Crowe Statsautoriseret Revisionsinteressentskab v.m.b.a.

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Hilarius ApS

Langs Hegnet 58
2800 Kgs. Lyngby

CVR no. 21 16 20 00

Annual report for 2019

(22th Financial year)

Adopted at the annual general meeting
on 7 September 2020

Jesper Kalko
chairman

Table of contents

Statement by management on the annual report

The executive board has today discussed and approved the annual report of Hilarius ApS for the financial year 1 January - 31 December 2019.

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

In my opinion, the consolidated financial statements and parent financial statements give a true and fair view of the company and the group financial position at 31 December 2019 and of the results of the group and the company operations and consolidated cash flows for the financial year 1 January - 31 December 2019.

In my 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.

Kgs. Lyngby, 7 September 2020

Executive board

Jesper Kalko
director

Independent auditor's report

To the shareholder of Hilarius ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Hilarius ApS 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, for both the group and the parent company as well as consolidated cash flow statement. The consolidated financial statements and the parent companyfinancial statements are prepared under 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 group and the parent company's financial position at 31 December 2019 and of the results of the group and the parent company's operations and consolidated cash flows 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 consolidated financial statements and parent company ” section of our report. We are independent of the group 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 consolidated financial statements and 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 the consolidated financial statements and the parent company the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements unless management either intends to liquidate the group or 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 consolidated financial statements and parent company financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent company 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 consolidated financial statements and parent company 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 consolidated financial statements and parent company 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 consolidated financial statements and parent company 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 consolidated financial statements and parent company 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 company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information for the group's entities or business activities to express an opinion on the consolidated financial statements. We are responsible for directing, supervising and conducting the audit of the group. We alone are 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 management's review
Management is responsible for management's review.

Our opinion on the consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements and parent company 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 consolidated financial statements and parent company 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.

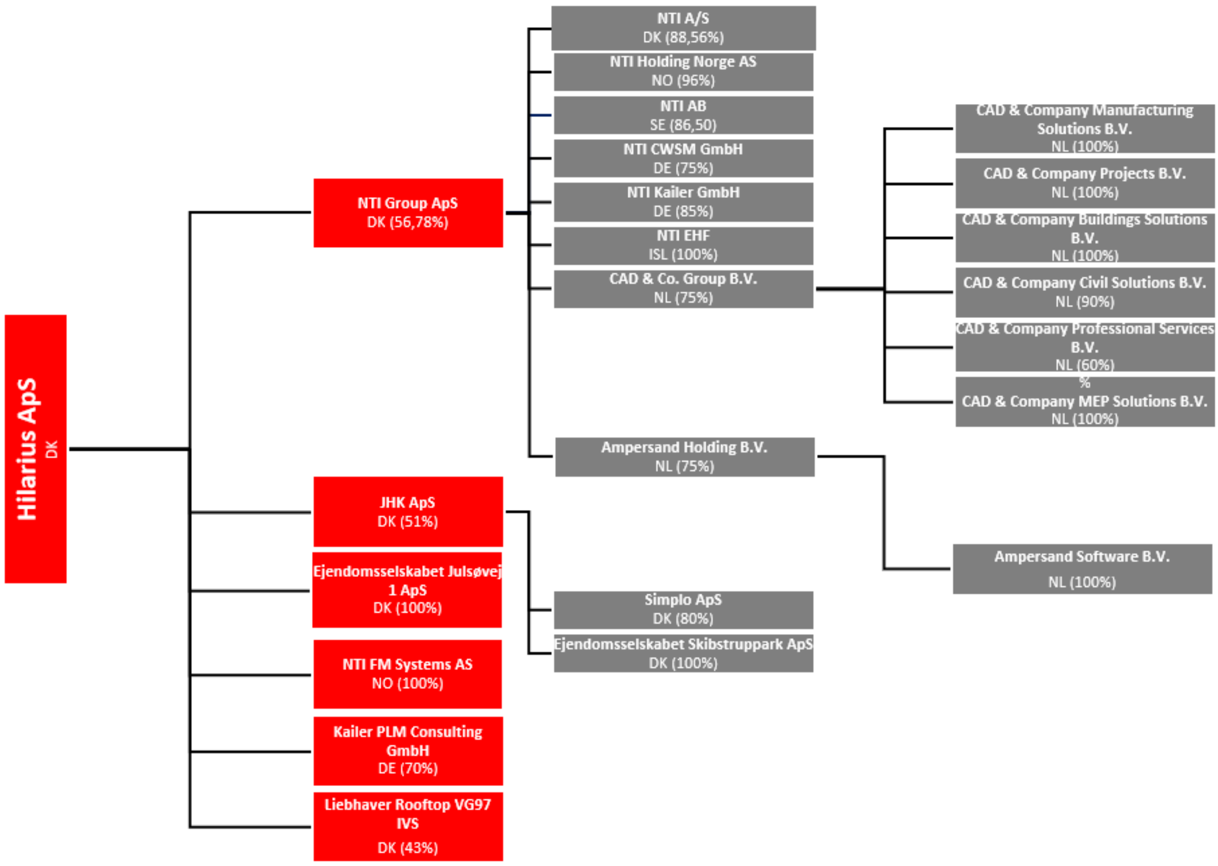
Hellerup, 7 September 2020
CVR no. 33 25 68 76
Crowe

Søren Jonassen
Statsautoriseret revisor
MNE no. mne18488

Company details

The company	Hilarius ApS Langs Hegnet 58 2800 Kgs. Lyngby	
	CVR no.:	21 16 20 00
	Reporting period: Incorporated:	1 January - 31 December 2019 24. September 1998
	Domicile:	Lyngby-Taarbæk
Executive board	Jesper Kalko, director	
Auditors	Crowe Statsautoriseret Revisionsinteressentskab v.m.b.a. Rygårds Allé 104 2900 Hellerup	

