

ANNUAL REPORT 2023 REPORT 2024



Stibo Software Group A/S
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CVR: 78603011

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Letter from our Chairman

Solid progress in 2023-24

Stibo Software Group (SSG) is the responsible and ambitious parent of two leading software and technology companies, Stibo DX and Stibo Systems. We are committed to creating growth through transformative solutions for our portfolio of market-leading customers. With around 1,000 talented and dedicated employees operating across all continents, we aim to drive innovation and excellence.

The purpose of Stibo Software Group is to support our two independent businesses with 'back office' and functional support, allowing them to focus on creating market-leading SaaS offerings. We succeeded in several major projects, including creating a shared service center, implementing a common ERP system, and achieving ISO certifications.

Our investments are yielding results, with strong efficiency gains from our SaaS business models. Our product portfolio is well-positioned to support our customers' digital transformation journeys, which remain a key focus for many of the world's largest companies. We continuously witness how numerous industries are being reshaped, and we are honored to be a trusted partner in our customers' efforts to succeed.

Despite global market uncertainties, including increased geopolitical tensions and interest rate fluctuations, we achieved significant milestones in 2023-24. Stibo DX made

strategic investments in the CUE media enterprise platform, launching products like CUE Print Automation, which automates labor-intensive print layout processes,



“

Very few companies can trace the lineage back to 1794 and fewer companies yet have in such a meaningful way demonstrated its ability to reinvent itself by having a long-term strategy that tries to foresee long-term trends affecting our current business. Our key philosophy is to apply our core competencies to new challenges and opportunities. Both our companies in SSG seek to build from our core strength and innovate for the benefit of our customers. I am very pleased to see how our companies are not only trusted providers but also seen as advisors because we aim to solve our clients' challenges before solving our own. They turn out to be very aligned which is a sign of true partnership.

Backed by the solid ownership by the Stibo Foundation we have the privilege of planning for the long haul while we continually seek to optimize our business for the benefit of our staff and customers. I would like to thank my engaged colleagues on the SSG board, our dedicated management teams and our talented employees for navigating us successfully through the transitions since the inception of SSG

Torben Brandt Munch
Chairman, Stibo Software Group

and CUE Autopilot, offering AI-based automation services across the news production and distribution value chain.

Stibo Systems also expanded its product portfolio with two new products related to Enhanced Content Management and sustainability data, essential for our customers' digital transformation and e-commerce efforts. Additionally, Stibo Systems strengthened its ecosystem of alliances through a partnership with Microsoft, streamlining the procurement of our solutions in the Cloud.

In 2023-24, SSG played a central role in supporting our customers' digital transformations across various industries. Through Stibo DX, we contributed to the digital transformation of the global media industry, while Stibo Systems focused on delivering Master Data Management solutions to global retailers and manufacturers amongst others. We are proud of how we navigated another year of profound digital change alongside our customers.

Over the course of the year, we ensured the effective and professional delivery of many large-scale, complex IT digitalization projects with our customers and partners.



Our financial performance in 2023-24 was solid, with revenue reaching a total of 1,340 mDKK and an EBITDA of 93.6 mDKK. While revenue was below expectations, the EBITDA met projections, reflecting the trust we receive from customers and partners and our investments in becoming best-in-class Software-as-a-Service (SaaS) providers.

In 2023-24, we also made significant strides in our Environmental, Social, and Governance (ESG) strategy. We believe this decade must be one of action, and our ESG strategy aims to drive impactful actions beyond compliance with reporting requirements. We are proud of our dedicated employees who are making progress on ESG initiatives, and our alignment with the Science-Based Targets initiative (SBTi) demonstrates our commitment to reducing emissions. In fact, our commitment is already paying off, as we have been able to reduce both carbon emissions, energy consumption and water reduction in 2023-24.

Looking ahead to 2024-25, we anticipate continued macro-economic and geopolitical uncertainty. However, we believe digitalization will remain a powerful force in transforming businesses and societies. With our dedicated colleagues, market-leading operating models, and the entrepreneurial spirit that has defined Stibo since its inception in 1794, we are confident in our ability to lead these transformations as a trusted advisor. Our outlook for 2024-25 is positive, and we aim to continue our strong financial performance, targeting a revenue increase of 10% and EBITDA in the range of 128-141 mDKK for 2024-25.

In closing, I would like to thank our talented employees for their passionate efforts in helping our customers succeed in their digital transformations and ensuring we consistently deliver market-leading products and services. Lastly, a profound thanks to all our customers and partners for their trust and support.

Torben Brandt Munch

Financial Performance

Amounts in DKK'000

Consolidated profit and loss statement	2023-24	2022-23	2021-22*	2020-21*	2019-20*
Revenue	1,339,882	1,267,458	2,165,309	1,917,024	1,872,176
Gross profit	950,270	880,654	1,153,079	1,051,387	939,518
EBITDA	93,579	95,804	75,677	70,781	8,912
Operating profit	75,247	79,419	13,336	-1,775	-59,892
Profit from financial income and expenses, net	5,617	2,125	-9,037	2,081	37,967
Profit before tax	80,864	85,310	4,299	306	-20,023
Profit for the year	60,784	30,299	19,275	18,866	-10,734
Consolidated balance sheet					
Non-current assets	57,315	61,644	237,679	321,556	367,114
Current assets	896,072	797,460	1,122,131	878,949	818,039
Total assets	953,387	859,104	1,359,810	1,200,505	1.185,153
Equity	233,099	219,252	642,869	613,042	596,247
Provisions	0	2,048	835	3,254	11,576
Non-current liabilities	0	0	14,661	20,727	53,625
Current liabilities	720,298	637,804	701,445	563,482	523,705
Key figures and ratios					
Investments in tangible assets	3,102	6,659	18,940	25,154	86,902
Operating margin	5.6%	6.3%	0.6%	-0.1%	-3.2%
Return on invested capital	15.8%	11.1%	1.5%	-0.2%	-7.1%
Gross margin	70.9%	69.5%	53.3%	54.8%	50.2%
Solvency ratio	24.4%	25.5%	47.2%	50.2%	50.2%
Return on equity	26.9%	7.0%	3.0%	3.1%	-1.7%
Average number of employees	1,033	975	1,528	1,495	1,286

*Figures are not restated for the effect of the separation of Stibo Complete Group A/S.

For terms and definitions, please see the accounting policies.

Company Overview

Founded in 1794 as a printing company, Stibo Software Group serves market leading B2B companies through Stibo Systems (Master Data Management) and Stibo DX (Media Enterprise Platforms). Stibo Software Group is a responsible long-term owner that creates growth through transformation. We are shaping the businesses of tomorrow and are proud to serve some of the largest companies around the world.

+1000

Employees

18

Offices

+600

Customers



Headquartered in Aarhus, Denmark, we have our offices and operations spread across 18 countries.

