,259 |
| *- of which realized* | - | *-399* | *-399* |
| *- of which unrealized* | *87* | *41,571* | *41,658* |
| Exchange differences | 5 | 163 | 168 |
| **31 December 2020** | **236** | **75,625** | **75,861** |
| - of which non-current | 236 | 19,519 | 19,755 |
| - of which current | - | 56,106 | 56,106 |
| | | | |
| Acquisitions | - | 5,713 | 5,713 |
| Additions from deconsolidation | - | 20,297 | 20,297 |
| Disposals | | -59,059 | -59,059 |
| Fair value adjustments | -127 | 5,149 | 5,022 |
| *- of which realized* | - | *2,858* | *2,858* |
| *- of which unrealized* | *-127* | *2,291* | *2,164* |
| Dividends received | - | -688 | -688 |
| Exchange differences | - | 113 | 113 |
| **31 December 2021** | **109** | **47,150** | **47,259** |
| - of which non-current | 109 | 47,150 | 47,259 |

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 and updated business plans leading to a new valuation.

The fair value of Level 3 investments is derived from DCF-valuation models or recent transactions (new capital investments by third parties).

On 17 December 2020, Trifork Labs ApS signed a term sheet for the sale of its entire investment in Humio Ltd. According to this term sheet the Labs investment in Humio Ltd. was valued at EURk 56,106 as per 31 December 2020.

The cash proceeds of EURk 57,846 were received at the beginning of March 2021. As the amount was fixed in USD the Group recognized an additional fair value adjustment of EURk 1,740 from foreign exchange gains.

Later in 2021, a payment of EURk 203 for the sale of Humio Ltd. was received based on updated calculations as per date of disposal. This cash in was not expected by the Group and is recognized as realized fair value adjustment.

In 2021, the investments in Supertrends AG and Programmable Infrastructure Solutions AG were (partially) exited at carrying amounts of EURk 26 and EURk 350 and Testlab ApS, Dawn Labs A/S and XCI Holding A/S were (partially) exited at EURk 634 (of which EURk 303 were received in treasury shares).

During 2021, new investments were made in &Money ApS, Visikon ApS and Develco A/S and existing investments in Dryp ApS, Upcycling Forum ApS and Kashet Group AG were increased , including an execution of a convertible note in the amount of EURk 68.

Subsequent to the loss of control and deconsolidation of Dawn Health A/S, the retained investment was transferred to Trifork Labs segment as of 30 November 2021 (refer to Note 4.2).

There were no transfers between fair value measurements levels in 2021.

As of 21 September 2020, an individual investment in Trifork Labs succeeded with its IPO at the Nasdaq First North Premier. As from this date, the fair valuation of this investment refers to the quoted prices available and is transferred to Level 1 in the valuation hierarchy.

### 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) | 2021 | 2020 |
|---|---|---|
| Trade receivables - third parties | 36,422 | 25,065 |
| Trade receivables - related parties | 311 | 468 |
| Expected credit loss allowance | -667 | -307 |
| **Total trade receivables** | **36,066** | **25,226** |

The net increase in 2021 of EURm 10.8 is due to organic growth and growth from acquisitions.

Estimates on expected credit losses have been updated in 2020 due to potential impacts of the Covid-19 pandemic and were not changed in 2021.

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.

| | 2021 | | | 2020 | | |
|---|---|---|---|---|---|---|
| | **Gross carrying amount** | **Expected credit loss allowance** | **Total** | **Gross carrying amount** | **Expected credit loss allowance** | **Total** |
| **Trade receivables** | | | | | | |
| Not due | 25,901 | -367 | 25,534 | 17,319 | -40 | 17,279 |
| Due < 30 days | 6,879 | -40 | 6,839 | 6,046 | -28 | 6,018 |
| Due 30 - 90 days | 2,203 | -81 | 2,122 | 1,378 | -54 | 1,324 |
| Due > 90 days | 1,750 | -179 | 1,571 | 790 | -185 | 605 |
| **Total trade receivables** | **36,733** | **-667** | **36,066** | **25,533** | **-307** | **25,226** |
| **Contract assets** | **1,885** | **-2** | **1,883** | **2,112** | **-5** | **2,107** |
| **Total** | **38,618** | **-669** | **37,949** | **27,645** | **-312** | **27,333** |

NOTE 6.1

## Trade receivables and contract assets (continued)

EXPECTED CREDIT LOSS ALLOWANCE

| (in EURk) | 2021 | 2020 |
|---|---|---|
| **1 January** | **-312** | **-262** |
| Addition | -712 | -169 |
| Utilization | 103 | 58 |
| Reversal | 279 | 57 |
| Disposal of Group companies | 10 | - |
| Exchange differences | -37 | 4 |
| **31 December** | **-669** | **-312** |

**Accounting policy**

Refer to accounting policy in Note 7.2.

NOTE 6.2

## Other current liabilities

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Liabilities to government authorities (VAT, social security, etc.) | 5,614 | 8,099 |
| Other liabilities | 3,514 | 2,940 |
| Accrued personnel expenses | 5,398 | 4,749 |
| **Total** | **14,526** | **15,788** |

To take into account the effects of the Covid-19 pandemic, the government authorities in Denmark extended their payment terms in 2020. This had an initial effect of increasing of the respective liabilities and leveled-out again in 2021.

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)

| | 2021 | 2020 |
|---|---|---|
| Issued shares as per 31 December | 19,744,899 | 18,637,230 |
| Treasury shares | -45,019 | -31,093 |
| **Outstanding shares as per 31 December** | **19,699,880** | **18,606,137** |

### B. Authorized capital

The extraordinary General Meeting of 19 December 2019 authorized the Board of Directors to increase the share capital of the company at any time up to 19 December 2021.

The available authorized capital as per 1 January 2021 amounted to CHFk 136 (EURk 125), equating to 1,362,770 registered shares. With effective date as of 16 April 2021 the Board of Directors exercised an authorized share capital increase by 167,436 shares (EURk 15). A premium of EURk 3,156 was recognized in the retained earnings.

The ordinary General meeting of 29 April 2021 replaced the authorized capital by the extraordinary General meeting as 19 December 2019 and authorized the Board of Directors to increase the share capital of the company at any time up to 29 April 2023 by an amount not exceeding CHFk 373 (EURk 340) through the issue of up to 3,727,446 registered shares, payable in full, each with a nominal value of CHF 0.10 (EUR 0.09) and excluding shareholders' subscription rights.

