

Omada A/S

ANNUAL REPORT

2021

Approved at the Annual General Meeting on 24 May 2022



Chairman of the meeting: Gry Collignon



Omada A/S | Østerbrogade 135 | 2100 Copenhagen | Denmark
Company reg. no. 25357469



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OMADA AT A GLANCE

OMADA IS...



The **Leader** in Modern Identity Governance and Administration with the highest governance and audit standards in the industry



A company where Cloud implementations can be live in **<90 days**



A growth company delivering YoY recurring revenue growth of **+65%**



A company with a **120%** increase in the number of new Cloud logos



A challenger with a diverse workplace of **>20** nationalities and where **>40%** of the company's leadership are women



Market-leading in R&D investments with levels of **>40%** of software revenue



A company, that in 2022 was named **Leader** in The Forrester Wave for Identity Management and Governance



A strong business partner with a Net Promoter Score of **>30** and a market leading focus on customer success

LETTER FROM THE CEO AND CHAIRMAN

Omada has accelerated growth further during 2021 building on the strong base established in 2020. The company has seen growth in all regions and all segments with a strong demand for its SaaS platform, Omada Identity Cloud. Many organizations have now moved to an identity centric security model in response to the new remote working models. As part of this they have looked to replace legacy and high cost on-prem solutions with a modern cloud-based Identity Governance and Administration (IGA) platform with a full feature set and rapid time to value. Omada is uniquely positioned to address this market requirement.

During the year Omada continued to see high levels of new logo signings with multi-year commitments driving significant Annual Recurring Revenue growth of +65%. The company has transitioned fully to a recurring revenue model in 2021 driving an increasingly strong base for the business and fueling investment in innovation and further growth. Omada signed leading global brands during the year adding to its already outstanding customer portfolio.

The rapid growth and new logo acquisition has been complemented by investments in Customer Success and a strong focus on Net Promotor Score (NPS). NPS improvements during 2021 have seen quarter on quarter growth to now market leading levels for the software industry. The relentless focus on customer success and making every customer a reference is now an obsession which forms a cornerstone of the company culture and strategy.

Market recognition of Omada's impact has been acknowledged by leading analysts during 2021 with Forrester positioning Omada as a leader in its latest Wave report of the identity governance market. In addition, Omada won several industry awards and continues to see strong recognition from customers through PeerSpot and Gartner's Peer reviews.

As the market evolves Omada has laid out a clear long-term strategy based on Intelligent IGA that will deliver continuous innovation to our customers and the industry based on identity.



A handwritten signature in black ink, reading "Michael Garrett".

Michael Garrett
CEO



A handwritten signature in black ink, reading "James Ernest Ousley".