Stibo Software Group Board of Directors



Torben Brandt Munch
Chairman of the board



Signe Trock Hiltrøm
Board Member, Chairperson
Audit Committee



Susan Standiford
Board Member, Chairperson
Technology Committee



Michael Voegele
Board Member

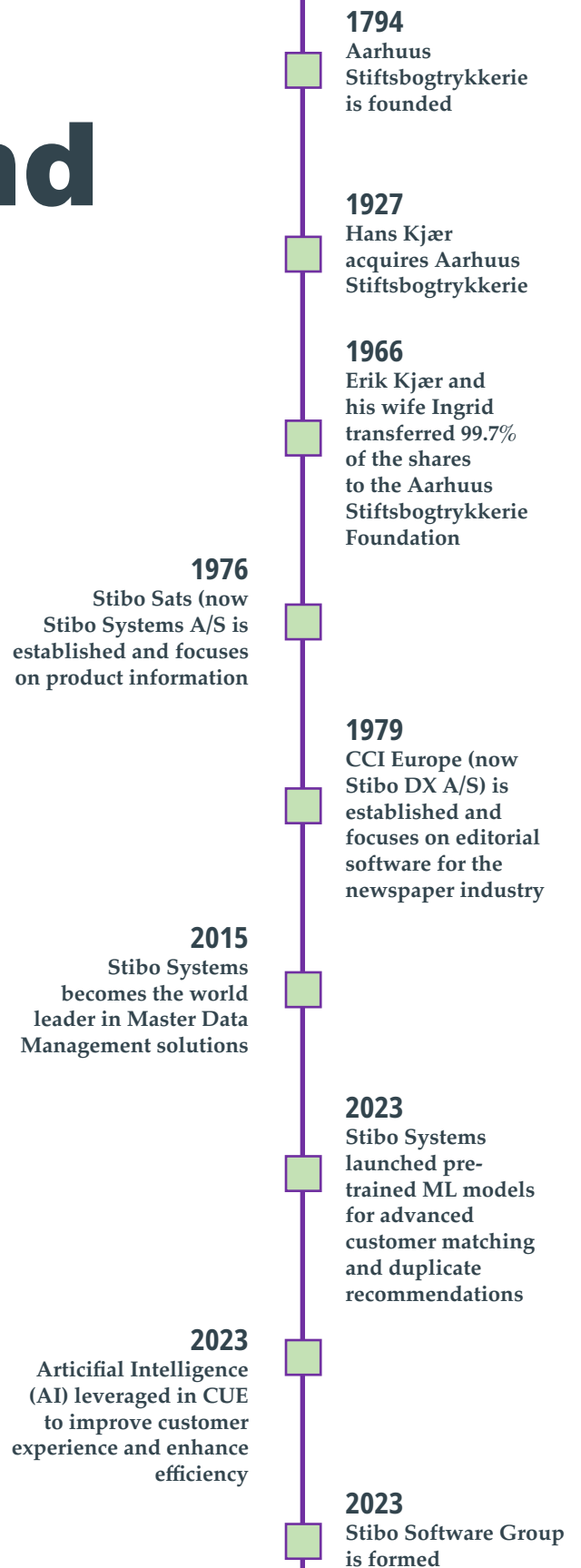


Thomas Ransby Hansen
Board Member, elected by staff

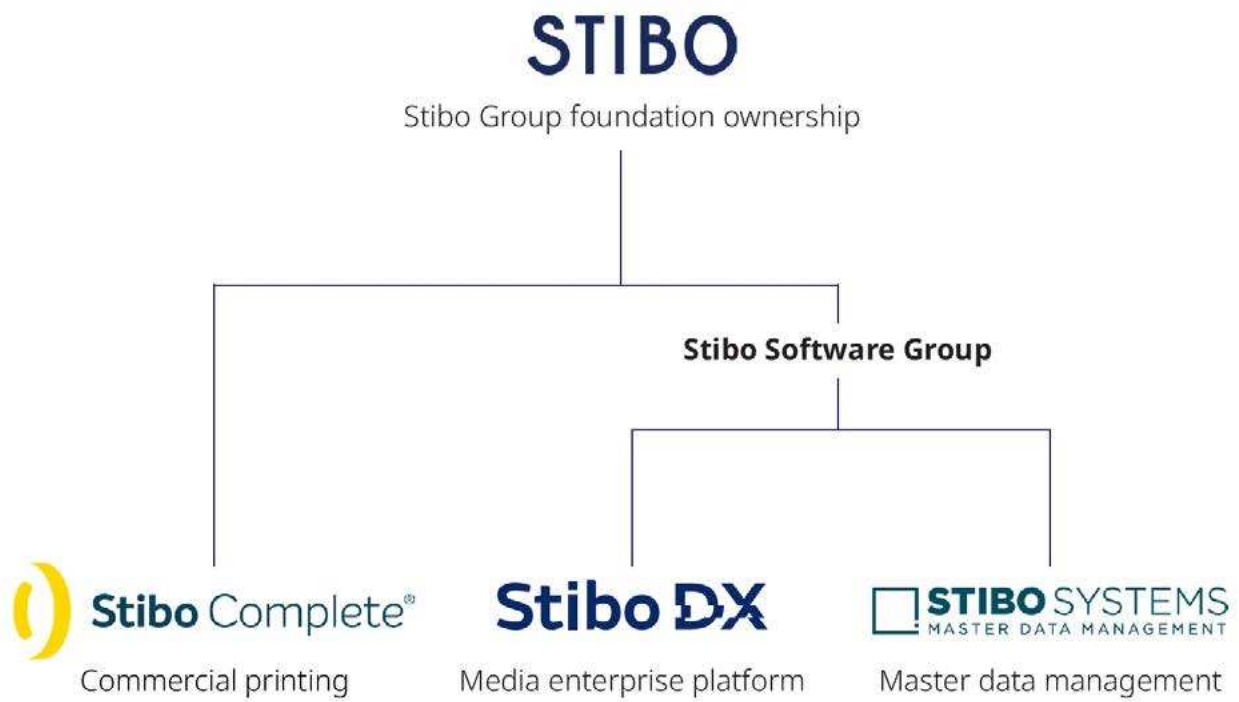


Per Salomonsen
Board Member, elected by staff

From a background in printing to a software market leader



Structure



STIBO SYSTEMS

MASTER DATA MANAGEMENT

Stibo Systems enables some of the world's largest and well-known brands within Retail, Manufacturing, CPG and Distribution and others, to make informed decisions through connecting, governing, enriching, and syndicating their data. Our products manage critical data components such as product, customer, and supplier data. We offer our products in the form of Software as a Service (SaaS) subscription contracts.

+750

Employees

18

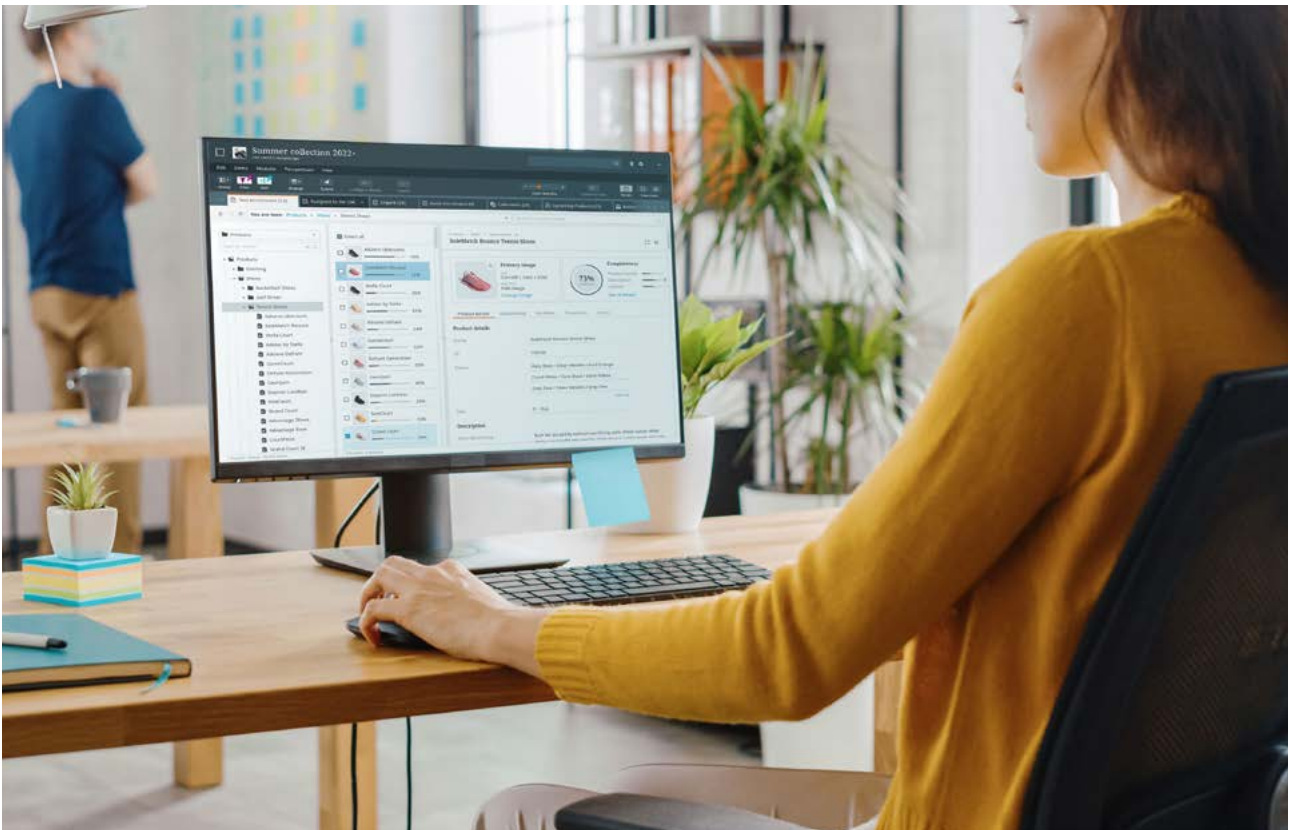
Offices

+500

Customers

97

Partners globally



Stibo DX

Stibo DX works with media enterprises all over the world, from the world's biggest media groups to national broadcasters. Stibo DX's media enterprise platform, CUE, maximizes profitability and scalability by streamlining multimedia content creation, asset management, multi-channel distribution and product innovation.