With effective date as of 28 May 2021 the Board of Directors increased share capital from authorized share capital in an amount of EURk 86 (940,233 shares). A premium of EURk 18,860 was allocated to the retained earnings.

The available authorized capital as of 31 December 2021 amounts to CHFk 279 (EURk 254). This equates to 2,787,213 registered shares.

### C. Conditional capital

The extraordinary General Meeting of 19 December 2019 authorized the conditional capital of CHFk 50 (EURk 46) by issuing a maximum of 500,000 registered shares with a par value of CHF 0.10 (EUR 0.09) each, to be fully paid up, excluding shareholders' subscription rights.

### D. Dividend

The General Meeting of 29 April 2021 approved a dividend of EUR 0.58 per registered share (2020: EUR 0.05) to be paid from retained earnings. The dividend of EURk 10,871 was paid out on 5 May 2021 (2020: EURk 905).

The Board of Directors will submit a proposal to the Annual General Meeting of Trifork Holding AG on 20 April 2022 to pay a dividend for the reporting period of EUR 0.38 per registered share.

NOTE 7.1

## Shareholders' equity (continued)

### E. Treasury shares

| | Number of shares | Total amount (in EURk) |
|---|---|---|
| **1 January 2020** | **144,462** | **1,250** |
| Acquisitions | 581,524 | 7,299 |
| Disposals | -459,586 | -5,249 |
| Acquisition of Group companies | -235,307 | -2,776 |
| **31 December 2020** | **31,093** | **524** |
| | | |
| Acquisitions | 46,851 | 1,030 |
| Capital increase | 167,436 | - |
| Disposals | -2,570 | -53 |
| Acquisition of Group companies | -102,073 | -11 |
| Acquisition of non-controlling interests | -95,718 | -496 |
| **31 December 2021** | **45,019** | **994** |

In 2021, the impact of the transactions with treasury shares in retained earnings is EURk 2 (2020: EURk 228).

**§ Accounting policy**

Share capital equals the nominal value of all shares issued.

Treasury shares are measured at cost and deducted from shareholders equity. Gains or losses from the disposal of treasury shares are recognized directly in retained earnings.

NOTE 7.2

## Financial instruments

### Financial assets

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Other financial assets | 3,240 | 4,296 |
| Trade receivables | 36,066 | 25,226 |
| Other current receivables | 825 | 559 |
| Cash and cash equivalents | 44,628 | 17,957 |
| **Total - at amortized cost[1]** | **84,759** | **48,038** |
| Investments in Trifork Labs - at fair value through profit or loss (Levels 1 and 3, see Note 5.1) | 47,259 | 75,861 |
| **Total financial assets** | **132,018** | **123,899** |

### Financial liabilities

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Redemption amount of put-options | 36,163 | 24,240 |
| Borrowings from financial institutions | 27,528 | 55,350 |
| Lease liabilities | 24,606 | 21,851 |
| Trade payables | 7,262 | 4,754 |
| Other | 945 | 357 |
| **Total - at amortized cost[2]** | **96,504** | **106,552** |
| Contingent consideration liabilities - at fair value through profit and loss (Level 3) | 6,916 | 5,378 |
| **Total financial liabilities** | **103,420** | **111,930** |

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)

## 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 4.3.

### § 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 start-up 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.

NOTE 7.2

## Financial instruments (continued)

**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) | 2021 | 2020 |
|---|---|---|
| Borrowings from financial institutions | 27,528 | 55,350 |
| Lease liabilities | 24,606 | 21,851 |
| Others | 945 | 357 |
| **Financial liabilities related to financing activities** | **53,079** | **77,558** |
| | | |
| Contingent consideration liabilities | 6'916 | 5,378 |
| Redemption amount of put-options | 36'163 | 24,240 |
| **Financial liabilities related to business combination and acquisition of non-controlling interests** | **43'079** | **29,618** |
| | | |
| **Total financial liabilities, as presented in the statement of financial position** | **96,158** | **107,176** |
| - of which non-current | 60,405 | 66,879 |
| - of which current | 35,753 | 40,297 |

For details on contingent consideration liabilities, refer to Note 4.3.

For details on the redemption amount of put-options, refer to Note 4.4.

NOTE 7.3

## Financial liabilities (continued)

### Changes in liabilities arising from financing activities

| (in EURk) | Current borrowings from financial institutions and others | Current lease liabilities | Non-current borrowings from financial institutions and others | Non-current lease liabilities | Total |
|---|---|---|---|---|---|
| **1 January 2020** | **11,312** | **3,665** | **9,327** | **11,623** | **35,927** |
| Cash flows (net) | 591 | -3,926 | 34,444 | - | 31,109 |
| New leases | - | 251 | - | 10,211 | 10,462 |
| New leases from business combinations | - | 162 | - | 1,959 | 2,121 |
| Cancellation of lease contracts | - | -232 | - | -1,550 | -1,782 |
| Reclassifications | 22,548 | 4,587 | -22,548 | -4,587 | - |
| Exchange differences | 97 | 85 | -65 | -397 | -280 |
| **31 December 2020** | **34,548** | **4,592** | **21,158** | **17,259** | **77,557** |
| | | | | | |
| Cash flows (net) | -27,599 | -4,986 | 511 | - | -32,074 |
| New leases | - | 709 | - | 7,339 | 8,048 |
| New leases from business combinations | - | 36 | - | 142 | 178 |
| Cancellation of lease contracts | - | -38 | - | -566 | -604 |
| Disposal of Group companies | - | -142 | - | -218 | -360 |
| Reclassifications | 12,143 | 4,876 | -12,143 | -4,876 | - |
| Exchange differences | -309 | -12 | 164 | 491 | 334 |
| **31 December 2021** | **18,783** | **5,035** | **9,690** | **19,571** | **53,079** |

§ **Accounting policy**

Refer to accounting policy in Note 7.2.

NOTE 7.4

## Guarantees and pledged assets

To secure interest-bearing liabilities of EURk 12,023 (2020: EURk 32,256) the Group has pledged the shares held in Nine A/S until full repayment of the liabilities.