Group chart


Hilarius ApS
DK
NTI Group ApS
DK (56,78%)
NTI A/S
DK (88,56%)
NTI Holding Norge AS
NO (96%)
NTI AB
SE (86,50)
NTI CWSM GmbH
DE (75%)
NTI Kailer GmbH
DE (85%)
NTI EHF
ISL (100%)
CAD & Co. Group B.V.
NL (75%)
CAD & Company Manufacturing Solutions B.V.
NL (100%)
CAD & Company Projects B.V.
NL (100%)
CAD & Company Buildings Solutions B.V.
NL (100%)
CAD & Company Civil Solutions B.V.
NL (90%)
CAD & Company Professional Services B.V.
NL (60%)
%
CAD & Company MEP Solutions B.V.
NL (100%)
Ampersand Holding B.V.
NL (75%)
Ampersand Software B.V.
NL (100%)
JHK ApS
DK (51%)
Simplo ApS
DK (80%)
Ejendomsselskabet Skibstruppark ApS
DK (100%)
Ejendomsselskabet Julsøvej 1 ApS
DK (100%)
NTI FM Systems AS
NO (100%)
Kailer PLM Consulting GmbH
DE (70%)
Liebhaver Rooftop VG97 IVS
DK (43%)

Financial highlights

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

	Group				
	2019	2018	2017	2016	2015
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Revenue	637.026	514.749	411.448	387.275	338.615
Gross profit	213.742	189.223	173.830	163.757	140.475
Profit/loss before amortisation/depreciation and impairment losses (EBITDA)	40.777	29.267	24.904	28.795	21.913
Profit/loss before net financials (EBIT)	30.216	22.108	23.706	28.795	21.913
Net financials	7.523	-577	11.432	1.908	2.196
Profit/loss for the year	17.651	9.666	19.204	14.414	12.944
Balance sheet total	415.458	319.696	287.847	263.396	244.019
Investment in property, plant and equipment	-6.506	-741	-15.275	-801	-3.478
Equity	212.955	186.125	150.694	133.742	120.010
Financial ratios					
Gross margin	33,6%	36,8%	42,2%	42,3%	41,5%
Return on assets	8,2%	7,3%	8,6%	11,3%	9,6%
Solvency ratio	51,3%	58,2%	52,4%	50,8%	49,2%
Return on equity	8,8%	5,7%	13,5%	11,4%	11,1%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies..

Management's review

Business review
Hilarius Group ("NTI") with a revenue of more than DKK 637 million, is one of the largest Autodesk Platinum partners in Europe with approx. 352 employees. The headquarter is located outside Copenhagen, Denmark. NTI has subsidiaries in Denmark, Sweden, Norway, Iceland, Germany and The Netherlands.

Hilarius Group also invest in forestry, land and buildings and securities.

NTI at a glance
NTI is a leading full-service supplier of solutions for digital information management for the mechanical design, construction and engineering industry in Europe. We are delivering knowledge, education and consulting along with the software and hardware.

By combining our design- and construction specialists across Europe, we invite our customers to leverage from a pool of industry experts, when addressing their challenges such as digital transformation, Smart-Industry 4.0, Digital Twins and the European BIM-protocol.

Our areas of expertise

- NTI leads with its strong partnership with Autodesk and we are recognized for our thought leadership in BIM, 3D-design and digitalization. We support and advice on implementation processes, innovation and digitization processes in the construction, installation, civil engineering & infrastructure and manufacturing space in Europe.

Our solutions

- We make our knowledge and expertise accessible through our local teams and our own developed software solutions. We support you through our technology solutions as well as our training and knowledge sharing activities.

Our customer base

- The customer base is very diverse. It ranges from oneman businesses through small and mediumsized enterprises to some of the biggest international corporations. No customer accounts for more than 5% of turnover.

Mission, vision & our promise

- It is our vision to be the leading advisor and our customer's preferred partner in delivering technology and consulting services to the design and construction industry in Europe.
- It is our mission to help our customers develop profitable, better and more sustainable designs and constructions in an increasingly challenging world.
- We will meet your expectations through a close cooperation based on commitment, reliability, humility and mutual respect.

Management's review

Financial review
2019 was a satisfactory year for NTI. Revenue growth was 24 %. EBITDA increased to DKK 40,8 million with an EBITDA margin of 4,7%. The share of recurring revenue increased to 83%.

In November 2019, NTI acquired CAD & Company Group in the Netherlands, hence DKK 150 million was added to NTI's yearly revenue and with a good profitability. The revenue impact in 2019 was DKK 34,7 million.

The group's income statement for the year ended 31 December 2019 shows a profit of DKK 17.650.826, and the balance sheet at 31 December 2019 shows equity of DKK 212.954.841.

The cash position and Equity of the group is very solid, both measured on the balance sheet date and the forthcoming 12 months. The Annual Report has therefore been prepared based on the assumption of normal going concern principles. In addition, no events have occurred after the end of the financial year that could significantly affect the company's financial position. Please also refer to below section.

Significant events occurring after the end of the financial year
The COVID-19 pandemic that occurred in January 2020 has no effect on the annual accounts for 2019. It is still too early to assess the overall future impact for NTI. The health situation and our staff are our first priority. These matters are prioritised locally in our businesses, and at all times in line with local health authority recommendations. In each business we must align capacity to demand and fluctuations in business volume, and in some cases, we are now preparing our businesses for a lower business volume.

The COVID-19 crisis has not created uncertainty about NTI's ability to continue operating. The staff has been reduced on a smaller scale in a prioritization of reduction of fixed expenses to ensure a favourable situation, both short and long term. This ensures that NTI gets through the crisis in the best possible way, and in the long-term support continued growth and development within a 3-5 years perspective.

Expected development of the company, including specific prerequisites and uncertainties
The Company's outlook for the future will be negatively affected by the COVID 19 outbreak and the measures taken by governments in most of the world to mitigate the impacts of the outbreak. Company Management has tried to estimate the effect of COVID 19 on the expected revenue and net profit of the Company. It is, however, too early yet to give an opinion as to the extent of the negative implications. Therefore, Management finds itself unable to disclose reliably its outlook for the future in accordance with section 12 of the Danish Financial Statements Act.

Management's review

The company's knowledge resources if of particular importance to its future earnings
General risks:
The group's major operational risks are related to fulfilling the requirements of its biggest supplier Autodesk, for the ability to service customers at a highly professional level, and thus to be able to attract and retain personnel with the necessary skills.