+190

Employees

7

Offices

+35k

Global CUE Users

+100

*Global Media Groups
using CUE*



Performance Overview

Stibo Systems:

Our business is evolving, and 2023-24 was another pivotal year on our journey as a best-in-class Software-as-a-Service (SaaS) provider. We have successfully transitioned into a SaaS business model and we are proud to offer our customers a cloud-native environment, automated quarterly updates through which, we can continuously add capabilities such as Generative AI.

During the last four years we have invested heavily in our technology, and we are now harvesting it's efficiency gains in three ways in particular:

- We can onboard new clients with fewer resources.
- We have built a strong partnership with global consultancy companies and with their help, have accelerated the time to value for our customers.
- Our own cost of operations have reduced which provides an improved cost of ownership for our customers.

Our overall results in 2023-24 were satisfactory. We experienced a total revenue growth of 4.7%, with underlying significant growth in our Annual Recurring Revenue (ARR) of 19% and SaaS revenue growth of 15%. The adjusted EBITDA reached 119.4 mDKK.

86.7 mDKK

EBITDA

19%

ARR Growth YoY

15%

SaaS Growth YoY

Stibo DX:

Strong performance in 2023-24 with a significant improvement in our EBITDA which ended at 0.6 mDKK, +12.4 better than budget. The EBITDA result comes despite significant investments in transforming the company to be ready for the future, and while indicating enhanced operational efficiency and profitability, it also demonstrates an ability to manage costs effectively while transforming and scaling operations via implementation of new operating models across the entire value chain in Stibo DX A/S. A proof of the improved operational excellence is the ISO 27001 certification that was obtained over the year. As for both innovation and operational excellence efforts, it should lead to an improved customer experience for our valued long-term customers.

0.6 mDKK

EBITDA

9%

ARR Growth YoY

30%

SaaS Growth YoY



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Sustainability Highlights

Significant steps on our ESG journey completed in 2023-24:

Stibo Software Group is proud to have an ambitious and well-worked out ESG strategy as part of our foundation, which serves both Stibo Systems and Stibo DX. We believe that the strategy will make Stibo Software Group a sustainability leader in the respective industries.

The past year, the focus has been on integrating the strategy into our business units as well as continuing our execution of the strategy.

While ESG at Stibo is an all-compassing commitment involving our impact on all stakeholders and includes many minor and major initiatives, our commitment to and alignment with Science-Based Targets initiative (SBTi), was the most important for us the past year. We are proud to see that our businesses continue to work hard on reducing their emissions. This year we managed to reduce our carbon emissions in line with our commitment to Science Based targets; scope 1 and 2 reducing 4,67% year on year and scope 3 a 7% intensity reduction. In terms of total emissions, we already reduced the intensity with 23%. We also reduced energy consumption by 3%, had a significant drop in water usage and more than doubled our waste recycling. As a concrete example, we are finished the installation of solar panels on our headquarters in Denmark, which will lead to a 77 tonnes reduction starting May 2024. This is only the start with several other initiatives following.

We continue our effort for keeping and attracting more women into IT, where we in 2023-24 conducted a large internal study to get more insights into drivers and limitations around maternity leave and parenthood, which we are currently evaluating.



We also keep pushing our many societal engagements. The last year many of our employees supported ReDi School, which is a non-profit organization dedicated to empowering women and non-binary people with refugee and migrant background. We also worked with YearUp in the US and conducted the fourth Finishing School Program in India. While also several local initiatives received attention. We offer a volunteering program which includes the opportunity for employees to take part in a volunteering activity during two working days per year. In total, this year, 196 employees across Stibo Software Group and DX volunteered to support their local communities in 10 countries.

Last but not least, one of the highlights was that the Stibo Software Group became a Participant of the UN Global Compact in March 2024.



Behind our ESG strategy

To prepare for the ESG & Sustainability strategy, and in accordance with the Danish Financial Statement Act §99, we completed an extensive double materiality assessment reviewing materiality on environmental, social, and economic issues from two perspectives: 1) the importance of the issue to enterprise value, and 2) the potential impact of the company on society and/or the environment. A preliminary value chain assessment and stakeholder interviews served as input for the assessment. The double materiality assessment helped to define the ESG (environmental, social, governance) & Sustainability strategy and prepared the company for reporting in line with CSRD (with the full reporting requirement in 2026)

This resulted in the Strategy House for the Stibo Software Group. This includes the four pillars of the ESG & Sustainability strategy that is believed to make Stibo Software Group a sustainability leader in the respective industries.

Below are some of the details behind each pillar in the strategy.

Pillar 1

We will reduce our climate impact

Commitment and alignment with Science-Based Targets initiative (SBTi)

Stibo Software Group, including Stibo Systems and Stibo DX, has committed to Science-Based Targets. These are scientific targets providing a clearly defined pathway for reducing our greenhouse emissions in alignment with the Paris Agreement to limit global warming to 1.5 degrees Celsius above pre-industrial levels.

The targets include the following Near-Term Targets towards 2030 and Net Zero Targets towards 2050 for our Scope 1, scope 2, and Scope 3 emissions from a base year of FY 2021 - 22; a minimum of 4,67% linear annual reduction for all scope 1 and 2 GHC emissions compared



to base year FY 2021 - 22 and an absolute reduction of 90% by FY 2049 – 50 latest. A 7% year on year intensity reduction for all our scope 3 emissions and a 97% intensity reduction by FY 2049 - 50 latest.

The commitment also includes a target for increasing the sourcing of renewable electricity, where Stibo Software Group commits to 80% by 2025 and 100% by 2030. The commitment to SBTi, Science Based Targets Initiative, was confirmed in April 2022, and Stibo Software Group

has submitted the targets for official validation in March 2023, which is expected to be confirmed by SBTi in August / September 2024. The validation process has been supported by guidance from external consultants from EY.

Carbon Emission Accounting & Reduction plan

The total Green House Gas (GHG) inventory, including Scope 1, 2 (market-based), and 3, for the fiscal year 2023 - 24 has decreased by around 8% compared to the last fiscal

Greenhouse gas (GHG) emissions by Scope (mtCO2e)

For Stibo Software Group, including Stibo Systems and Stibo DX

	FY21-22 ¹	FY22-23 ²	FY23-24
Scope 1	93.49	54.45	55,77 ³
Scope 2 (Location based)	512,61	509.46	487.36
Scope 2 (Market based)	711.25	703.26	717.03
Total (Scope 1 + 2 Location based)	606.10	563.91	543.13
Total (Scope 1 + 2 Market based)	804.74	757.71	772.80
Scope 3	4184.95	4388.08	3962.51
1: Purchased goods and services	954.48	1,220.08	1,231.84 ⁴
2: Capital goods	57.09	22.25	143.46
3: Fuel- and energy related activities	37.86	62.93	76.94
4: Upstream transportation and distribution	44.26	45.4	41.16
5: Waste generated in operations	1.08	1.38	1.42
6: Business travel	528.24	1,145.06	594.18
7: Employee Commuting	307.1	304.87	249.14
11: Use of sold products	2254.84	1586.11	1624.37 ⁵
Total (Scope 1 + 2 Location based + 3)	4791.05	4951.99	4505.64
Total (Scope 1 + 2 Market based + 3)	4989.69	5145.79	4735.31

1. Due to improved data quality and methodology and to ensure transparency and consistency, our base year GHG inventory of 2021-2022 has been recalculated following our recalculation policy aligned with the GHG protocol and the SBTi criteria.

2. The GHG inventory for 2022-2023 has been recalculated due to the discovery of an internal error. The recalculation resulted in an emissions reduction of 2.29% measured by the total scope 1+2 Market based +3 in alignment with our recalculation policy.

3. Scope 1 fuel activity data has been extrapolated to 12 months based on 11 months of data due to a delay in activity data from the supplier

4. Emissions data for this category has been extrapolated due to a three-month delay in data availability from the provider. More specifically, scope 3 category 1 and category 11 AWS emissions data has been extrapolated to 12 months based on 9 months of data. Emissions on waste usage have been included in FY 23-24. As this addition does not exceed the threshold of our recalculation policy, this does not trigger a recalculation of the previous year's carbon account. It accounts for 0.05% of the total scope 3 category 3 emissions.