To secure interest-bearing liabilities of EURk 15,358 (2020: EURk 38,609) the Group has entered into negative pledge agreements for the shares held in Netic A/S and for the assets in Testhuset A/S, Trifork Smart Enterprise A/S, Nine 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 credit 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 monitor 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 2021 and 2020 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 and EURIBOR.

The Group's credit facilities are all at a variable interest rate. All interest rates are fixed every three months 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, variable lease liabilities and other liabilities with variable interests, an increase of 1%-points, compared to the balance sheet interest rates, would have a negative impact on earnings before tax and shareholders' equity of EURk -171 (2020: EURk -374). 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 37.1% in 2021. If the value of the continuing 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 7,327 in 2021 (2020: 44.9%, EURk 14,616).

On actual terms, Trifork Group accounts for fair value gains for the investments in Trifork Labs in 2021 of EURk 5,022 (2020: EURk 41,259).

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 0 (maximal contractual payments vs. carrying amount).

| (in EURk) | Carrying amount | Contractual payments | < 1 year | 1-5 years | > 5 years |
|---|---|---|---|---|---|
| **2021** | | | | | |
| Redemption amount of put-options | 36,163 | 36,163 | 10,895 | 25,268 | - |
| Contingent consideration liabilities | 6,916 | 6,916 | 1,038 | 5,878 | - |
| Borrowings from financial institutions | 27,528 | 28,613 | 18,917 | 9,692 | 4 |
| Lease liabilities | 24,606 | 26,285 | 5,547 | 17,264 | 3,474 |
| Trade payables | 7,262 | 7,262 | 7,262 | - | - |
| Other | 945 | 995 | 177 | 762 | 56 |
| **Total financial liabilities** | **103,420** | **106,233** | **43,836** | **58,863** | **3,534** |
| **2020** | | | | | |
| Redemption amount of put-options | 24,240 | 24,328 | - | 24,328 | - |
| Contingent consideration liabilities | 5,378 | 5,378 | 1,156 | 4,222 | - |
| Borrowings from financial institutions | 55,350 | 57,015 | 35,269 | 21,738 | 8 |
| Lease liabilities | 21,851 | 23,273 | 5,035 | 15,378 | 2,860 |
| Trade payables | 4,754 | 4,754 | 4,754 | - | - |
| Other | 357 | 382 | 55 | 221 | 106 |
| **Total financial liabilities** | **111,930** | **115,129** | **46,268** | **65,887** | **2,974** |

NOTE 7.5

# Financial risk management (continued)

The liquidity situation breaks down as follows as of the reporting date:

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Cash and cash equivalents | 44,628 | 17,957 |
| Committed credit lines | 27,613 | 55,634 |
| Borrowings from financial institutions | -27,528 | -55,350 |
| **Total** | **44,713** | **18,241** |

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.

## 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 2021 (2020: 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 4.9 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 2020 and 2021.

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) | 2021 | 2020 |
|---|---|---|
| Equity attributable to the shareholders of Trifork Holding AG | 109,798 | 80,494 |
| Total assets | 245,664 | 229,109 |
| **Equity ratio** | **44.7%** | **35.1%** |

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) | 2021 | 2020 |
|---|---|---|
| Borrowings from financial institutions | 27,528 | 55,350 |
| Cash and cash equivalents | -44,628 | -17,957 |
| **Net (cash)/debt** | **-17,100** | **37,393** |
| EBITDA | 47,376 | 16,975 |
| **Net-debt-to-EBITDA-ratio (x)** | **-0.36x** | **2.20x** |

SECTION 8

# Other disclosures

This section includes other disclosures required by IFRS, 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 Board of Directors and 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. 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) | 2021 | 2020 |
|---|---|---|
| **Board of Directors** | | |
| Short-term benefits | 360 | 171 |
| **Executive Management** | | |
| Short-term benefits | 2,566 | 2,729 |
| Share-based payments | 247 | - |
| Post-employment benefits | 145 | 110 |
| **Total Executive Management** | **2,958** | **2,839** |
| **Total** | **3,318** | **3,011** |

### 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 |
|---|---|---|---|---|---|
| **2021** | | | | | |
| Associated companies | 546 | 405 | - | - | - |
| Investments in Trifork Labs | 1,275 | 1,067 | 111 | - | 350 |
| Executive Management | 16 | 14 | 8 | 236 | 89 |
| **Total** | **1,837** | **1,486** | **119** | **236** | **439** |
| **2020** | | | | | |
| Associated companies | 359 | 162 | 10 | - | - |
| Investments in Trifork Labs | 2,454 | 1,440 | 234 | - | 650 |
| Board of Directors | - | - | 1 | - | - |
| Executive Management | - | 23 | - | 106 | - |
| **Total** | **2,813** | **1,625** | **244** | **106** | **650** |

1 Including salaries

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

In the first quarter 2021, the Group acquired approx. 5% of the shares in Erlang Solutions Ltd. for EURk 704 and brought the total shareholding in the company to 55.7%.

In the second quarter 2021, the Group acquired further 10.6% of the shares in Erlang Solutions Ltd for 65'953 treasury shares, valued at EUR 19.0/share, plus charges of EURk 22 and brought the total shareholding in the company to 66.3%.

In the third quarter 2021, Erlang Solutions Ltd paid out a dividend based on the ownership as of the end of the first quarter 2021. EURk 86 of dividends paid to the previous owners of the 10.6% stake acquired by the Group in the second quarter, was debited to retained earnings of the parent.

In the second quarter 2021 the Group acquired 5.1% of the shares in Testhuset A/S for EURk 128. The total shareholding in the company is at 75.1%.

In the fourth quarter 2021 the Group acquired 6.3% of the shares in Testhuset A/S for EURk 190 and brought the total shareholding in the company to 81.4%.

In the second quarter 2021 the Group acquired 25% of the shares in Duckwise ApS for a cash payment of EURk 505 and 29'765 treasury shares, valued at EUR 19.0/share. The total shareholding in the company is at 100%.

In the fourth quarter 2021 the Group sold 10% of the shares in Trifork Operations AG for EURk 9 and brought the total shareholding in the company to 90%.

## B. Disclosure of significant non-controlling interests

The Group companies Netic A/S, Aalborg (DK), Testhuset A/S, Ballerup (DK) and Nine A/S, Copenhagen (DK) which all operate primarily in Denmark and are controlled by Trifork Group, have significant non-controlling interests.