Knowledge resources
NTI – as an Autodesk Platinum partner - works closely with one of the world's biggest developer of CAD/CAM software programs (Autodesk).

NTI therefore represents the top of Autodesk's Value-Added Reseller (VAR) program, which covers Autodesk software solutions linked with well-proven, measurable technical expertise within specific areas.

As we work directly with Autodesk, we have access to support from them globally. This close relationship enables NTI to give our customers maximum return on their investment in software from Autodesk.

With the ambition to stay within the Top-5 Autodesk reseller market leaders in Europe, NTI invests significantly in staying on the forefront of technological development. The product offering from Autodesk combined with supporting software from a variety of other suppliers, including software (NTI TOOLS) developed by our own R&D department, qualify NTI as one of the strongest partners in the industry. NTI provides complete solutions including products, courses and consultancy in order to support the customers in achieving the most optimal solution for their businesses.

Thus, apart from having high quality suppliers, it is important for NTI to be able to recruit and retain the best people within our field, as their know-how is a major asset to us. This demands a dynamic knowledge environment to ensure that our employees can share valuable know-how.

The loss of skilled personnel represents a risk to NTI. To minimise that risk, NTI drives several initiatives designed to promote job satisfaction and continuous skill development amongst our employees. The employee turnover in the NTI group is very low.

Management's review

Statutory report on corporate social responsibility
NTI bears a social responsibility, which includes ethics, working environment as well as environmental protection. We constantly seek to adapt and improve the working environment to ensure maximum employee satisfaction and fully compliance with national standards.

Environmental measures

The fact that NTI as a company is not in the manufacturing business, our impact on the environment consists mainly of wisely use of our natural resources, including the use of electronics in the form of computers and peripherals, office supplies, telephones etc. We encourage our personnel to be aware of electricity consumption for electronics and lighting; we use energy-saving light bulbs and eco-friendly electronics whenever possible. In order to protect the environment, we have switched to e-invoicing to our customers when possible. Such moves save considerable amounts of paper, and thereby protect the environment. We also encourage all our personnel to only print what is absolutely necessary.

In addition, we focus on serving organic food and fruits to our guests and our employees.

We believe strongly in correctly sorting our waste, including batteries, paper, cardboard etc., and re-use packaging when shipping goods etc. Waste sorting, eliminating personal waste bins and replacing them with communal bins with instructions on what they can contain. Food waste is also sorted. Such measures were introduced in consultation with local authorities where we have locations, to ensure that our waste is correctly disposed of with regard to recycling.

Finally, we try to avoid unnecessary travel by car or by airplane, using video meetings, Teams and Skype calls to the greatest extent possible, both internally as well as with our customers.

Suppliers in high-risk countries

NTI condemns the use of forced and child labour. However, these have not been areas that have caused problems for us to date.

We generally do not have any suppliers or partners in what are designated high-risk countries (according to the CSR Compass), where there is often little control by the authorities over social and environmental issues.

NTI has prioritized to keep software development within NTI's European entities, which secure compliance with our CSR policy.

Autodesk (our main supplier by far) is an American business with a well-embedded CSR policy.

Management's review

The CSR polices of our suppliers
We are generally aware of setting standards for our suppliers and sub-suppliers to ensure that they, in turn, are aware of their own social responsibility. Naturally, we condemn any form of abuse of human rights and any form of corruption.

We always focus on a relevant CSR policy being in place in our dealings with suppliers.

Autodesk operates according to the following sustainability approach[1] to which NTI agrees and complies with:

Autodesk on sustainability:

Autodesk's approach:

In collaboration with our suppliers, business partners, and customers, we employ best practices that promote social and environmental responsibility at all levels and improve our direct impact on people and the planet.Environmental policy

[Autodesk's] environmental policy underpins our efforts within our own operations, with our suppliers and business partners, and in support of our customers' efforts to improve their environmental performance.

Human rights policy

[Autodesk's] resolve to help design and build a safe and liveable world for everyone on this planet is core to everything we do.

Code of conduct

[Autodesk's] Partner Code of Conduct, established in 2013, ensures that our resellers and distributors comply with our high standards.

NTI's CSR policy can be reviewed in detail at www.nti.biz

[1]Source: https://www.autodesk.com/sustainability/overview

Management's review

Policies on the underrepresented gender
NTI regards it as selfevident that there is no discrimination in our company, whether sexual, genderrelated, freedom of organisation, religious or ethnic. We have a very wide range of personnel and believe that diversity in the composition of our workforce is a major strength, rather than a weakness. We have provisions in our personnel handbook governing sex and other discrimination, and harassment, which are enforced in practice. Fortunately, we have not experienced any problems of this sort to date. Our HR Department consistently encourages the personnel to ensure their own wellbeing and that of their colleagues by reporting any suspicion of anyone in trouble, to facilitate investigation into the root cause.

NTI has implemented a personality profiler, called 'Insights', that also helps highlight the many advantages of our diversity.

We do not operate any form of proactive policy of quotas for the employment of particular employee groups, as we are convinced that the best person for the job should be offered the job. The same applies in relation to ethnicity and religious beliefs. Given our strong conviction on the strength of our diversity, the result is that we are a highly diverse business within the areas and types of person referred to above.

There is strong overrepresentation of male candidates within several employee groups when we advertise a vacancy, especially for open positions in the R&D, Consultancy, IT and Technical Sales Departments. This follows the general trend in society where the male gender dominates our professional areas. We adopt a very positive view of the underrepresented gender (women in this case) and select the best candidate for the job based on overall assessment. The example being that we recruited a female Country Manager for Sweden early in 2019, simply because of she was the best candidate for the job. In addition, we have a number of women in the management team who are there because of their skills and capacities alone.

By the end of 2019, employee distribution based on the average number of employees through 2019 looks like this (total 289):

Woman: 63
Men: 226

Accounting policies

The annual report of Hilarius ApS for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The accounting policies are identical for both the parent company financial statements and the consolidated financial statements.

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 group's and the parent company's 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 group's and the parent company's 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.

Recognition and measurement of business combinations

Recently acquired entities are recognised in the financial statements from the date of acquisition. Sold entities are recognised in the financial statements until the date of disposal. Comparative figures are not restated in respect of recently acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the time when the company actually gains control over the acquiree.

