

**Teleperformance Danmark
A/S**

Hedegaardsvej 88, 2., DK-2300 Copenhagen

CVR no. 15 11 29 05

Annual report for 2019

Adopted at the annual general meeting
on 26 May 2020


Ioannis Tourkomanis
chairman

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Statement by management on the annual report

The supervisory and executive boards have today discussed and approved the annual report of Teleperformance Danmark A/S for the financial year 1 January - 31 December 2019.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 26 May 2020

Executive board

Jan Winther Nordhøj

Supervisory board

Ioannis Tourkomanis

Jonas Olof Olsson

Kateropi Grypari

Independent auditor's report

To the shareholder of Teleperformance Danmark A/S

Opinion

We have audited the financial statements of Teleperformance Danmark A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, 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.

Management's responsibilities for the financial statements

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

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

Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

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

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

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

Independent auditor's report

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 management's review

Management is responsible for management's review.

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

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

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

Based on the work we have performed, we conclude that 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 management's review.

Copenhagen, 26 May 2020

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98


Klaus Wytz
State authorised public accountant
MNE no. mne33205

Company details

The company

Teleperformance Danmark A/S
Hedegaardsvej 88, 2.
DK-2300 Copenhagen

Telephone: 70219494
Fax: 77339499

Website: www.teleperformance.dk

CVR no.: 15 11 29 05

Reporting period: 1 January - 31 December 2019

Domicile: Copenhagen

Supervisory board

Ioannis Tourkomanis
Jonas Olof Olsson
Kalliopi Grypari

Executive board

Jan Winther Nordhøj

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 Copenhagen

Consolidated financial statements

The company is included in the consolidated financial statements of the parent company, Teleperformance Nordic AB, may be obtained at the following address:

Teleperformance Nordic AB

Box 6777
113 85 Stockholm
Sweden
www.teleperformance.com

Management's review

Business review

The principal activity of the company is to provide client contact services delivered as partial- or total solutions to companies.

Financial review

The company's income statement for the year ended 31 December 2019 shows a profit of DKK 10.052.066, and the balance sheet at 31 December 2019 shows equity of DKK 15.339.812.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2019 DKK	2018 DKK
Gross profit		35.958.602	23.330.764
Staff costs	1	-28.644.983	-21.313.577
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2&3	-714.541	-651.760
Profit/loss before net financials		6.599.078	1.365.427
Financial income		94.292	11.920
Financial costs		-174.177	-98.195
Profit/loss before tax		6.519.193	1.279.152
Tax on profit/loss for the year	2	3.532.873	0
Profit/loss for the year		10.052.066	1.279.152
Distribution of profit			
Retained earnings		10.052.066	1.279.152
		10.052.066	1.279.152

Balance sheet 31 December

	Note	2019 DKK	2018 DKK
Assets			
Software		38.119	68.106
Intangible assets	3	38.119	68.106
Other fixtures and fittings, tools and equipment		1.190.309	1.471.006
Tangible assets	4	1.190.309	1.471.006
Deposits	5	941.201	941.201
Fixed asset investments		941.201	941.201
Total non-current assets		2.169.629	2.480.313
Trade receivables		12.578.081	4.181.154
Receivables from group entities		1.954.283	1.009.965
Other receivables		286.230	595.348
Deferred tax asset	6	3.532.873	0
Prepayments		1.163.494	906.403
Receivables		19.514.961	6.692.870
Total current assets		19.514.961	6.692.870
Total assets		21.684.590	9.173.183

Balance sheet 31 December

	Note	2019 DKK	2018 DKK
Equity and liabilities			
Share capital		504.000	504.000
Retained earnings		14.835.812	4.783.746
Equity		15.339.812	5.287.746
Other payables		410.543	0
Total non-current liabilities	7	410.543	0
Trade payables		1.982.107	1.382.073
Other payables		3.952.128	2.503.364
Total current liabilities		5.934.235	3.885.437
Total liabilities		6.344.778	3.885.437
Total equity and liabilities		21.684.590	9.173.183
Contingent liabilities	8		
Mortgages and collateral	9		

Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2019	504.000	4.783.746	5.287.746
Net profit/loss for the year	0	10.052.066	10.052.066
Equity at 31 December 2019	<u>504.000</u>	<u>14.835.812</u>	<u>15.339.812</u>

Notes

	<u>2019</u>	<u>2018</u>
	DKK	DKK
1 Staff costs		
Wages and salaries	27.358.972	20.340.462
Pensions	763.231	601.179
Other social security costs	522.780	371.936
	<u>28.644.983</u>	<u>21.313.577</u>
Average number of employees	<u>78</u>	<u>65</u>
2 Tax on profit/loss for the year		
Deferred tax for the year	-3.532.873	0
	<u>-3.532.873</u>	<u>0</u>
3 Intangible assets		
		<u>Software</u>
Cost at 1 January 2019		139.000
Cost at 31 December 2019		<u>139.000</u>
Impairment losses and amortisation at 1 January 2019		70.894
Amortisation for the year		<u>29.987</u>
Impairment losses and amortisation at 31 December 2019		<u>100.881</u>
Carrying amount at 31 December 2019		<u>38.119</u>

Notes

4 Tangible assets

	Other fixtures and fittings, tools and equipment
Cost at 1 January 2019	2.904.236
Additions for the year	<u>403.857</u>
Cost at 31 December 2019	<u>3.308.093</u>
Impairment losses and depreciation at 1 January 2019	1.433.230
Depreciation for the year	<u>684.554</u>
Impairment losses and depreciation at 31 December 2019	<u>2.117.784</u>
Carrying amount at 31 December 2019	<u>1.190.309</u>

5 Fixed asset investments

	Deposits
Cost at 1 January 2019	<u>941.201</u>
Cost at 31 December 2019	<u>941.201</u>
Carrying amount at 31 December 2019	<u>941.201</u>

Notes

6 Provision for deferred tax

Deferred tax asset relates to fixed assets (529 TDKK) and tax losses (3.004 TDKK).

7 Long term debt

	Debt at 1 January 2019	Debt at 31 December 2019	Instalment next year	Debt outstanding after 5 years
Other payables	0	410.543	0	0
	0	410.543	0	0

8 Contingent liabilities

The company has entered into operating leases at the following amounts 123 TDKK (2018: 168 TDKK).

The company has entered into a rent agreement regarding the company's domicile in Copenhagen, at the following amount 3.655 TDKK (2018: 5.221 TDKK).

9 Mortgages and collateral

As security for bank debt, the company has issued a mortgages deed registered to the owner, totalling 0 TDKK (2018: 0 TDKK), and a letter of indemnity, totalling 3.000 TDKK (2018: 3.000 TDKK), secured on items of other fixtures and fittings, tools and equipment. The carrying amount of the pledged assets totals 6.500 TDKK (2018: 6.500 TDKK).

Accounting policies

The annual report of Teleperformance Danmark A/S for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2019 is presented in DKK.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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

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

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Accounting policies

Revenue

Income from the sale of service is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the company's activities, including losses on the sale of intangible assets and property, plant and equipment.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Accounting policies

Balance sheet

Intangible assets

Software

Software in the balance sheet is measured at cost less accumulated amortisation and impairment losses.

Software is amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 3-5 years.

Tangible assets

Items of fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Where individual parts of an item of property, plant and equipment have different useful lives, the cost is divided into separate parts, which are depreciated separately.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	2-5 years
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Gains or losses from the disposal of equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Fixed asset investments

Deposits

The deposit regarding leasing is included in the fixed asset investments. Deposits are measured at cost price.

Impairment of fixed assets

The carrying amount of fixed assets in subsidiaries and associates is tested for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Accounting policies

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Accounting policies

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate 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. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

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 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.