For non-controlling interests in Netic A/S, Testhuset 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) | Netic A/S | Testhuset A/S | Nine A/S |
|---|---|---|---|
| **2021** | | | |
| Non-controlling interests[1] | 12.0% | 18.6% | 30.0% |
| Share of net income | 127 | 195 | 1,071 |
| Share of shareholders' equity[2] | 974 | 319 | 4,762 |
| **2020** | | | |
| Non-controlling interests[1] | 12.0% | 30.0% | 30.0% |
| Share of net income | 203 | -31 | 368 |
| Share of shareholders' equity[2] | 1,072 | 300 | 4,294 |

1 Voting rights equal capital share.
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 inter-company transactions:

| | 2021 | | | 2020 | | |
|---|---|---|---|---|---|---|
| (in EURk) | Netic A/S | Testhuset A/S | Nine A/S | Netic A/S | Testhuset A/S | Nine A/S |
| **Income statement** | | | | | | **02/09 - 31/12** |
| Revenue | 24,350 | 8,615 | 29,576 | 22,690 | 7,566 | 9,319 |
| Net income | 1,070 | 721 | 3,570 | 1,688 | -102 | 1,225 |
| **Total comprehensive income** | **1,063** | **718** | **3,570** | **1,691** | **-102** | **1,228** |
| **Statement of financial position** | | | | | | |
| Current assets | 7,414 | 2,340 | 12,114 | 7,421 | 1,961 | 9,907 |
| Non-current assets | 22,892 | 4,955 | 37,518 | 18,019 | 5,115 | 39,274 |
| **Total assets** | **30,306** | **7,295** | **49,632** | **25,440** | **7,076** | **49,181** |
| Current liabilities | 9,035 | 1,067 | 5,648 | 5,764 | 1,116 | 4,854 |
| Non-current liabilities | 7,407 | 458 | 3,827 | 4,995 | 906 | 5,738 |
| **Total liabilities** | **16,442** | **1,525** | **9,475** | **10,759** | **2,022** | **10,592** |
| **Net assets** | **13,864** | **5,770** | **40,157** | **14,681** | **5,054** | **38,589** |
| **Cash flow statement** | | | | | | **02/09 - 31/12** |
| Cash flow from operating activities | 1,435 | 226 | 3,225 | 6,462 | 1,081 | -1,182 |
| Change in cash and cash equivalents | -3,495 | 278 | 695 | 3,522 | 805 | -1,352 |
| Dividends paid to non-controlling interests | -226 | - | -605 | -193 | - | - |

Other non-controlling interests are individually not material.

NOTE 8.3

## Government grants

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Research and development - WBSO (NL) | 424 | 389 |
| Research and development expenditure credit (UK) | 241 | 211 |
| Covid-19 related grants | 106 | 175 |
| **Total government grants** | **771** | **775** |

Recognized in the income statement as:

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Personnel costs | 498 | 564 |
| Other operating income | 273 | 211 |
| **Total government grants** | **771** | **775** |

NOTE 8.4

## Fees to independent Group auditor

| (in EURk) | 2021 | 2020 |
|---|---|---|
| Statutory audit | 315 | 272 |
| Audit related engagements | 856 | 88 |
| **Total audit-related services** | **1,171** | **360** |
| | | |
| Tax consultancy | 23 | 25 |
| Other services | - | 397 |
| **Total non-audit services** | **23** | **422** |
| | | |
| **Total fees to independent Group auditor** | **1,194** | **782** |

NOTE 8.5

## Events after the balance sheet date

The 2021 consolidated financial statements were reviewed by the Audit & Risk Committee on 15 March 2022 and approved and released for publication by the Board of Directors on 16 March 2022.

The financial statements are subject to approval by the Annual General Meeting scheduled for 20 April 2022.

NOTE 8.6

## Trifork Group companies

| Company[1] | Registered office | Activity | Share capital in local currency | | 2021 | 2020 |
|---|---|---|---|---|---|---|
| **Trifork A/S** | **Aarhus, Denmark** | ●●● | **DKK** | **18,000,000** | **100%** | **100%** |
| Trifork Public A/S | Aarhus, Denmark | ●● | DKK | 737,000 | 100% | 100% |
| Netic A/S | Aalborg, Denmark | ●● | DKK | 500,000 | 88% | 88% |
| Testhuset A/S | Ballerup, Denmark | ●● | DKK | 509,259 | 81% | 70% |
| Trifork Smart Enterprise A/S[2] | Copenhagen, Denmark | ●● | DKK | 500,000 | 100% | 100% |
| Trifork Smart Enterprise SL[3] | Barcelona, Spain | ● | EUR | 3,000 | 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 | 70% | 70% |
| Dawn Holding ApS[4] | Copenhagen, Denmark | ●● | DKK | 557,938 | 33% | 51% |
| **Trifork AG** | **Schindellegi, Switzerland** | ●● | **CHF** | **920,000** | **100%** | **100%** |
| **Trifork Academy Inc.** | **San Francisco, USA** | ● | **USD** | **3** | **100%** | **100%** |
| **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 Germany GmbH** | **Berlin, Germany** | ● | **EUR** | **25,000** | **100%** | **100%** |
| **Erlang Solutions Ltd.** | **London, United Kingdom** | ●● | **GBP** | **103,218** | **66%** | **51%** |
| Erlang Solutions AB | Stockholm, Sweden | ●● | SEK | 100,000 | 66% | 51% |
| Erlang Solutions Inc. | Newcastle, USA | ●● | USD | 100 | 66% | 51% |
| Erlang Solutions SP. Z O.O. | Krakow, Poland | ● | PLN | 5,000 | 66% | 51% |
| Erlang Solutions Hungary Kft. | Budapest, Hungary | ● | EUR | 15,000 | 66% | 51% |
| **Duckwise ApS** | **Aarhus, Denmark** | ●● | **DKK** | **163,265** | **100%** | **75%** |
| **Trifork Academy and Software Solutions SL** | **Palma, Spain** | ● | **EUR** | **3,000** | **100%** | **100%** |
| **Trifork Labs AG** | **Schindellegi, Switzerland** | ● | **CHF** | **100,000** | **100%** | **100%** |
| Trifork Labs ApS | Aarhus, Denmark | ● | DKK | 367,647 | 100% | 100% |
| **Trifork Operations AG** | **Schindellegi, Switzerland** | ●● | **CHF** | **100,000** | **90%** | **n/a** |
| **Vilea GmbH** | **Zurich, Switzerland** | ●● | **CHF** | **40,000** | **100%** | **-** |
| Vilea Austria GmbH | Vienna, Austria | ●● | EUR | 35,000 | 100% | - |
| **Strongminds ApS** | **Aarhus, Denmark** | ●● | **DKK** | **300,000** | **100%** | **-** |