The acquisition method is applied to the acquisition of new entities where the company gains control over the acquiree. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or emanate from a contractual right. Deferred tax on the revaluations made is recognised.

Positive differences (goodwill) between, on the one side, the purchase consideration, the value of non-controlling interests in the acquiree and the fair value of any previously acquired investments and, on the other side, the fair value of the acquired identifiable assets, liabilities and contingent liabilities are recognised as goodwill under ‘Intangible assets’. Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of its useful life.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

On acquisition, goodwill is ascribed to / classed with the cash-generating unit, which subsequently forms a basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with another functional currency than the group's presentation currency are accounted for as assets and liabilities belonging to the foreign entity and are translated on initial recognition into the foreign entity's functional currency using the exchange rate at the date of the transaction.

The purchase consideration for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the purchase consideration is conditional upon future events or the fulfilment of agreed conditions, this part of the purchase consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of conditional purchase consideration are recognised in the income statement.

Expenses defrayed in connection with acquisitions are recognised in the income statement in the year in which they are defrayed.

If, at the date of acquisition, the identification or measurement of acquired assets, liabilities and/or contingent liabilities or the size of the purchase consideration are associated with uncertainty, initial recognition will be based on preliminarily calculated amounts. If it subsequently turns out that the identification or measurement of the purchase consideration, acquired assets, liabilities and/or contingent liabilities was not correct on initial recognition, the calculation will be adjusted with retrospective effect, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Subsequently, any adjustments made will be recognised as error.

Consolidated financial statements

The consolidated financial statements comprise the parent company Hilarius and subsidiaries in which the parent company, directly or indirectly, holds more than 50% of the voting rights or otherwise has a controlling interest. Entities in which the Group holds between 20% and 50% of the voting rights and over which it exercises significant influence, but which it does not control, are considered associates, cf. the group chart.

On consolidation, intra-group income and expenses, holdings of shares, intra-group balances and dividends as well as realised and unrealised gains and losses on intra-group transactions are eliminated.

Accounting policies

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Entities acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition. Entities disposed of are recognised in the consolidated income statement until the date of disposal. Comparative figures are not restated for acquisitions or disposals.

Intra-group business combinations
For business combinations such as the purchase and sale of investments, mergers, divisions, inflows of assets and share exchanges, etc. when participating in companies under the controlling influence of the parent company, the book value method is used, where the aggregation is considered to have been carried out at the time of acquisition without adjustment of comparative figures. Differences between the agreed consideration and the acquired company's carrying amount are recognized in equity.

Minority interests
In the consolidated financial statements, the items of subsidiaries are recognised in full. The minority interests' proportionate share of subsidiaries' profit/loss and equity is presented separately under appropriation of profit and in a main item under equity.

Income statement

Segment information
Information is provided on business segments and geographical markets. The segment information is provided in consideration of the group's accounting policies, risks and management control.

Revenue
Income from the sale of goods for resale and finished goods 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.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Income from services, comprising service contracts and extended warranties relating to products and contracts sold is recognised on a straight-line basis as the services are provided.

Expenses for raw materials and consumables
Costs of raw materials and consumables include the raw materials and consumables used in generating the year’s revenue.

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

Accounting policies

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 costs
Other external costs 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.

Value adjustments of investment properties
Value adjustments of investment property comprise the year's changes in the fair value of investment property.

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, realised and unrealised capital/exchange gains and losses on foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Profit/loss from investments in subsidiaries and associates
The proportionate share of the profit/loss for the year of subsidiaries is recognised in the parent company's income statement after full elimination of intra-group profits/losses.

The proportionate share of the profit/loss for the year of associates is recognised in both the consolidated and the parent company's income statement after elimination of the proportionate share of intra-group profits/gains.

Tax on profit/loss for the year
The parent company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

The parent company acts as management company for all jointly taxed entities and, in its capacity as such, pays all income taxes to the Danish tax authorities.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Accounting policies

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.

Balance sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed to be 5 years. The amortisation period is based on an assessment of the acquiree's market position and earnings capacity.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the licence term, however maximally 5 years.

Tangible assets

Items of land and buildings and 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. Forests and other land is not depreciated.

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.

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

	Useful life	
Øvrige bygninger	50	years
Andre anlæg, driftsmateriel og inventar	2-3	years
Indretning af lejede lokaler	3	years

Assets costing less than DKK 25.000 are expensed in the year of acquisition.

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Investment properties

Investment properties comprises investments in land and buildings for purposes of gaining a return on the invested capital in the form of regular operating income and/or capital gains on resale.

On acquisition, investment properties is measured at cost, comprising the purchase price, including purchase costs.

Interest expenses on loans are not recognised in cost during erection and reconstruction periods.

On subsequent recognition, investment property is measured at cost less the year's depreciation and impairment losses. investment properties are measured at fair value. Value adjustments of investment properties on subsequent recognition, investment property is measured at cost less the year's depreciation and impairment losses.

The fair value reflects the price for which the property should exchange on the balance sheet date between well-informed and willing parties in an arm's length transaction. The determination of fair value involves significant accounting estimates.

In management's assessment, the fair value for the current year could not be determined based on market information. Accordingly, values have been determined based on discount models.

The fair value of each individual investment properties at 31 December 2019 has been determined using a Discounted Cash Flow model. Calculations are based on budgets for the coming years, taking into account developments in rental income, non-occupancy periods, operating expenses, maintenance, administration, etc. Individual estimated cash flows are discounted using individual discount rates, and a terminal value is added. The resulting value is adjusted for any non-operating assets, such as cash and cash equivalents, deposits, etc., provided these are not separately disclosed elsewhere in the balance sheet, to arrive at the fair value.

The estimates used are based on information and assumptions which management considers reasonable, but which are, inherently, uncertain and unpredictable. Actual events and circumstances are likely to be different from those assumed in the calculations, since anticipated events frequently do not occur as expected. These variations may be material.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method.

Investments in subsidiaries and associates with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries and associates are taken to the net revaluation reserve according to the equity method in so far as that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of Hilarius ApS is adopted are not taken to the net revaluation reserve.