5. Emissions data for this category has been extrapolated due to a three-month delay in data availability from the provider. Category 11 AWS emissions data has been extrapolated to 12 months based on 9 months of data. Additionally, the emissions for on-premises customers are calculated based on saved emissions from choosing AWS and Azure compared to on-premises. The saved emissions have been overestimated in the past years, which has resulted in a revision of the assumptions to reflect accuracy since Stibo Systems is migrating customers from on-premises to SaaS (AWS and Azure). This year is based on medium efficiency and 20% global renewable energy. A recalculation of the previous years is not possible due to a lack of data accuracy from the providers.

year. There has been a noticeable reduction in emissions related to business travel with a decrease of 48% compared to last year's GHG inventory which is mainly due to stricter travel requirements. Employee commuting has decreased by 18% due to employees increasingly working from home.

There has been a significant increase in Scope 3, category 2, Capital goods, due to the purchase of solar panels for the Headquarters in Højbjerg, Denmark.

Comparing the GHG inventory to the base year of 2021-2022, the total Scope 1 and 2 emissions have decreased by around 10% and 4% respectively for the location-based method and market-based method. Stibo will continue to improve and reduce our emissions from Scope 1, 2 and 3 in alignment with our SBTi commitment.

The GHG inventory represents the whole Stibo Software Group, including Stibo Systems and Stibo DX, calculated in accordance with the Greenhouse Gas (GHG) protocol.

For fiscal year 2024 – 25, the target for scope 1 in line with the SBTi commitment is 54 mtCO₂e (this is a larger reduction than the set target to reduce year over year by 4.67% due to previous years reductions), for scope 2 (market based) 616.18 mtCO₂e (year over year reduction of 4.67%) and for scope 3 the target is 4053.65 mtCO₂e (in line with the 7% intensity target reductions).

We created an emission reduction plan where we focus on the areas that can contribute to have the greatest impact first to achieve these targets next fiscal year and beyond;

- Installing solar panels covering up to 22% of the electricity use at our Headquarters in Denmark (Based on the base year FY 2021–22). This will lead to a 77 tonnes reduction starting May 2024.
- Procuring certified renewable energy to cover most of our scope 2 emissions that remain after the use of solar panels.

- Moving customers from on premise to SaaS will lead to most of the reductions in the coming years (90%+ reductions of scope 3, category 11 by FY 2029-30).
- Efficient use of IT infrastructure, data clean up actions planned for FY 2024-25.
- Sustainable procurement: slowly yet consistently reducing scope 3 category 1 emissions through an updated supplier code of conduct and soon to be launched sustainable procurement policy.
- Through an updated and strict green travel policy, Stibo Software Group expects to reduce the business travel emissions and bring them back to the base year emissions in the short run (up to FY 2029-30).
- In the long run (beyond 2030), reducing emissions further will be challenging and will rely on new technologies and Stibo's suppliers, partners, and customers. Stibo will work together with all relevant parties and stakeholders to continue meeting the set targets.
- Stibo Software Group will not engage in offsetting nor inssetting and similar in the short term. Focus will be on reducing emissions. We are researching the possibility and effectiveness of offsetting (on top of our reduction plan and the SBTi targets) in the future.

Pillar 2

We will become the most valued employer in our industry

We target to expand the number of women in leadership and management positions to 30% in 2025 (stated as maximum of 70% of one gender in management and leadership positions). We aim to achieve these set targets by a range of programs increasing the reach to woman in the IT industry and increasing the number of women having career possibilities internally.

Pillar 3

We will play an active role in society

We participate in and sponsor a range of different activities in the local societies that our software companies are a part of. This can be either via direct donations and/or sponsorships or via our employees donating their worktime to causes that positively contribute to local causes.

Pillar 4

We will enable our customers sustainability targets

This pillar is predominantly relevant for Stibo Systems, which actively works to encourage and enable customers to meet their own targets related to ESG and Sustainability by supporting their sustainability data transparency. This will be achieved by Stibo Systems sustainable data management solutions that will

continuously be updated to reflect the changing demands, legislation, and requirements of ESG & Sustainability, to support our customers in the best way possible. With the Stibo STEP 24.1 update released at the end of 2023, the ESG Data Management package becomes general available to all Stibo Systems customers.

Our participation in UN Global Compact

In addition, our ESG and Sustainability strategy includes our support and adherence to the UN Global Compact covering human rights, labor rights, environment, and anti-corruption. Stibo Software Group became a participant of the UN Global Compact in March 2024.

Risk Management

Risk management is an integral part of how we do business in Stibo Software Group. Whether it be onboarding new customers, embracing new technologies, evaluating processes, or ensuring that new employees understand and adhere to our risk management, the philosophy has always been “security first”.

As we operate in a continually changing and volatile global business environment, our Board of Directors and management regard it as essential that our enterprise risk

exposure is thoroughly assessed, monitored, reported and mitigated on an ongoing basis. This happens through a structured enterprise risk management process, which is closely linked to our strategy execution, applying a framework of risk policies and risk mitigating procedures.

We have developed a framework and a risk governance structure, which defines the overall roles and mandates across Stibo Software Group. Each quarter the main risks and mitigating actions are identified through a thorough



process including both senior management teams, interviews with employees and enterprise risk owners before the consolidated risk landscape is presented to the CEOs, who report directly to the Audit Committee and Board of Directors who discuss the overall risk level for Stibo Software Group. Besides having a dedicated team of professionals in our group Governance, Risk & Compliance team, who drives the enterprise risk management process, we are day in and day out constantly working across different functional expertise areas with IT professionals and external auditors to ensure we cultivate a risk awareness culture and enterprise risk management capabilities across Stibo Software Group.

Besides having a dedicated team of professionals in our group Governance, Risk & Compliance team, who drives the enterprise risk management process, we are day in and day out constantly working across different functional expertise areas with IT professionals and external auditors to ensure we cultivate a risk awareness culture and enterprise risk management capabilities across Stibo Software Group.

This is important to supplement the quarterly in-dept reviews of key risks and their mitigation plans, which are owned by the top management teams in the companies and reported to the Board of Directors via the Audit Committee.

Additionally, the enterprise risk management process is an integral part of the information security



Statements

Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Stibo Software Group A/S for the financial year 1 May 2023 – 30 April 2024.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Company's financial position at 30 April 2024 and of the results of the Group's and the Company's operations and consolidated cash flows for the financial year 1 May 2023 – 30 April 2024.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Højbjerg, 25 June 2024

Executive Board:

Adrian Neil Carr
CEO

Lars Bjørn Falkenberg

Board of Directors:

Torben Brandt Munch
Chairman

Signe Trock Hilstrom

Susan Standiford

Michael Vöegele

Thomas Ransby
Employee elected

Per Østergaard Salomonsen
Employee elected

Independent Auditors Report

To the shareholders of Stibo Software Group A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Stibo Software Group A/S for the financial year 1 May 2023 – 30 April 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for both the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 April 2024 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 May 2023 – 30 April 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our

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

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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



Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Aarhus, 25 June 2024

EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

Morten Friis

State Authorised Public Accountant

mne32732

Results and expectations for the work ahead

In line with the ESG strategy, Stibo Software Group will continue with the volunteering activities and societal engagements and aim to increase the number of projects and employees that take part in this.

Further, carbon emission reductions in line with SBTi and pillar 1 of the ESG strategy will be achieved through several initiatives. Some are in the planning stage and others in the preparation stage as mentioned in the carbon reduction outlook section. In the coming fiscal year, we will launch an updated travel policy, move more customers over to Stibo SaaS (Microsoft Azure platforms) and will work closer with suppliers to reduce their carbon impact.

Also, carbon accounting process improvements in line with CSRD and SBTi are in preparation and a software package which records the carbon accounting data faster and in a more automated way will be implemented.

In terms of diversity, equity and inclusion, more initiatives and actions will be rolled out after gathering further insight and knowledge in this area both internally and externally from experts and relevant networks. This to make sure the focus is as effective and relevant as possible.

Stibo Software Group is preparing for becoming compliant with the CSRD reporting regulations. We have established a project with a clear governance and timeline, where we also work with external partners, and in the new year will go through a new Double Materiality Assessment process. The project is on track and we will be ready to report in line with the European Sustainability Reporting Standards (ESRS).

Finally, Stibo Software Group aims to get ISO14001 certified in the coming fiscal year and will revamp the website with a clearer description of the ESG & Sustainability efforts, targets and achievements.