- ● Software development
- ● Sales
- ● Service Company
- ● Academy
- ● Subholding company

1 List includes active companies only
2 Renamed from Invokers A/S in 2020
3 Renamed from Invokers Smart Enterprise SL in 2020
4 Renamed from Trifork eHealth ApS in 2020 / swapped into shares of Dawn Holding ApS in 2021

Bold - Directly held by Trifork Holding AG
Regular - Indirectly held subsidiaries

To the General Meeting of Trifork Holding AG, Feusisberg

Zurich, 16 March 2022
Ernst & Young Ltd

# Statutory auditor's 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 2021 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 83 to 135) give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

## Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Auditing Standards. 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 and the requirements of the Swiss audit profession, as well as the *International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (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 CHF 159 million as of 31 December 2021. 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 Company'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. |

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### Impairment of goodwill

| | |
|---|---|
| **Risk** | Goodwill represents 20% of the Group's total assets and 43% of the Group's total shareholders' equity as of 31 December 2021. As stated in Note 4.6 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 2021 and determined that there was no impairment. In determining the value in use of cash-generating units, the Company 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 Company's internal controls over its annual impairment test and key assumptions applied. We involved valuation specialists to assist in examining the Company'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 Company'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 Trifork Labs investments

| | |
|---|---|
| **Risk** | Investments in Trifork Labs amounted to CHF 47 million as of 31 December 2021. As described in Note 5.1 to the consolidated financial statements, investments in Trifork Labs are accounted for at fair value through the income statement. The fair value of Level 1 investments is based on quoted prices in active and liquid markets whereas the fair value of Level 3 investments is determined using discounted cash flow models or valuations derived from recent transactions. For certain such Level 3 investments, significant estimates and judgements are required to determine 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. |

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## Other information in the annual report

The Board of Directors is responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements, remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information in the annual report 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 in the annual report 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.

## Responsibility of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS 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, ISAs and Swiss Auditing Standards 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 at the website of EXPERTsuisse: http://www.expertsuisse.ch/en/audit-report-for-public-companies. This description forms part of our auditor's report.

## Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and the Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

**Tobias Meyer**
Licensed audit expert (Auditor in Charge)

**Andreas Forster**
Licensed audit expert

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TRIFORK HOLDING AG

# Financial Statements 2021

# Contents

## Financial statements

## Income Statement

| (in CHFk) | Notes | 2021 | 2020 |
|---|---|---|---|
| Dividend income | | 46,094 | 9,652 |
| Gain from sale of investments | | 376 | 1,096 |
| Other financial income | 1 | 1,872 | 1,115 |
| **Total income** | | **48,342** | **11,863** |
| | | | |
| Administrative expenses | 2 | -4,290 | -2,332 |
| Financial expenses | 3 | -3,475 | -1,385 |
| Direct taxes | | - | -53 |
| **Total expenses** | | **-7,765** | **-3,770** |
| | | | |
| **Net income** | | **40,577** | **8,093** |

## Statement of Financial Position

| (in CHFk) | Note | 2021 | 2020 |
|---|---|---|---|
| Cash and cash equivalents | | 11,353 | 367 |
| Other current receivables | | | |
| - from third parties | | 114 | - |
| - from investments | | 378 | 284 |
| Loans to investments | | 1,125 | 8,167 |
| Accruals | | 20 | 62 |
| **Total current assets** | | **12,990** | **8,880** |
| Investments | 4 | 72,650 | 63,196 |
| Loans to investments | | 30,545 | 737 |
| **Total non-current assets** | | **103,195** | **63,933** |
| | | | |
| **ASSETS** | | **116,185** | **72,813** |
| | | | |
| Interest-bearing current liabilities | | | |
| - to third parties | | - | 1,430 |
| - to investments | | 3,301 | 3,943 |
| Other current liabilities | | | |
| - to third parties | | 8 | 333 |
| - to investments | | 1,346 | 941 |
| Accrued liabilities and deferred income | | 369 | 492 |
| **Total current liabilities** | | **5,024** | **7,139** |
| Interest-bearing non-current liabilities | | - | 5,271 |
| **Total non-current liabilities** | | **-** | **5,271** |
| | | | |
| **Total liabilities** | | **5,024** | **12,410** |
| | | | |
| Share capital | 5 | 1,974 | 1,864 |
| Capital contribution reserve | 8 | 23,928 | 11 |
| Other capital reserve | | 21,861 | 23,349 |
| General legal reserve | | 410 | 410 |
| Retained earnings | | 64,070 | 35,338 |
| Treasury shares | 9 | -1,082 | -569 |
| **Shareholders' equity** | | **111,161** | **60,403** |
| | | | |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | **116,185** | **72,813** |

## Statement of Changes in Shareholders' Equity

| (in CHFk) | Share capital | Capital contri-bution reserve | Other capital reserve | General legal reserve | Legal reserve for treasury shares held by Group companies | Retained earnings | Treasury shares | Total equity |
|---|---|---|---|---|---|---|---|---|
| **1 January 2020** | **1,864** | **965** | **24,638** | **866** | **967** | **24,479** | **-392** | **53,387** |
| Net income | - | - | - | - | - | 8,093 | - | 8,093 |
| Dividends | - | -954 | - | - | - | - | - | -954 |
| Transactions with treasury shares | - | - | - | - | -967 | 1,021 | -177 | -123 |
| Reallocations | - | - | -1,289 | -456 | - | 1,745 | - | - |
| **31 December 2020** | **1,864** | **11** | **23,349** | **410** | **-** | **35,338** | **-569** | **60,403** |
| | | | | | | | | |
| Net income | - | - | - | - | - | 40,577 | - | 40,577 |
| Capital increases | 110 | 24,177 | - | - | - | - | - | 24,287 |
| Costs related to capital increases | - | -260 | -1,488 | - | - | - | - | -1,748 |
| Dividends | - | - | - | - | - | -11,926 | - | -11,926 |
| Transactions with treasury shares | - | - | - | - | - | 81 | -513 | -432 |
| **31 December 2021** | **1,974** | **23,928** | **21,861** | **410** | **-** | **64,070** | **-1,082** | **111,161** |