Accounting policies

Acquisitions are accounted for using the purchase method, cf. the above description of the statement of goodwill.

Other investments
Text

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

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

Stocks
Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

The net realisable value of stocks is calculated as the selling price less costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables
Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

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

Securities and investments
Securities and investments, which consist of listed shares and bonds, are measured at fair value at the balance sheet date. Non-listed securities are measured at fair value on the basis of the estimated value in use.

Accounting policies

Equity
Reserve for net revaluation according to the equity method
The reserve for net revaluation according to the equity method in the company's financial statements comprises net revaluation of investments in subsidiaries and associates relative to the cost.

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.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities
Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

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

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

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.

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 such entities opening equity at closing rate and on translation of the income statements from the exchange rates at the transaction date to closing rate are taken directly to equity.

Foreign exchange adjustments of balances with separate entities which are considered part of the investment in the subsidiary are taken directly to equity. Correspondingly, foreign exchange gains and losses on loans and derivative financial instruments entered into to hedge net investments in such entities are taken directly to equity.

Cash flow statement

The cash flow statement shows the group's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the group's cash and cash equivalents at the beginning and at the end of the year.

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are stated as the group's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

Accounting policies

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, repayment of interest-bearing debt and payment of dividends to shareholders.

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.

Financial highlights

Definitions of financial ratios.

Gross margin ratio $$\frac{\text{Gross profit x 100}}{\text{Revenue}}$$

Return on assets $$\frac{\text{Profit/loss before financials x 100}}{\text{Average assets}}$$

Solvency ratio $$\frac{\text{Equity at year-end x 100}}{\text{Total assets at year-end}}$$

Return on equity $$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$$

Income statement
1 January 2019 - 31 December 2019

	Note	Group 2019 DKK	Group 2018 TDKK	Parent Company 2019 DKK	Parent Company 2018 TDKK
Revenue	1	**637.025.600**	**514.749**	**0**	**0**
Other operating income		3.675.630	2.739	823.878	553
Expenses for raw materials and consumables		-375.553.146	-285.765	0	0
Other external costs		-51.405.978	-42.500	-158.722	-193
Gross profit		**213.742.106**	**189.223**	**665.156**	**360**
Staff costs	2	-172.965.230	-159.956	0	0
Profit/loss before amortisation/depreciation and impairment losses		**40.776.876**	**29.267**	**665.156**	**360**
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	3	-9.754.639	-7.126	-305.948	-37
Other operating costs		-995.982	-956	-995.982	-930
Profit/loss on ordinary activities before fair value adjustments		**30.026.255**	**21.185**	**-636.774**	**-607**
Value adjustments of assets held for investment	4	189.554	923	0	0
Profit/loss before net financials		**30.215.809**	**22.108**	**-636.774**	**-607**
Income from investments in subsidiares		0	0	11.841.403	5.577
Income from investments in associates		542.216	-118	0	3.859
Financial income	5	8.651.956	4.027	8.441.505	4.209
Financial costs	6	-1.670.969	-4.486	-321.000	-3.840
Profit/loss before tax		**37.739.012**	**21.531**	**19.325.134**	**9.198**

Income statement
1 January 2019 - 31 December 2019 (continued)

	Note	Group 2019	Group 2018	Parent Company 2019	Parent Company 2018
		DKK	TDKK	DKK	TDKK
Tax on profit/loss for the year	7	-10.403.157	-5.626	-1.674.308	468
Profit/loss before minority interests		**27.335.855**	**15.905**	**17.650.826**	**9.666**
Minority interests' share of net profit/loss of subsidiaries		-9.685.029	-6.239	0	0
Profit/loss for the year		**17.650.826**	**9.666**	**17.650.826**	**9.666**
Distribution of profit	8				

Balance sheet at 31 December 2019

	Note	Group		Parent Company	
		2019	2018	2019	2018
		DKK	TDKK	DKK	TDKK

Assets

	Note	Group 2019 DKK	Group 2018 TDKK	Parent Company 2019 DKK	Parent Company 2018 TDKK
Acquired patents		66.249	97	0	0
Goodwill		47.337.274	18.819	0	0
Intangible assets	9	**47.403.523**	**18.916**	**0**	**0**
Investment properties		28.433.000	25.397	0	0
Land and buildings	11	41.418.542	41.147	41.418.542	41.147
Other fixtures and fittings, tools and equipment	11	3.817.781	2.306	0	0
Leasehold improvements	11	10.638	47	0	0
Tangible assets		**73.679.961**	**68.897**	**41.418.542**	**41.147**
Investments in subsidiaries	12	0	0	64.421.763	59.056
Investments in associates	13	570.735	25	0	0
Other fixed asset investments		110.148	106	0	0
Other receivables		1.859.091	694	1.467.412	300
Deposits		113.766	110	0	0
Fixed asset investments		**2.653.740**	**935**	**65.889.175**	**59.356**
Total non-current assets		**123.737.224**	**88.748**	**107.307.717**	**100.503**
Finished goods and goods for resale		2.460.822	488	0	0
Stocks		**2.460.822**	**488**	**0**	**0**

Balance sheet at 31 December 2019 (continued)

	Note	Group		Parent Company	
		2019	2018	2019	2018
		DKK	TDKK	DKK	TDKK
Assets					
Trade receivables	14	124.810.662	115.591	118.238	9
Receivables from subsidiaries		0	0	15.368.567	14.047
Receivables from associates		8.509.575	0	0	0
Other receivables		22.285.308	12.732	10.119.904	5.826
Deferred tax asset	17	0	0	75.516	0
Corporation tax		0	0	0	680
Joint taxation contributions receivable		0	0	4.384.889	2.868
Prepayments	15	2.544.045	4.134	0	0
Receivables		**158.149.590**	**132.457**	**30.067.114**	**23.430**
Current asset investments		40.459.786	34.447	40.454.833	34.442
Securities		**40.459.786**	**34.447**	**40.454.833**	**34.442**
Cash at bank and in hand		**90.650.554**	**63.556**	**3.614.059**	**6.778**
Total current assets		**291.720.752**	**230.948**	**74.136.006**	**64.650**
Total assets		**415.457.976**	**319.696**	**181.443.723**	**165.153**