Financial Statements

Income Statement

Note	DKK'000	Consolidated		Parent company	
		2023-24	2022-23	2023-24	2022-23
2	Revenue	1,339,882	1,267,458	0	0
3	Other operating income	21,665	16,434	87,325	47,156
	Raw materials and consumables	-176,969	-172,831	0	0
	Other external costs	-234,308	-230,407	-48,972	-43,807
	Gross profit	950,270	880,654	38,353	3,349
4	Staff costs	-852,651	-778,931	-31,742	-30,395
5	Depreciation, amortisation and impairment losses	-22,372	-22,304	-2,575	-2,449
	Operating profit	75,247	79,419	4,036	-29,495
11	Profit of group entities after tax	0	0	57,347	50,664
	Result of discontinued operations after tax	0	3,766	0	0
6	Financial income	12,716	9,811	5,569	4,819
7	Financial expenses	-7,099	-7,686	-5,236	-2,059
	Profit before tax	80,864	85,310	61,716	23,929
8	Tax on profit for the year	-20,080	-55,011	-932	5,879
	Profit for the year	60,784	30,299	60,784	29,808
Attributed to:					
	Shareholder in Stibo Software Group A/S	60,784	29,808		
	Non-controlling interest	0	491		
		60,784	30,299		

Proposed profit allocation

DKK'000

Proposed dividends	50,000	50,000
Transfer to reserve for net revaluation according to the equity method	57,347	50,664
Retained earnings	-46,563	-70,856
	60,784	29,808

Balance sheet

Note	DKK'000	Consolidated		Parent company	
		30 April 2024	30 April 2023	30 April 2024	30 April 2023
		ASSETS			
		Non-current assets			
9		Intangible assets			
	Goodwill	16,650	12,457	0	0
	Other intangible assets	15,428	22,012	5,233	0
		<u>32,078</u>	<u>34,469</u>	<u>5,233</u>	<u>0</u>
10		Property, plant and equipment			
	Fixtures and fittings, other plant and equipment	5,001	5,098	1,837	1,065
	Leasehold improvements	10,577	13,807	0	0
		<u>15,578</u>	<u>18,905</u>	<u>1,837</u>	<u>1,065</u>
		Non-current financial assets			
11	Investments in subsidiaries	0	0	317,709	307,299
12	Deposits	9,659	8,270	830	1,378
		<u>9,659</u>	<u>8,270</u>	<u>318,539</u>	<u>308,677</u>
	Total non-current assets	<u>57,315</u>	<u>61,644</u>	<u>325,609</u>	<u>309,742</u>
		Current assets			
		Receivables			
	Trade receivables	206,784	220,971	324	342
13	Contract work in progress	3,837	10,901	0	0
14	Receivables from group entities	1,761	69,142	8,999	69,142
16	Deferred tax asset	37,168	43,876	15,102	14,247
	Corporation tax	14,370	13,425	1,528	5,414
	Other receivables	14,055	6,604	1,184	786
17	Prepayments	104,856	87,425	16,420	10,008
		<u>382,831</u>	<u>452,344</u>	<u>43,557</u>	<u>99,939</u>
	Cash	513,241	345,116	276,698	35,291
	Total current assets	<u>896,072</u>	<u>797,460</u>	<u>320,255</u>	<u>135,230</u>
	TOTAL ASSETS	<u>953,387</u>	<u>859,104</u>	<u>645,864</u>	<u>444,972</u>

Balance sheet

Note	DKK'000	Consolidated		Parent company	
		30 April 2024	30 April 2023	30 April 2024	30 April 2023
		EQUITY AND LIABILITIES			
15	Equity				
	Share capital	25,000	25,000	25,000	25,000
	Retained earnings	154,517	143,733	-11,781	-15,218
	Net revaluation acc. to the equity method	0	0	169,880	159,470
	Currency revaluation reserve	3,582	519	0	0
	Proposed dividends	50,000	50,000	50,000	50,000
	Total equity	233,099	219,252	233,099	219,252
	Provisions				
16	Deferred tax	0	2,048	0	0
	Total provisions	0	2,048	0	0
	Current liabilities				
	Prepayments from customers	502,595	448,598	0	0
12	Prepayments for contract work in progress	4,313	13,962	0	0
	Trade payables	38,993	38,071	12,691	8,110
	Payables to group entities	0	8,107	395,425	213,152
	Corporation tax	14,020	15,862	0	0
	Other payables	160,367	113,204	4,649	4,458
	Total liabilities	720,288	637,804	412,765	225,720
	TOTAL EQUITY AND LIABILITIES	953,387	859,104	645,864	444,972
1	Accounting policies				
18	Mortgages, collateral and contingent liabilities				
19	Lease obligations				
20	Related parties				

Statement of changes in equity – Consolidated

DKK'000	Share capital	Retained earnings	Currency revaluation reserve	Proposed dividends	Total	Non-controlling interests	Total equity
Equity at 1 May 2022	25,000	429,425	8,487	170,000	632,912	9,957	642,869
Profit for the year	0	-20,192	0	50,000	29,808	491	30,299
Foreign exchange adj. on the translation of foreign entities	0	0	-7,968	0	-7,968	-74	-8,042
Disposals of non-controlling interest	0	0	0	0	0	-10,374	-10,374
Extraordinary dividends distributed	0	-265,500	0	0	-265,500	0	-265,500
Ordinary dividends distributed	0	0	0	-170,000	-170,000	0	-170,000
Equity at 30 April 2023	25,000	143,733	519	50,000	219,252	0	219,252
Profit for the year	0	10,784	0	50,000	60,784	0	60,784
Foreign exchange adj. on the translation of foreign entities	0	0	3,063	0	3,063	0	3,063
Ordinary dividends distributed	0	0	0	-50,000	-50,000	0	-50,000
Equity at 30 April 2024	25,000	154,517	3,582	50,000	233,099	0	233,099

Statement of changes in equity – Parent Company

DKK'000	Share capital	Retained earnings	Currency revaluation reserve	Proposed dividends	Total
Equity at 1 May 2022	25,000	269,786	168,126	170,000	632,912
Profit for the year	0	-70,856	50,664	50,000	29,808
Foreign exchange adj. on the translation of foreign entities	0	0	-7,968	0	-7,968
Transfer	0	51,352	-51,352	0	0
Extraordinary dividends distributed	0	-265,500	0	0	-265,500
Ordinary dividends distributed	0	0	0	-170,000	-170,000
Equity at 30 April 2023	25,000	-15,218	159,470	50,000	219,252
Profit for the year	0	-46,563	57,347	50,000	60,784
Foreign exchange adj. on the translation of foreign entities	0	0	3,063	0	3,063
Distributed dividends	0	50,000	-50,000	0	0
Ordinary dividends distributed	0	0	0	-50,000	-50,000
Equity at 30 April 2024	25,000	-11,781	169,880	50,000	233,099

Cash flow statement		Consolidated	
Note	<i>DKK'000</i>	2023-24	2022-23
	Operating profit from continued activities	75,247	79,417
	Net cash flows from discontinued operating activities	0	12,588
	Adjustment for non-cash operating items, etc.:	18,332	16,385
5	Depreciation		
	Cash generated from operations (EBITDA) before changes in working capital	93,579	108,390
	Changes in working capital	96,187	59,411
	Cash flows from operating activities	189,766	167,801
7	Financial income	12,716	9,811
8	Financial expenses	-7,098	-7,686
	Other adjustments	-431	-2,284
	Cash generated from operations (ordinary activities)	194,953	167,642
	Corporation tax paid	-20,295	-18,519
	Cash flows from operating activities	174,658	149,123
10,11	Acquisition of property, plant and equipment	-12,354	-11,921
	Sale of property, plant and equipment	0	141
	Changes in non-current receivables	548	-359
	Net cash flows from discontinued investing activities	0	-4,411
	Net cash flows from divestment of discontinued activities*	0	-54,021
	Cash flows from investing activities	-11,806	-70,571
	Changes in receivables from group entities	52,040	2,362
	Changes in non-current liabilities	0	0
	Dividends paid	-50,000	-170,000
	Net cash flows from discontinued financing activities	0	-2,117
	Cash flows from financing activities	2,040	-169,755
	Cash flows for the year	164,892	-91,203
	Cash and cash equivalents at 1 May	345,116	441,741
	Exchange gains/losses on cash and cash equivalents	3,233	-5,422
	Cash and cash equivalents at 30 April	513,241	345,116

* The net impact of the cash remuneration for the divestment of discontinued operations and the cash balance within the discontinued operations at the time of divestment.

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements and the parent company financial statements.

Notes

1.

Accounting policies

The annual report of Stibo Software Group A/S for 2023-24 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

Pursuant to section 96(3) of the Danish Financial Statements Act, please see the annual report of Stibo Holding A/S for 2023-24 regarding auditors' fee.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Consolidated financial statements

The consolidated financial statements comprise the parent company, Stibo Software Group A/S, and subsidiaries in which Stibo Software Group A/S directly or indirectly holds more than 50% of the voting rights or which it, in some other way, controls.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets or liabilities at the acquisition date. Entities acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Entities disposed of are recognised in the consolidated income statement until the date of disposal. The comparative figures are not restated for acquisitions or disposals.