# Notes to the Consolidated 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.

**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). 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.

NOTE 1

## Other financial income

| (in CHFk) | 2021 | 2020 |
|---|---|---|
| Interest income | | |
| - from investments | 257 | 157 |
| Gains from exchange differences | 1,615 | 958 |
| **Total other financial income** | **1,872** | **1,115** |

NOTE 2

## Administrative expenses

| (in CHFk) | 2021 | 2020 |
|---|---|---|
| Board of Director fees | -375 | -183 |
| Management fees from investments | -764 | -714 |
| Consultancy services | | |
| - from investments | -265 | -89 |
| - from third parties | -676 | -53 |
| IPO-related costs | -1,997 | -906 |
| Others | -213 | -387 |
| **Total administrative expenses** | **-4,290** | **-2,332** |

NOTE 3

## Financial expenses

| (in CHFk) | 2021 | 2020 |
|---|---|---|
| Impairment of receivables and loans to investments | - | -49 |
| Interest expenses | | |
| - to third parties | -104 | -180 |
| - to investments | -48 | -124 |
| Fees to financial institutions | -222 | -20 |
| Losses from exchange differences | -3,101 | -1,012 |
| **Total financial expenses** | **-3,475** | **-1,385** |

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 addition, Trifork Holding AG has an interest of 19.5% in Programmable Infrastructure Solutions AG, Schindellegi (Switzerland) (2020: 24.0%).

NOTE 5

## Share capital

The share capital of CHFk 1'974 (2020: CHFk 1'864) consists of 19'744'899 (2020: 18'637'230) registered shares with a par value of CHF 0.10 (2020: 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

## Authorized capital

The extraordinary General Meeting of 19 December 2019 authorized the Board of Directors to increase the share capital of the company at any time up to 19 December 2021. The available authorized capital as per 1 January 2021 amounted to CHFk 136, equating to 1,362,770 registered shares. With effective date as of 16 April 2021 the Board of Directors exercised an authorized capital increase by 167,436 shares (CHFk 17). A net premium of EURk 3,448 was allocated to the capital contribution reserve.

The ordinary General meeting of 29 April 2021 replaced the authorized capital from the extraordinary General meeting as 19 December 2019 and authorized the Board of Directors to increase the share capital of the company at any time up to 29 April 2023 by an amount not exceeding CHFk 373 through the issue of up to 3,727,446 registered shares, payable in full, each with a nominal value of CHF 0.10 and excluding shareholders' subscription rights.

With effective date as of 28 May 2021 the Board of Directors increased share capital from authorized share capital in an amount of CHFk 94 (940,233 shares). A net premium of CHFk 20,469 was allocated to the capital contribution reserve. In addition, transaction costs CHFk 1,488 were deducted from the other capital reserve for the same transaction.

The available authorized capital as of 31 December 2021 amounts to CHFk 279. This equates to 2,787,213 registered shares.

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 29 April 2021 approved a dividend of CHF 0.64 per registered share to be paid from the retained earnings. The dividend of CHFk 11,926 was paid out on 5 May 2021.

NOTE 9

## Treasury shares

| | Units | Total amount (in CHFk) |
|---|---|---|
| **1 January 2019** | **44,462** | **392** |
| Acquisitions | 71,217 | 1,146 |
| Disposals | -84,586 | -1,023 |
| Result from transactions with treasury shares transferred to retained earnings | | 54 |
| **31 December 2020** | **31,093** | **569** |
| Acquisitions | 46,851 | 1,121 |
| Capital increase | 167,436 | - |
| Disposals | -2,570 | -53 |
| Acquisition of Group companies | -102,073 | -12 |
| Acquisition of non-controlling interests | -95,718 | -624 |
| Result from transactions with treasury shares transferred to retained earnings | | 81 |
| **31 December 2021** | **45,019** | **1,082** |

NOTE 10

## Full time equivalents

Trifork Holding AG does not have any employees (2020: 0).

NOTE 11

## Guarantees

Trifork Holding AG issued guarantees in favour of financial institutions to cover the interest-bearing liabilities of Group companies of CHFk 17,727 as per 31 December 2021 (2020: CHFk 43,553).

Trifork Holding AG subordinated a loan to a Group company in the amount CHFk 88 (2020: CHFk 84).

NOTE 12

## Pledged assets

To secure interest-bearing liabilities CHFk 4,078 as of 31 December 2020, the company negatively pledged the shares held in Trifork A/S, Trifork AG (formerly: Trifork GmbH), Trifork B.V and Trifork Ltd. until full amortization of the loan. This loan was amortized in 2021.

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, as AG recorded in the commercial register as of the reporting date:

| | 2021 |
|---|---|
| Jørn Larsen | 19.5% |
| Ferd A/S | 10.0% |
| Kresten Krab Thorup | 6.6% [1] |
| Chr. Augustinus Fabrikker A/S | 5.1% [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

| | 2021 | | | 2020 | |
|---|---|---|---|---|---|
| | 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 | Share of voting rights |
| Julie Galbo (Chairperson)[1] | 3,940 | - | 0.0% | 3,940 | 0.0% |
| Olivier Jaquet (Vice-Chairperson)[2] | 64,145 | - | 0.3% | 64,145 | 0.3% |
| Maria Hjorth (Member)[1] | 3,940 | - | 0.0% | 3,940 | 0.0% |
| Lars Lunde (Member)[3] | 3,747 | - | 0.0% | 3,760,384 | 20.2% |
| Casey Rosenthal (Member) | 2,058 | - | 0.0% | 2,058 | 0.0% |
| Jørn Larsen (Member and CEO) [4/5] | 3,847,374 | 17,983 | 19.6% | 4,506,278 | 24.2% |
| Kristian Wulf-Andersen (Member and CFO) [4] | 224,100 | 12,049 | 1.2% | 313,439 | 1.7% |

1 From 12 November 2020
2 Chairperson until 12 November 2020
3 Representing GRO Holding I ApS until 27 May 2021
4 Members until 29 April 2021
5 The company announcement #15/2021 as of 27 May 2021 overstated the shareholding of Jørn Larsen by 34,552 shares

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):

| | 2021 | |
|---|---|---|
| | Number | Value |
| RSU granted to members of the Executive Management[1] | 30,032 | 581 |

1 The RSU were granted as of 1 April 2021

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

## Events after the balance sheet date

The 2021 financial statements were reviewed by the Audit & Risk Committee on 15 March 2022 and approved and released for publication by the Board of Directors on 16 March 2022.