Balance sheet at 31 December 2019

	Note	Group		Parent Company	
		2019	2018	2019	2018
		DKK	TDKK	DKK	TDKK

Equity and liabilities

	Note	Group 2019 DKK	Group 2018 TDKK	Parent Company 2019 DKK	Parent Company 2018 TDKK
Share capital		125.000	125	125.000	125
Reserve for net revaluation under the equity method		0	0	47.041.133	40.387
Retained earnings		167.751.330	156.025	120.710.197	115.638
Proposed dividend for the year		2.000.000	0	2.000.000	0
Non-controlling interests		43.078.511	29.975	0	0
Equity	16	**212.954.841**	**186.125**	**169.876.330**	**156.150**
Provision for deferred tax	17	796.408	1.226	0	8
Total provisions		**796.408**	**1.226**	**0**	**8**
Mortgage loans		3.905.454	4.150	3.905.454	4.150
Other payables		12.872.239	0	0	0
Total non-current liabilities	18	**16.777.693**	**4.150**	**3.905.454**	**4.150**
Short-term part of lon-term debt	18	245.634	248	245.634	248
Banks		18.628.319	0	0	0
Other credit institutions		0	1.493	0	0
Trade payables		54.221.604	42.703	0	0
Payables to subsidiaries		0	0	3.183.829	4.536
Corporation tax		5.366.038	224	3.858.719	0
Other payables		58.934.574	47.106	373.757	61
Deferred income	19	46.949.352	35.827	0	0
Deposits		583.513	594	0	0
Total current liabilities		**184.929.034**	**128.195**	**7.661.939**	**4.845**
Total liabilities		**201.706.727**	**132.345**	**11.567.393**	**8.995**
Total equity and liabilities		**415.457.976**	**319.696**	**181.443.723**	**165.153**
Rent and lease liabilities	20				
Contingent liabilities	21				
Mortgages and collateral	22				

Balance sheet at 31 December 2019 (continued)

	Note	Group		Parent Company	
		2019	2018	2019	2018
		DKK	TDKK	DKK	TDKK

Equity and liabilities

Related parties and ownership structure	23				
Fee to auditors appointed at the general meeting	24				

Statement of changes in equity

Group

	Share capital	Retained earnings	Proposed dividend for the year	Non-controlling interests	Total
Equity at 1 January 2019	125.000	152.025.528	4.000.000	29.975.387	186.125.915
Ordinary dividend paid	0	0	-4.000.000	0	-4.000.000
Exchange adjustment, foreign	0	74.976	0	0	74.976
Purchase of minority shares	0	0	0	3.418.095	3.418.095
Net profit/loss for the year	0	15.650.826	2.000.000	9.685.029	27.335.855
Equity at 31 December 2019	**125.000**	**167.751.330**	**2.000.000**	**43.078.511**	**212.954.841**

Parent Company

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
Equity at 1 January 2019	125.000	40.387.892	111.637.636	4.000.000	156.150.528
Ordinary dividend paid	0	0	0	-4.000.000	-4.000.000
Other equity movements	0	74.976	0	0	74.976
Net profit/loss for the year	0	6.578.265	9.072.561	2.000.000	17.650.826
Equity at 31 December 2019	**125.000**	**47.041.133**	**120.710.197**	**2.000.000**	**169.876.330**

Cash flow statement
1 January 2019 - 31 December 2019

	Note	Group 2019	Group 2018
		DKK	TDKK
Net profit/loss for the year		17.650.826	9.666
Adjustments	25	22.188.550	16.584
Change in working capital	26	23.318.353	-19.120
Cash flows from operating activities before financial income and expenses		**63.157.729**	**7.130**
Financial income		8.651.956	4.027
Financial expenses		-1.670.969	-4.486
Cash flows from ordinary activities		**70.138.716**	**6.671**
Corporation tax paid		-10.511.177	-5.469
Cash flows from operating activities		**59.627.539**	**1.202**
Purchase of intangible assets		-36.312.976	-5.019
Purchase of property, plant and equipment		-6.505.523	-741
Fixed asset investments made etc		-8.000	-25
Sale of fixed asset investments etc		0	3.239
Minority interests		3.418.095	-2.817
Cash flows from investing activities		**-39.408.404**	**-5.363**
Repayment of mortgage loans		-246.820	-227
Dividend paid		-4.000.000	-4.000
Cash flows from financing activities		**-4.246.820**	**-4.227**
Change in cash and cash equivalents		**15.972.315**	**-8.388**
Cash at bank and in hand		63.555.835	64.151
Current asset investments		34.447.331	40.827
Overdraft facility		-1.493.460	-80
Cash and cash equivalents		96.509.706	104.898
Cash and cash equivalents		**112.482.021**	**96.510**

Cash flow statement
1 January 2019 - 31 December 2019 (continued)

	Note	Group 2019	Group 2018
		DKK	TDKK
Analysis of cash and cash equivalents:			
Cash at bank and in hand		90.650.554	63.556
Current asset investments		40.459.786	34.447
Overdraft facility		-18.628.319	-1.493
Cash and cash equivalents		**112.482.021**	**96.510**

Notes

1 Information on segments

Activities - primary segment

t.kr.	IT software	Group total
2019		
Revenue	637.026	637.026
2018		
Revenue	514.749	514.749

Geographical - secondary segment

	Denmark	Norway	Sweden	Germany	Iceland	The Netherlands	Group total
2019							
Revenue	256.045	144.714	87.773	111.244	2.520	34.730	637.026
2018							
Revenue	231.574	121.200	74.743	81.815	5.417	0	514.749

	Group		Parent Company	
	2019	2018	2019	2018
	DKK	TDKK	DKK	TDKK
2 Staff costs				
Wages and salaries	151.334.103	137.899	0	0
Pensions	4.881.162	4.953	0	0
Other social security costs	13.883.908	13.448	0	0
Other staff costs	2.866.057	3.656	0	0
	172.965.230	**159.956**	**0**	**0**
Average number of employees	289	278	0	0

According to section 98 B(3) of the Danish Financial Statements Act, renumeration to the Executive Board has not been disclosed.