Gains or losses on disposal of subsidiaries are stated as the difference between the sales amount and the carrying amount of net assets at the date of disposal plus non-amortised goodwill and anticipated disposal costs. Acquisitions of entities are accounted for using the

acquisition method, according to which the identifiable assets and liabilities acquired are measured at their fair values at the date of acquisition.

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

Foreign currency translation

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

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

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity. Foreign exchange adjustments of intra-group balances with independent foreign subsidiaries which are considered part of the investment in the subsidiary are recognised directly in equity. Foreign exchange gains and losses on loans and

derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

Discontinuing operations

Discontinuing operations comprise a major line of business whose activities and cash flows are clearly distinguishable, operationally and for financial reporting purposes, from the Company's other lines of business and where the line of business has either been disposed of, is planned to be disposed of, closed down, given up or separated as held for sale, and the sale, close-down or giving up is expected to be effected within one year in accordance with a formal plan. Discontinuing operations also include entities that are classified as held for sale in connection with the acquisition.

The profit after tax of discontinuing operations and value adjustments after tax of related assets and liabilities and gains and losses on disposal are presented as a separate line item in the income statement. Comparative figures are not restated. Revenue, costs, value adjustments and tax relating to discontinuing operations are disclosed in the notes.

Income statement

Revenue

Revenue from the sale of goods and services is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place before year end and that the income can be reliably measured and is expected to be received. Revenue is measured ex. VAT and taxes charged on behalf of third parties.

Contract work in progress in respect of delivery of large systems is recognised in revenue by reference to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (percentage of completion method). Revenue is recognised when total income and expenses relating to the construction contract and the stage of completion at the balance sheet date can be reliably measured, and when it is probable that future economic benefits, including

payments, will flow to the Group.

Cost of sales

Cost of sales comprise purchases of software, hosting, and services for the year.

Other operating income

Other operating income comprises items secondary to the primary activities of the Company.

Other external costs

Other external costs comprise items primary to the activities, which mainly include marketing, travel, external consultants, rent and recharge cost from group companies.

Staff costs

Staff costs comprise wages and salaries, remuneration, pensions and other costs regarding the Company's employees, including members of the Executive Board and the Board of Directors.

Development costs regarding new products are expensed as incurred as the conditions for capitalisation are not considered to have been met. In practice, the development of new products cannot be separated from the continued maintenance of the Group's other products.

Depreciation and amortisation

Comprises depreciation of property, plant and equipment.

Profits from investments in group entities

The proportionate share of the results after tax of the individual subsidiaries is recognised in the income statement of the parent company after full elimination of intra-group profits/losses and amortisation of goodwill.

The proportionate share of the results after tax of the associates is recognised in the income statement after elimination of the proportionate share of intra-group profits/losses.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc. Interest expenses are not capitalised.

Tax on profit/loss for the year

The Company is subject to the Danish rules on compulsory joint taxation of the Stibo Group's Danish companies. Subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

Stibo Holding A/S is the management company for the joint taxation and consequently settles all corporation tax payments with the tax authorities.

On payment of joint taxation contributions, the current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income. In this relation, companies with tax loss carryforwards receive joint taxation contribution from companies that have used these losses to reduce their own taxable profits. Tax for the year, comprising current tax and changes in deferred tax for the year, is recognised in the income statement. The tax expense relating to changes in equity is recognised directly in equity.

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is between 3 and 10 years. The amortisation period is fixed on the basis of the expected repayment horizon, longest for strategically acquired business

enterprises with strong market positions and long-term earnings profiles.

Other intangible assets include patents and rights acquired, etc.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Other intangible assets are amortised on a straight-line basis over the expected useful life of 3-10 years.

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation.

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

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Fixtures and fittings, tools and equipment: 3-10 years
Leasehold improvements: 3-10 years

The basis of depreciation is based on the residual value of the asset at the end of its useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the amortisation charges

is recognised prospectively as a change in accounting estimates.

Gains and losses on the disposal of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Investments in group entities

Investments in group entities are measured according to the equity method.

Investments in group entities are measured in the balance sheet at the proportionate share of the entities' net asset value determined in accordance with the parent company's accounting policies less or plus unrealised intra-group gains and losses.

Group entities with negative net asset values are measured at DKK 0 (nil), and any amounts owed by such entities are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the subsidiary's deficit.

Net revaluation of investments in group entities is recognised in the reserve for net revaluation according to the equity method in equity to the extent that the carrying amount exceeds cost.

Receivables

Receivables are measured at amortised cost. Write-down is made for expected losses.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet

date and total expected income from the work.

When the selling price of a construction contract cannot be measured reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Individual work in progress is recognised in the balance sheet under either receivables or payables depending on the net value of the sales amount less progress billings and prepayments.

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

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Corporation tax and deferred tax

Payable and receivable joint taxation contributions are recognised in the balance sheet under balances with group companies.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.



Liabilities other than provisions

Amounts owed to mortgage credit institutions and banks are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Cash flow statement

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

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, change in cash pool, repayment of interest-bearing debt and payment of dividends to shareholders.

Segment information

Information is disclosed by activities and geographical markets. Segment information is based on the Company's accounting policies, risks and management control.

Financial ratios

The financial ratios stated in the survey of financial highlights have been calculated as follows:

EBITDA	Operating profit added depreciation, amortisation and impairment losses (before minor new acquisitions)
Operating margin	$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Operating profit/loss} \times 100}{\text{Average operating assets}}$
Operating assets	Operating assets are total assets less cash
Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$

Note DKK'000

2	SEGMENT INFORMATION	2023-24	2022-23
	Revenue allocated on activities		
	Stibo DX Group	233,723	210,685
	Stibo Systems Group	1,106,159	1,056,773
		1,339,882	1,267,458
	Geographical breakdown of revenue		
	Denmark	40,243	36,496
	Rest of Europe	670,773	604,740
	USA and Canada	440,104	459,061
	Asia and rest of world	188,762	167,161
		1,339,882	1,267,458

3 **Other operating income**

The item in the consolidated financial statements and the parent financial statements mainly includes income from management fees, administration, and costs of shared functions to other Stibo entities.

	Consolidated		Parent company	
	2023-24	2022-23	2023-24	2022-23
<i>DKK'000</i>				
4 Staff costs				
Wages and salaries	751,237	684,319	28,973	27,834
Pensions	38,376	32,675	2,331	2,340
Other social security costs	63,038	61,937	438	221
	852,651	778,931	31,742	30,395
Average number of full-time employees	1,033	975	46	47

In the Group, remuneration of the Executive Board total DKK 9,724 thousand (2022/23: DKK 10,806 thousand). Remuneration of the Board of directors total DKK 2,600 thousand (2022/23: DKK 2,020 thousand). For the Executive Board's and the Board of directors the remuneration comprises a fixed fee and redundancy pay.

Of the increase in consolidated Staff Cost DKK 32,620 thousand is attributable to a larger staff reduction at the end of the year in Stibo Systems.

Note	DKK'000	Consolidated		
		Goodwill	Other intangible assets	Total
9	Intangible assets			
	Cost at 1 May 2023	20,145	56,960	77,105
	Foreign exchange adjustments in foreign entities	8	241	249
	Additions	0	9,252	9,252
	Cost at 30 April 2024	20,153	66,453	86,606
	Depreciation charges at 1 May 2023	-7,688	-34,948	-42,636
	Foreign exchange adjustments in foreign entities	-4	-206	-210
	Amortisation charges	-2,285	-9,397	-11,682
	Amortisation charges at 30 April 2024	-9,977	-44,551	-54,528
	Carrying amount at 30 April 2024	10,176	21,902	32,078
	Amortised over	3-10 years	3-10 years	

DKK'000	Parent company
	Other intangible assets
Cost at 1 May 2023	0
Additions	6,474
Cost at 30 April 2024	6,474
Amortisation charges at 1 May 2023	0
Amortisation charges	-1,241
Amortisation charges at 30 April 2024	-1,241
Carrying amount at 30 April 2024	5,233

Note	DKK'000	Parent company	
		2023-24	2022-23
11	Investments in subsidiaries		
	Cost at 1 May	147,829	381,977
	Disposals	0	-234,148
	Cost at 30 April	147,829	147,829
	Value adjustments at 1 May	159,470	168,126
	Foreign exchange adjustments, foreign group entities	3,063	-7,968
	Profit after tax	57,347	50,664
	Dividends	-50,000	-20,000
	Disposals	0	-31,352
	Adjustments at 30 April	169,880	159,470
	Carrying amount at 30 April	317,709	307,299

Name	Registered office	Ownership interest	Share capital	Equity at 30 April 2024	Profit after tax
				DKK'000	DKK'000
Stibo DX A/S	Aarhus	100%	30,000	59,643	5,253
Stibo Systems A/S	Aarhus	100%	50,000	258,066	52,094
				317,709	57,347

Proposed dividends in the subsidiaries total DKK 50 million (2022-23: DKK 50 million).