The financial statements are subject to approval by the Annual General Meeting scheduled for 20 April 2022.

# Proposal of the Board of Directors for the appropriation of available earnings

| (in CHFk) | 2021 |
|---|---|
| **Retained earnings** | |
| Balance carried forward from prior year | 35,338 |
| Dividends paid | -11,926 |
| Transactions with treasury shares | 81 |
| Net income | 40,577 |
| **Retained earnings at the discretion of the General Meeting** | **64,070** |
| Dividend proposed | -8,000 |
| **Balance carried forward to new account of the retained earnings** | **56,070** |

The Board of Directors proposes to pay a dividend of EUR 0.38 gross per share, resulting in a total dividend amount of up to CHFk 8,000.
(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, 16 March 2022

Ernst & Young Ltd

# Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the accompanying financial statements of Trifork Holding AG, which comprise the income statement, statement of financial position, statement of changes in shareholders' equity and notes (pages 139 to 146), for the year ended 31 December 2021.

## Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

## Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements 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 entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements for the year ended 31 December 2021 comply with Swiss law and the company's articles of incorporation.

## Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

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 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 responsibility 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 matters below, provide the basis for our audit opinion on the financial statements.

### Valuation of investments

| | |
|---|---|
| **Risk** | As of 31 December 2021, investments represented 63% of the Company's total assets and amounted to CHF 73 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. |

EY

| | |
|---|---|
| **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. |

## Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a para. 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further 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.

**Tobias Meyer**
Licensed audit expert (Auditor in Charge)

**Andreas Forster**
Licensed audit expert

# Rations and Key Figures

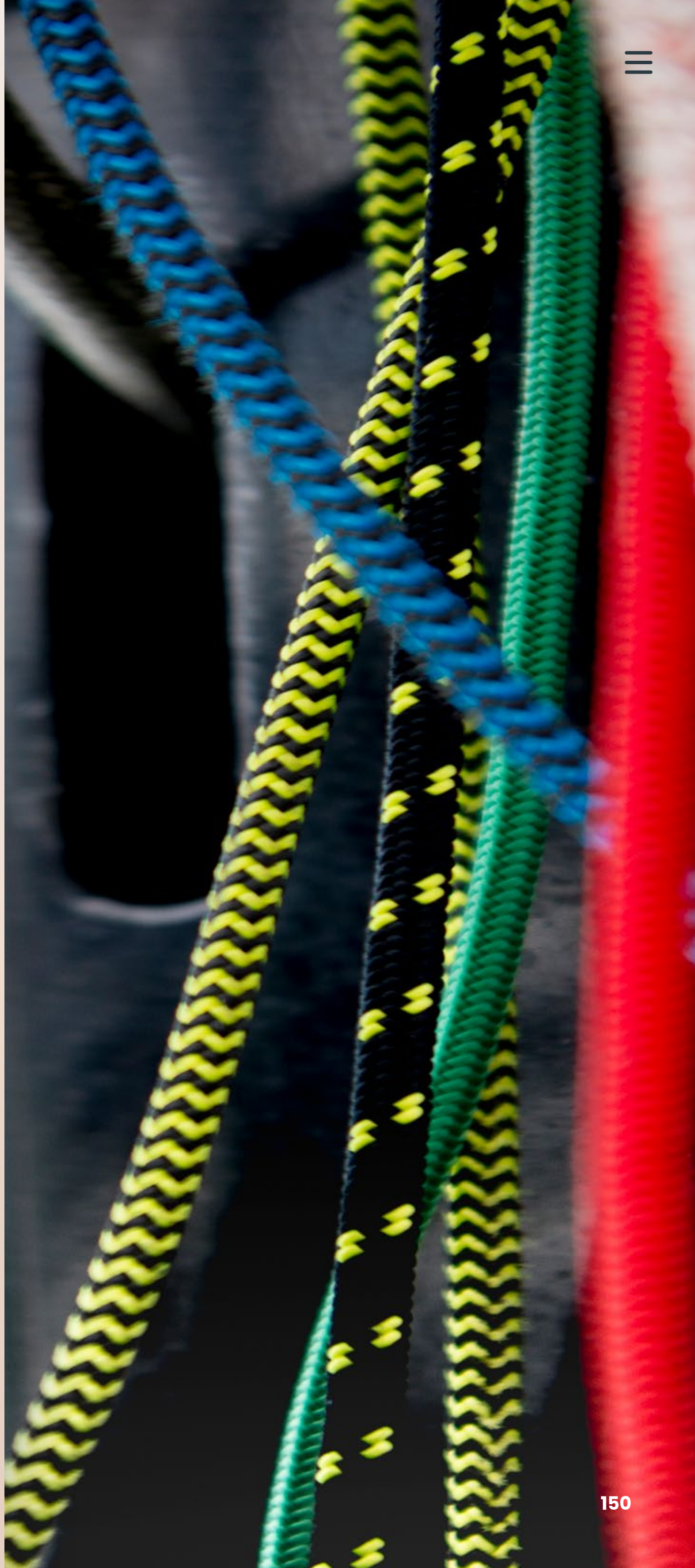
The financial highlights have been prepared on the basis of the CFA Society Denmark "Recommendations & Ratios" (January 2022), using the following definitions:

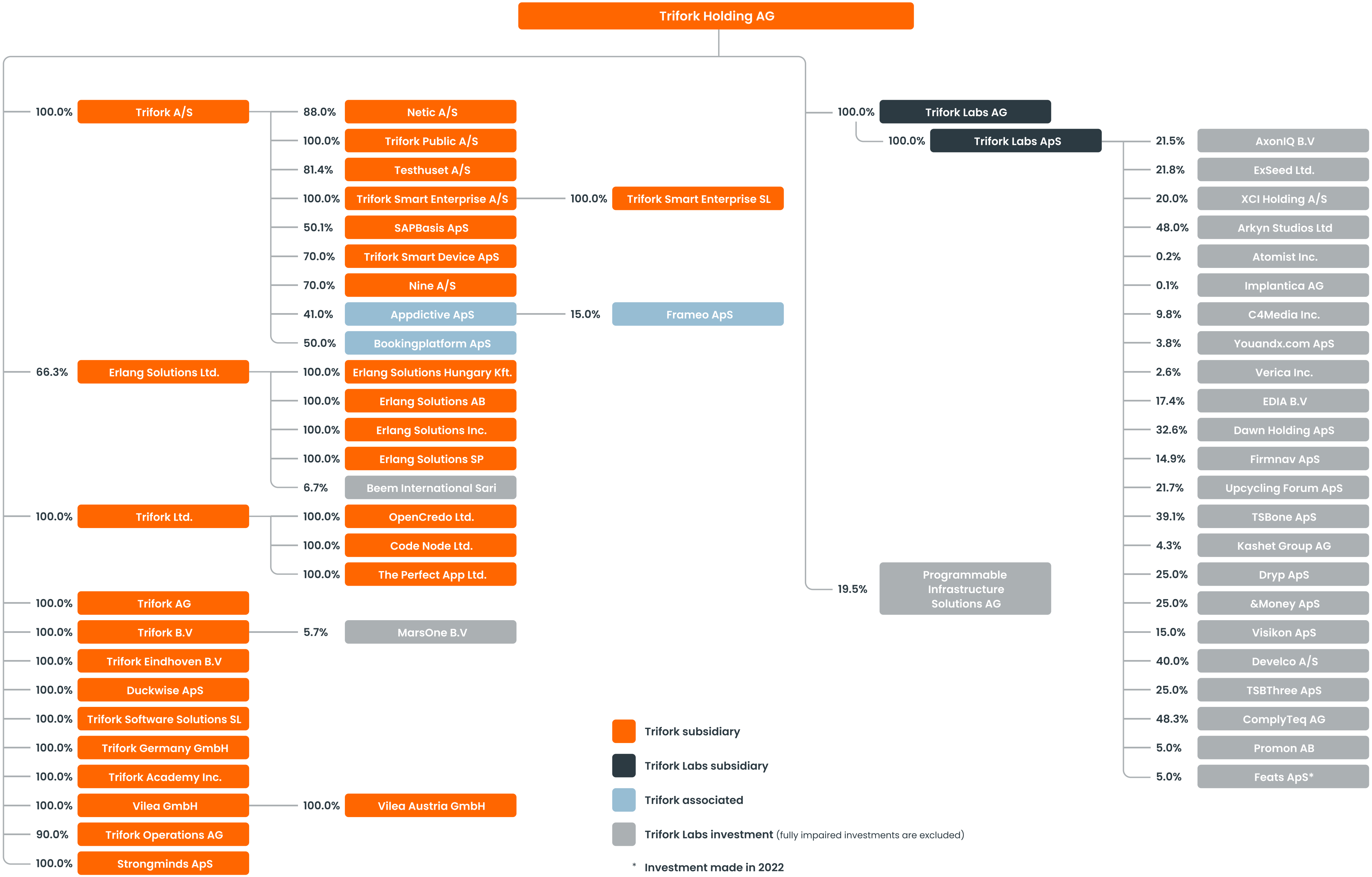
| | |
|---|---|
| **EBITDA margin** | $\frac{\textit{Earnings before financial items, taxes, depreciation and amortization x 100}}{\textit{Revenue}}$ |
| **EBITA margin** | $\frac{\textit{Earnings before financial items, taxes, and amortization x 100}}{\textit{Revenue}}$ |
| **EBIT margin** | $\frac{\textit{Earnings before financial items and taxes x 100}}{\textit{Revenue}}$ |
| **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** | $\frac{\textit{Interest-bearing debt - cash and cash equivalents}}{\textit{Earnings before financial items, taxes, depreciation and amortization}}$ |

# 12

TRIFORK GROUP

# Structure




Trifork Holding AG
100.0% Trifork A/S
88.0% Netic A/S
100.0% Trifork Public A/S
81.4% Testhuset A/S
100.0% Trifork Smart Enterprise A/S
100.0% Trifork Smart Enterprise SL
50.1% SAPBasis ApS
70.0% Trifork Smart Device ApS
70.0% Nine A/S
41.0% Appdictive ApS
15.0% Frameo ApS
50.0% Bookingplatform ApS
66.3% Erlang Solutions Ltd.
100.0% Erlang Solutions Hungary Kft.
100.0% Erlang Solutions AB
100.0% Erlang Solutions Inc.
100.0% Erlang Solutions SP
6.7% Beem International Sarl
100.0% Trifork Ltd.
100.0% OpenCredo Ltd.
100.0% Code Node Ltd.
100.0% The Perfect App Ltd.
100.0% Trifork AG
100.0% Trifork B.V
5.7% MarsOne B.V
100.0% Trifork Eindhoven B.V
100.0% Duckwise ApS
100.0% Trifork Software Solutions SL
100.0% Trifork Germany GmbH
100.0% Trifork Academy Inc.
100.0% Vilea GmbH
100.0% Vilea Austria GmbH
90.0% Trifork Operations AG
100.0% Strongminds ApS
100.0% Trifork Labs AG
100.0% Trifork Labs ApS
19.5% Programmable Infrastructure Solutions AG
21.5% AxonIQ B.V
21.8% ExSeed Ltd.
20.0% XCI Holding A/S
48.0% Arkyn Studios Ltd
0.2% Atomist Inc.
0.1% Implantica AG
9.8% C4Media Inc.
3.8% Youandx.com ApS
2.6% Verica Inc.
17.4% EDIA B.V
32.6% Dawn Holding ApS
14.9% Firmnav ApS
21.7% Upcycling Forum ApS
39.1% TSBone ApS
4.3% Kashet Group AG
25.0% Dryp ApS
25.0% &Money ApS
15.0% Visikon ApS
40.0% Develco A/S
25.0% TSBThree ApS
48.3% ComplyTeq AG
5.0% Promon AB
5.0% Feats ApS*
Trifork subsidiary
Trifork Labs subsidiary
Trifork associated
Trifork Labs investment (fully impaired investments are excluded)
* Investment made in 2022

TRIFORK.
...think software

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