Notes

		Group		Parent Company	
		2019	2018	2019	2018
		DKK	TDKK	DKK	TDKK
3	**Depreciation, amortisation and impairment of intangible assets and property, plant and equipment**				
	Depreciation intangible assets	7.838.051	5.901	0	0
	Depreciation tangible assets	1.916.588	1.225	305.948	37
		9.754.639	**7.126**	**305.948**	**37**

		Group		Parent Company	
		2019	2018	2019	2018
4	**Value adjustments of assets held for investment**				
	Value adjustments of investment properties due to changed required rate of return	189.554	923	0	0
	Value adjustments of investment properties	**189.554**	**923**	**0**	**0**
		189.554	**923**	**0**	**0**

		Group		Parent Company	
		2019	2018	2019	2018
5	**Financial income**				
	Income from fixed asset investments	0	1.968	0	1.968
	Interest received from subsidiaries	0	0	467.539	407
	Interest received from associates	12.787	3	0	0
	Other financial income	8.639.169	2.056	7.973.966	1.834
		8.651.956	**4.027**	**8.441.505**	**4.209**

Notes

		Group		Parent Company	
		2019	2018	2019	2018
		DKK	TDKK	DKK	TDKK
6	**Financial costs**				
	Other financial costs	1.670.969	4.486	321.000	3.840
		1.670.969	**4.486**	**321.000**	**3.840**
7	**Tax on profit/loss for the year**				
	Current tax for the year	10.511.177	5.469	1.751.703	-476
	Deferred tax for the year	-114.387	311	-83.724	8
	Adjustment of tax concerning previous years	6.367	-154	6.329	0
		10.403.157	**5.626**	**1.674.308**	**-468**
8	**Distribution of profit**				
	Proposed dividend for the year	2.000.000	0	2.000.000	0
	Reserve for net revaluation under the equity method	0	0	6.578.265	9.435
	Retained earnings	15.650.826	9.666	9.072.561	231
		17.650.826	**9.666**	**17.650.826**	**9.666**

Notes

9 Intangible assets

Group

	Acquired patents	Goodwill
Cost at 1 January 2019	214.422	46.332.697
Exchange adjustment	166	72.814
Additions for the year	28.546	36.284.430
Cost at 31 December 2019	243.134	82.689.941
Impairment losses and amortisation at 1 January 2019	117.153	27.513.472
Exchange adjustment	165	60.711
Depreciation for the year	59.567	7.778.484
Impairment losses and amortisation at 31 December 2019	176.885	35.352.667
Carrying amount at 31 December 2019	**66.249**	**47.337.274**

Notes

10 Assets measured at fair value

	Group
	Investment properties
Cost at 1 January 2019	19.559.200
Additions for the year	2.846.446
Cost at 31 December 2019	22.405.646
Revaluations at 1 January 2019	5.837.800
Revaluations for the year	189.554
Revaluations at 31 December 2019	6.027.354
Carrying amount at 31 December 2019	**28.433.000**

Sensitivity in determination of fair value of investment properties

Calculation of fair value is based on a normalized operating profit of kr. 1,672, expected rental rate of 100% and a return requirement of 6% (6.5% 2018). The return requirement is determined taking into account the location of the property, maintenance stand and occupancy rate.

The property is well maintained and used for office rental with location in Risskov. The vacancy rate has historically been low.

Changes in estimated required rate of return for investment properties will affect the value of investment properties recognised in the balance sheet as well as value adjustments carried in the income statement.

Changes in gennemsnitligt afkastkrav	-0,50%	Base	0,50 %
	DKK	DKK	DKK
Rate of return	5,50	6,00	6,50
Fair value	30.966.000	28.433.000	26.289.000
Change in fair value	2.533.000	0	-2.144.000

Notes

11 Tangible assets

Group

	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 January 2019	41.184.298	12.522.615	1.068.685
Exchange adjustment	0	68.771	0
Additions for the year	577.500	3.138.690	0
Disposals for the year	0	-404.483	0
Cost at 31 December 2019	41.761.798	15.325.593	1.068.685
Impairment losses and depreciation at 1 January 2019	37.308	10.216.167	1.022.040
Exchange adjustment	0	64.382	0
Depreciation for the year	305.948	1.574.633	36.007
Reversal of impairment and depreciation of sold assets	0	-347.370	0
Impairment losses and depreciation at 31 December 2019	343.256	11.507.812	1.058.047
Carrying amount at 31 December 2019	**41.418.542**	**3.817.781**	**10.638**

Notes

11 Tangible assets (continued)

Group

Parent Company

	Land and buildings
Cost at 1 January 2019	41.184.298
Additions for the year	577.500
Cost at 31 December 2019	41.761.798
Impairment losses and depreciation at 1 January 2019	37.308
Depreciation for the year	305.948
Impairment losses and depreciation at 31 December 2019	343.256
Carrying amount at 31 December 2019	**41.418.542**

Notes

	Group		Parent Company	
	2019	2018	2019	2018
	DKK	TDKK	DKK	TDKK
12 Investments in subsidiaries				
Cost at 1 January 2019			18.549.912	18.028
Additions for the year			0	522
Disposals for the year			-1.287.362	0
Cost at 31 December 2019			17.262.550	18.550
Revaluations at 1 January 2019			40.505.973	31.160
Disposals for the year			-558.457	0
Net profit/loss for the year			12.504.445	9.781
Received dividend			-5.140.500	0
Other equity movements, net			74.976	-208
Depreciation of goodwill			-227.224	-227
Revaluations at 31 December 2019			47.159.213	40.506
Carrying amount at 31 December 2019			**64.421.763**	**59.056**
Remaining positive difference included in the above carrying amount at 31 December 2019	0		681.674	

Parent Company
Investments in subsidiaries are specified as follows:

Navn	Registered office	Ownership interest
Ejendomsselskabet Julsøvej 1 ApS	Denmark	100%
JHK ApS	Denmark	51%
NTI FM Systems AS	Norway	100%
NTI Kailer PLM Consulting GmbH	Germany	70%
NTI Group ApS	Denmark	56,78%