Note	DKK'000	Consolidated	Parent Company
12	Deposits	2023-24	2023-24
	Cost at 1 May 2023	8,270	1,378
	Additions	2,101	0
	Disposals	-711	-548
	Exchange rate adjustment	-1	0
	Cost at 30 April 2024	9,659	830

	DKK'000	Consolidated	
13	Contract work in progress	2023-24	2022-23
	Recognised as follows:		
	Contract work in progress	3,837	10,901
	Prepayments for contract work in progress	-4,313	-13,962
		-476	-3,061

Receivables from group entities

Stibo Software Group A/S has entered a cash pool-arrangement with the group's main bank connection, where Stibo Software Group A/S is the accountholder and the other Danish group entities in Stibo Group is sub-account holders. Sub-accounts in Danish group entities are recognized as receivables from group entities totalling 0 DKK'000 and payables to group entities totalling 395,425 DKK'000 in the parent company financial statement.

- 15 The share capital comprises of nom. DKK 25,000 thousand. All shares rank equally. The share capital has remained unchanged for the past five financial years.

DKK'000	2023-24	2022-23
Proposed profit allocation		
Proposed dividends to Stibo Holding A/S	50,000	50,000
Transfer to reserve for net revaluation according to the equity method	57,347	50,664
Retained earnings	-46,573	-70,856
	60,774	29,808

Note	DKK'000	Consolidated		Parent company	
		2023-24	2022-23	2023-24	2022-23
16	Deferred tax				
	Deferred tax at 1 May	-41,828	-92,248	-14,247	-14,998
	Disposals from sale of company	0	14,713	0	0
	Foreign exchange adjustments	21	-73	0	0
	Changes for the year, see note 9	-61	2,784	1,683	-465
	Changes regarding previous years, see note 9	-6,528	29,495	0	0
	Transfer from Corporation Tax	11,228	3,501	-2,538	1,216
	Deferred tax at 30 April	-37,168	-41,828	-15,102	-14,247
	Recognised as:				
	Deferred tax asset	-37,168	-43,876	-15,102	-14,247
	Deferred tax liability	0	2,048	0	0
		-37,168	-41,828	-15,102	-14,247

17 **Prepayments**
Prepayments comprise prepayments of expenses related to the subsequent year, among other things commissions, travel expenses etc.

18 **Mortgages, collateral and contingent liabilities**

Parent company

The Company is jointly taxed with other Danish group companies. As group company, together with the other group companies included in the joint taxation, the Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

The jointly taxed companies known net liabilities to Skattemyndigheden are recognised in the financial statements of the administrative company, Stibo Holding A/S. Any subsequent corrections to the joint taxation income and withholding taxes, etc. may imply that the Company's liabilities increase.

Note

19 **Lease obligations**

Parent company

The Company has entered into rent obligations totalling DKK 4.5 million (20 22-23: DKK 2.0 million). DKK 1.9 million falls due within 1 year.

Other lease obligations (operating leases) falling due within 1 year total DKK 0 million (20 22-23: DKK 0.2 million).

Consolidated

The Group has entered rent obligations totalling DKK 97.5 million (20 22-23: DKK 111.5 million). DKK 28.1 million falls due within one year, and DKK 14.0 million falls due after five years.

Other lease obligations (operating leases) totalling 2 million (20 22-23: DKK 5.7 million). DKK 0.7 million falls due within one year.

20 **Related parties**

Parties exercising control

The STIBO-FONDEN, Axel Kiers Vej 11, 8270 Højbjerg.

Stibo Software Group A/S is wholly-owned by Stibo Holding A/S, Aarhus, whose ultimate parent company is the STIBO-FONDEN, Aarhus.

Related party transactions

Related parties comprise the STIBO-FONDEN and subsidiaries in which STIBO-FONDEN directly or indirectly controls.

Transactions in 2023-24 with related parties:

<i>DKK'000</i>	Consolidated	Parent company
Income ¹	17,949	83,609
Expenses ¹	10,879	12,209
Services from board members	208	208
Net financial income and expenses ²	577	-3,450
Receivables from group entities ³	1,761	8,999
Payables to group entities ³	0	395,425
Dividend distributed, cash	50,000	50,000
Dividend received	0	50,000

1. Includes sales and purchases of services from Stibo companies.

2. Includes financial items related to intercompany financing.

3. Includes receivables and payables related to sales and purchases of goods and services and intercompany financing.

Report on Corporate Social Responsibility

Statutory corporate social responsibility statement under section 99a of the Danish Financial Statements Act

In addition to the sustainability highlights, this appendix provides further details on Stibo Software Group's sustainability program and related reporting data.

ESG and Sustainability governance

The Stibo Software Group ESG & Sustainability strategy includes a clear governance plan with a Steering Group at CXO level, directly sponsored by the CEO and CFO of the company and a direct line to the audit & governance committee of the Stibo Software Group.

Water, Waste, Energy

Risk

Stibo Software Group contributes to climate change through our CO₂e emissions. This contribution cannot be avoided yet, which is why our actions today matters. Also, with an expected increase in legislation on environmental requirements for corporations, we want to prepare ourselves to meet such requirements.

Water

Stibo Software Group have reduced water consumption by approximately 30% yearly by gathering rainwater from the 5000 m² roof in water tanks, which can contain

around 50.000 liters of rainwater, and reusing it, mainly for Stibo's restroom facilities. The total water usage for FY 2023-24 in the Aarhus headquarters is 1.979 M³. The total for the Stibo Software Group 1523 m³

Waste

Stibo Software Group prioritizes proper management of waste through recycling and waste prevention. Several waste prevention programs are already in place and additional ones are in preparation including the roll-out of recycling options in offices globally.

Further, we work closely together with our suppliers in proper and sustainable waste management and will continue to do so in the future to increase the recyclability of our company's waste further.

Energy

Stibo Software Group has achieved a steady reduction in energy consumption due to a flexible work from home policy and several energy saving activities, mainly in the Aarhus headquarters implemented over the recent years. The total electricity use for the headquarters is 1.896.200 kWh, which also includes rental space for externals. The total electricity consumption for Stibo Software Group is 1328 MWh, including electricity for company owned electric cars.

The total Stibo Software Group energy consumption globally is calculated to 1659 MWh. Heating consumed 331 MWh.

The energy consumption has decreased by ~3% compared to the base year of 2021-2022 due to several energy saving activities and initiatives.

Stibo Software Group is currently reviewing the procurement option for green certified energy for the electricity use not yet covered by the solar panels on the roof of the headquarters. The expectation is that the Stibo Software Group in Aarhus will run on 100% renewable energy before the end of 2025 (FY 2024-25) and globally by 2030 (FY 2029-30).

We want to protect the environment and the climate by continuously reducing the company's emissions and by constantly utilizing the company's resources more optimally. This in line with the ESG & Sustainability strategy which includes clear and ambitious targets for 2025, 2030 and 2050 (becoming Net Zero).

Air pollution

Due to the nature of Stibo Software Group business and operations, air pollution is found to be minimal and negligible. This except for the greenhouse gas emissions (CO₂e) which are all measured and documented in the carbon account in detail. This includes scope 1 emissions (diesel and petrol fuel for company owned cars and a generator and a very small amount of Ammonia NH₃ (~20 kg) and R404A (~2 kg), both in closed loop circuits not expecting to generate any pollution. All scope 2 and 3 emissions related to CO₂e for use of electricity, business travel and procure goods as examples and can be seen on the Stibo Software Group Carbon Account overview above.

Human rights

Risk

Stibo Software Group supports and respects internationally proclaimed human rights. In case any our customers or partners do not support the Universal Declaration of Human Rights, it may indirectly affect the organization.

By participating with UN Global Compact and thereby following the principles of the UN Global Compact, Stibo Software Group supports and respects the protection of internationally proclaimed human rights. This is supported by the respective national laws on human rights, which our activities of operations in Denmark and the rest of the world are governed by. We strive to meet and set high standards, therefore it has been decided to use the Danish standards as guidelines, if or when local requirements are considered less demanding.

As a global organization, we provide safe and healthy working conditions in all business units as well as support all cultures and cultural activities. Additionally, Stibo Software Group pursues equal rights for all genders, races, nationalities, ethnicities, and religions – and we actively discourage harassment and discrimination within our organization, together with human rights abuse. This is done through the mandatory anti-discrimination and harassment training and the enforcement of the related anti-discrimination policy.

Suppliers are required to adhere by the Stibo supplier code of conduct which includes the above-mentioned requirements. This is also enforced through the procurement policy, to be followed by all Stibo employees. For employees to report concerns of discrimination, illegal or criminal activities, serious violations of internal guidelines or policies, etc., an externally controlled whistleblower scheme is available. This is established to prevent the above-mentioned actions and protect and encourage employees to come forward under the

whistleblower policy. These actions were also carried out in FY 2023-24.

Stibo Software Group have not identified any incidents of human rights violations in FY 2023-24, and we expect the same results in FY 2024-25. and will continue with the aforementioned work and actions in the future.

Stibo Software Group have not identified any reports to the whistleblower scheme in FY 2023-24 and we expect the same result in FY 2024-25.

Social and Employee Conditions

Risk

As a global organization, we associate with a lot of different cultures and traditions in different time zones, which naturally creates challenges for making everyone feel included.

We are focused on diversifying our staff and especially our leadership positions where at least 30% of our leadership must be female by the end of 2025.

In participation of UN's Global Compact, Stibo Software Group supports the elimination of all forms of forced and compulsory labor. As a global organization, we write our employment contracts in the native language of the employee. This prevents misunderstandings and ensures that the employee understands the scope of the employment, as well as the scope of and procedures for leaving the position. Additionally, it is important for us to do business with honesty and integrity, and we do not use child labor or forced labor anywhere in the supply chain and recognize the employee's right to freedom of association and collective bargaining.

When we, at Stibo Software Group, are recruiting new employees, we always look for the best fit for the job. By offering equal employment opportunities, the decision is based on qualifications, skills, experience, and personality,

whereas gender, age, race, religion, political views, etc., do not impact nor influence the recruitment process.

Suppliers are required to adhere by the Stibo supplier code of conduct which includes the above-mentioned requirements. This is also enforced through the procurement policy, to be followed by all Stibo employees. These actions were also carried out in FY 2023-24.

In FY 20 23-24, there has not been any reports of any violations of guidelines and policies, discrimination, illegal or criminal activities.

Stibo Software Group will in FY 2024-25 continue to follow and participate in UN's Global Compact.

Gender composition in line with the statutory corporate social responsibility statement under section 99b of the Danish Financial Statements Act

As the Stibo Software Group, we are working to achieve a more equal gender distribution in our workforce, management and Board of Directors. It is our goal to reflect the societies that we operate in. We do this through avoiding unconscious bias with related training programs in place, reaching out to a large talent pool that includes a diverse representation and by additional training programs and Diversity, Equity & Inclusion programs and projects in the company.

The female proportion of the total workforce (employees reported as female) was 2772% in FY 2023-24.

Report on gender distribution in Management

The total number of female managers was 25% in FY 2022-23 and 27% in FY 2023-24. With this, Stibo Software Group are on track for the intention of 30% female managers in FY 2024-25 latest.

The Stibo Software Group Board of Directors consisted of two women and four men in FY 2023-24. The intention is to have a balanced gender representation that adheres

to the rules and regulations set forward by the Danish Business Authority, which we do with the current composition.

Management Gender Composition		FY 2023-24
Top managerial positions (Board of Directors Stibo Software Group)	Total number of members	6
	Underrepresented gender %	33%
	Target figure %	33%
	Target year	2025
Senior Leadership team	Total number of members	4
	Underrepresented gender %	25%
	Target figure %	40%
	Target year	2030

The Stibo Software Group Senior Leadership Team is comprised of the two company CEOs and the two company CFOs.

Anti-corruption

Risk

The main risk concerning corruption lies within the purchase and sales department, as they are in contact with people from outside the organization, where bribes may occur. Due to our two-person principle, documentation requirements, and external control via auditors, we feel confident in our model and practice, and we have not identified any incidents of corruption or bribery.

Stibo Software Group conforms to a zero-tolerance policy regarding corruption, extortion, and bribery in every business activity. We encourage all employees to contact

their local management or use the whistleblower scheme if they sense any kind of misconduct.

All economic activities in the Stibo Software Group are subject to the accounting laws of Denmark. Activities in the rest of the world are subject to the respective national accounting laws, including the obligation to endorse the accounts by an external auditor. Regardless of local requirements for audits, Stibo Software Group will only work with accountants and/or auditors that are affiliated with an organization that is internationally recognized for its professional standards.

A procedure for procuring is established which ensures that no individual can make a sale of the organization's services or make any major purchases without going through at least two layers of approval. Investments must always be approved by the Board of Directors before starting, as well as significant merger and acquisition decisions always need to be approved by the Board of Directors of Stibo Software Group.

Suppliers are required to adhere by the Stibo supplier code of conduct which includes the above-mentioned requirements. This is also enforced through the procurement policy, to be followed by all Stibo employees. These actions were also carried out in FY 2023-24.

Stibo Software Group have not identified any incidents of corruption or bribery in FY 2023-24, and we expect the same result in FY 2024-25.

We will continue to uphold our practices and procedures in the organization in the future and work to ensure that the same are delivered in FY 2024-25.

Company Details

Name	Stibo Software Group A/S
Address	Axel Kiers Vej 11, DK-8270 Højbjerg
CVR no.	78603011
Established	30 September 1983
Registered office	Aarhus
Financial year	1 May – 30 April
Website	www.stibo.com
Telephone	+45 89 39 89 39
Board of Directors	Torben Brandt Munch, Chairman Signe Trock Hilstrøm Susan Standiford Michael Vöegele Thomas Ransby Per Østergaard Salomonsen
Executive Board	Adrian Neil Carr, CEO Lars Bjørn Falkenberg
Executive Board of operating entities	Adrian Neil Carr, Stibo Systems A/S Lars Bjørn Falkenberg, Stibo DX A/S
Auditors	EY Godkendt Revisionspartnerselskab Vaerkmestergade 25, DK-8100 Aarhus C

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Susan Standiford

Board of Directors

On behalf of: Stibo Software Group A/S

Serial number: susan@standiford.org

IP: 69.160.xxx.xxx

2024-06-24 23:50:07 UTC

Adrian Neil Carr

CEO

On behalf of: Stibo Software Group A/S

Serial number: adrc@stibosystems.com

IP: 217.28.xxx.xxx

2024-06-25 06:06:46 UTC

Lars Bjørn Falkenberg

Executive Board

On behalf of: Stibo Software Group A/S

Serial number: b4a8e5ae-f139-4783-a654-f76a0d77d3e9

IP: 80.62.xxx.xxx

2024-06-25 12:19:00 UTC



Michael Vöegele

Board of Directors

On behalf of: Stibo Software Group A/S

Serial number: m.voegele@outlook.com

IP: 46.223.xxx.xxx

2024-06-25 12:28:40 UTC

Torben Brandt Munch

Chairman of the Board

On behalf of: Stibo Software Group A/S

Serial number: fed76c59-a902-49d4-b4d3-8353927d442a

IP: 217.28.xxx.xxx

2024-06-25 13:20:57 UTC



Per Østergaard Salomonsen

Employee elected

On behalf of: Stibo Software Group A/S

Serial number: aea3a0f4-5210-40c6-aba6-4791a22a7486

IP: 217.28.xxx.xxx

2024-06-25 14:03:40 UTC



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Signe Trock Hilstrøm

Board of Directors

On behalf of: Stibo Software Group A/S

Serial number: 281197ef-01ff-4247-ac74-b1b4c0427ad6

IP: 77.241.xxx.xxx

2024-06-25 14:55:16 UTC



Thomas Ransby

Employee elected

On behalf of: Stibo Software Group A/S

Serial number: e9377d53-4445-429e-b0d0-311ac9750521

IP: 217.28.xxx.xxx

2024-06-25 16:19:32 UTC



Morten Kronborg Friis

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 3ea90d00-0e6d-4f1a-89e0-5335f4e20203

IP: 165.225.xxx.xxx

2024-06-26 09:59:26 UTC



Jeppe Meulengracht Fogh

Chairman

On behalf of: Stibo Software Group A/S

Serial number: 3e9e4724-e17e-450d-96d0-5a8f01d5cb8a

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