Notes

	Group		Parent Company	
	2019	2018	2019	2018
	DKK	TDKK	DKK	TDKK
13 Investments in associates				
Cost at 1 January 2019	143.080	118	118.080	118
Additions for the year	0	25	0	0
Cost at 31 December 2019	143.080	143	118.080	118
Revaluations at 1 January 2019	-118.080	0	-118.080	0
Net profit/loss for the year	545.735	-118	0	-118
Revaluations at 31 December 2019	427.655	-118	-118.080	-118
Carrying amount at 31 December 2019	**570.735**	**25**	**0**	**0**

Group
Investments in associates are specified as follows:

Name	Registered office	Ownership interest
Liebhaver Rooftop VG97 IVS under konkurs	Denmark	43%
Ejendomsselskabet Skibstruppark ApS	Denmark	50%

Parent Company
Kapitalandele i associerede virksomheder specificerer sig således:

Name	Registered office	Ownership interest
Liebhaver Rooftop VG97 IVS under konkurs	Denmark	43%

Notes

	Group		Parent Company	
	2019	2018	2019	2018
	DKK	TDKK	DKK	TDKK
14 Receivables				
The following trade receivables fall due for payment more than 1 year after year end	9.610.510	17.084	0	0

15 Prepayments

Prepayments comprise prepaid expenses regarding rent, insurance premiums, subscriptions and interest.

16 Equity

The share capital consists of125 shares of a nominal value of DKK 1.000. No shares carry any special rights.

Notes

	Group		Parent Company	
	2019	2018	2019	2018
	DKK	TDKK	DKK	TDKK
17 Provision for deferred tax				
Provision for deferred tax at 1 January 2019	1.226.042	915	8.208	8
Deferred tax recognised in income statement	-114.387	311	-83.724	0
Provisions for deferred tax through mergers and business combinations	-315.247	0	0	0
Provision for deferred tax at 31 December 2019	**796.408**	**1.226**	**-75.516**	**8**
Property, plant and equipment	564.445	983	-75.516	8.208
Trade receivables	-36.187	-37	0	0
Prepayments	297.193	280	0	0
Tax loss carry-forward	-29.043	0	0	-8.200
Transferred to deferred tax asset	0	0	75.516	0
	796.408	**1.226**	**0**	**8**
Deferred tax asset				
Calculated tax asset	0	0	75.516	0
Carrying amount	**0**	**0**	**75.516**	**0**

Notes

18 Long term debt

Group	Debt at 1 January 2019	Debt at 31 December 2019	Instalment next year	Debt outstanding after 5 years
Mortgage loans	0	4.151.088	245.634	2.678.545
Other payables	0	12.872.239	0	0
	0	**17.023.327**	**245.634**	**2.678.545**

Parent Company	Debt at 1 January 2019	Debt at 31 December 2019	Instalment next year	Debt outstanding after 5 years
Mortgage loans	4.397.908	4.151.088	245.634	2.678.545
	4.397.908	**4.151.088**	**245.634**	**2.678.545**

19 Deferred income

Deferred income consists of payments received in respect of income in subsequent financial years.

Notes

	Group		Parent Company	
	2019	2018	2019	2018
	DKK	TDKK	DKK	TDKK
20 Rent and lease liabilities				
Operating lease liabilities. Total future lease payments:				
Within 1 year	135.000	336	0	0
	135.000	**336**	**0**	**0**
Lease liabilities	1.692.000	3.337	0	0

21 Contingent liabilities

As management company, the company is jointly taxed with other danish related parties and jointly and severally liable with other jointly taxed entities for payment of income taxes for income year 2013 onwards as well as for payment of withholding taxes on dividends, interest and royalties which fall due for payment on or after 1 July 2012.

Contingent liabilities related to group enterprises
The company has provided a guarantee for a subsidiary's bank loan, maximised at DKK 25.000.000.

Contingent liabilities related to group associates
The Group has provided a guarantee for the associates’s bank loan, maximised at DKK 3.000.000.

Notes

22 Mortgages and collateral

The following assets have been put up as security for for debt to mortgage credit institutions:

Land and buildings	5.411.051	8.049	5.411.051	8.049
	5.411.051	**8.049**	**5.411.051**	**8.049**

The following assets have been put up as security for the group's and associates banks:

Floating charges	4.110.669	8.587	-	-
Current asset investments	40.464.425	-	40.464.425	-
	44.575.094	**8.587**	**40.464.425**	**-**

23 Related parties and ownership structure

Controlling interest

Jesper Kalko, Langs Hegnet 58, 2800 Kgs. Lyngby
Jesper Kalko holds the majority of the share capital in the company

Transactions

All transactions with related parties has been effected on market terms.

Notes

		Group		Parent Company	
		2019	2018	2019	2018
		DKK	TDKK	DKK	TDKK
24	**Fee to auditors appointed at the general meeting**				
	Crowe:				
	Audit fee	270.126	331	35.000	35
	Other assurance engagements	10.100	12	0	0
	Non-audit services	202.678	169	90.000	65
		482.904	512	125.000	100
	PWC:				
	Audit fee	107.210	50	0	0
	Non-audit services	0	17	0	0
		107.210	67	0	0
	BDO:				
	Audit fee	75.969	86	0	0
	Non-audit services	50.938	70	0	0
		126.907	156	0	0
	LKF Partner:				
	Audit fee	148.724	0	0	0
	Non-audit services	392.271	0	0	0
		540.995	0	0	0
	G&P Accountants en Adviseurs:				
	Audit fee	51.764	0	0	0
	Non-audit services	17.383	0	0	0
		69.147	0	0	0
		1.327.163	**735**	**125.000**	**100**

Notes

	Group 2019 DKK	Group 2018 TDKK
25 Cash flow statement - adjustments		
Financial income	-8.651.956	-4.027
Financial costs	1.670.969	4.486
Depreciation, amortisation and impairment losses	9.623.567	4.142
Income from investments in associates	-542.216	118
Tax on profit/loss for the year	10.403.157	5.626
Minority interests' share of net profit/loss of subsidiaries	9.685.029	6.239
	22.188.550	**16.584**

	Group 2019 DKK	Group 2018 TDKK
26 Cash flow statement - change in working capital		
Change in inventories	-1.973.093	43
Change in receivables	-26.860.432	-40.790
Change in trade payables, etc.	52.151.878	21.627
	23.318.353	**-19.120**