James Ernest Ousley
Chairman

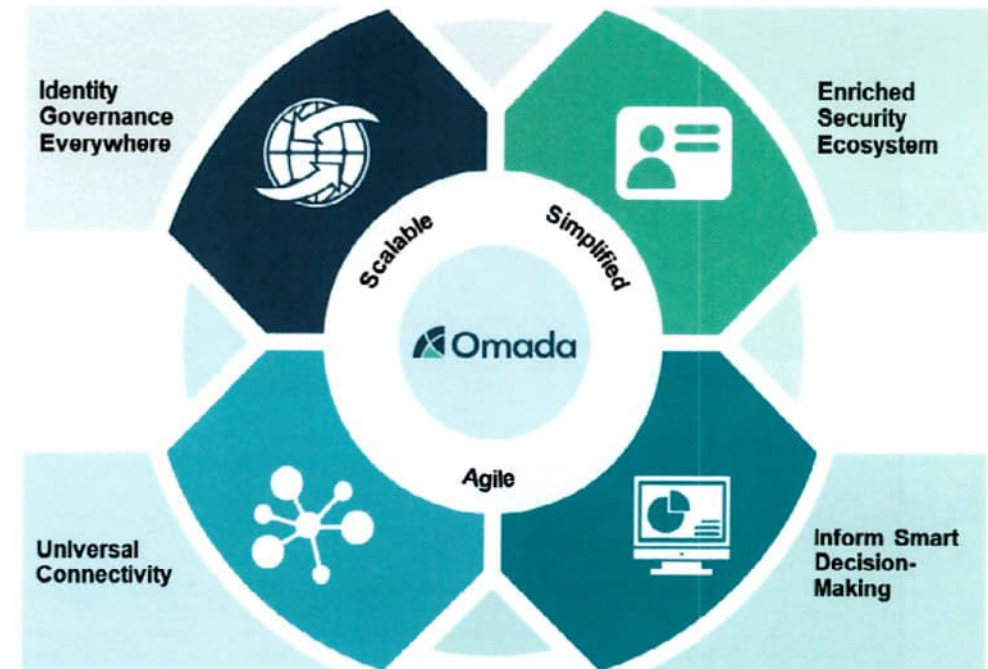
LOOKING FORWARDS

Omada continues to innovate and develop capabilities that deliver on the requirements for modern Identity Governance and Administration (IGA). The IGA market continues to grow as digital transformation takes place and identity becomes the key to organizations cyber security strategies.

Looking forwards Omada is focused on delivering our vision of providing the worlds leading Intelligent IGA solution that:

- provides Identity Governance Everywhere by making Omada more accessible through an easy-to-use new interface, via a customer's chosen request applications, such as ServiceNow and through a mobile application.
- enriches the security ecosystem by enabling an identity-centric approach, combining Omada's strengths in identity governance with the best offerings within adjacent markets, including PAM, SIEM, CIEM, DAG, and Access Management.
- extends connectivity to empower customers to integrate the broadest set of connectors through a connectivity community, partnering with leading Integration Platform as a Service providers and deeper integrations with market-leading applications.
- informs smart decision making by leveraging intelligence and automation to ensure correct access, modeling, and roles through strong identity analytics. Omada is also automating core IGA tasks to minimize human decisions and enable an intelligent risk-based approach.

Omada is delivering on modern IGA today with a clear strategy to transform the market by reducing complexity and cost of ownership whilst innovating in Intelligent IGA.



SUSTAINABILITY AT OMADA

Acting responsibly is part of our DNA at Omada, as a company, as an employer, and as individual employees. Because everything counts.

We are a truly global organization committed to foster a diverse, equitable, and inclusive workplace, and we have our people at the core of everything we do.

In Omada, we have chosen to take on the responsibility to embed sustainability across all our businesses.

To succeed with this ambition, we have established a Cross-organizational Sustainability group to ensure transparency and accountability for the targets we set and to ensure we continuously are challenging ourselves to do better.

We will seek to drive positive change in the world through our efforts to reduce our own and our customers carbon footprint by amongst other leveraging the Cloud technology, buying green energy and utilizing other innovative technologies to travel less. Something that has left us with very low CO2 direct and indirect emission contributions.

Omada is also committed to embrace the principles of resource conservation through its internal operations and is continuously striving to prevent waste and pollution with harmful environmental impact.

Equally important to us as reducing our carbon footprint and preventing any harmful environmental impact, is our people, as they are the core of everything we do.

Hence, we continue to strive to ensure a healthy and secure workplace that is truly diverse and inclusive with equal opportunities, and where all find meaning in work.



Omada is a signatory to the UN Global Compact and actively supports its Ten Principles by integrating these into its processes and policies across the business.

ecovadis
Business Sustainability Ratings

Omada has been rated a silver medal rating in recognition of its sustainability achievement.

Our Mission

Empowering
organizations
to confidently
do more with
identity



FINANCIAL REVIEW

FINANCIAL REVIEW OF 2021

In 2021 Omada A/S Group delivered group earnings before tax of DKK (38,182) thousand and group earnings after tax of DKK (27,551) thousand.

The result for 2021 was affected by the ongoing transformation from sale of perpetual licenses to SaaS, which has deferred revenue to coming years.

Comparative figures for 2017-2018 includes the former subsidiary Omada Digital Services A/S. Revenue and cost of sales has not been disclosed for the years 2017-2018 as in accordance with The Danish Financial Statements Act. For the years 2017-2018 Gross Margin is presented as previously disclosed in the annual reports for the years.

The group's activities are financed by a bank facility of MDKK 90 and an equity of DKK 26,487 thousand. The result for 2021 is in line with our expectations. In March 2022 the owners have done a capital increase of DKK 44 million to support the ongoing transition from perpetual to SaaS..

PARENT COMPANY

During 2021 Omada Services A/S have moved its employees to Omada A/S to prepare for the merger between the two companies in 2022.

CONSOLIDATED KEY FINANCIAL HIGHLIGHTS*

DKK'000	2021	2020	2019	2018**	2017**
Revenue	202,260	191,781	208,303	-	-
Cost of sales	(129,655)	(117,036)	(150,251)	-	-
Gross profit	72,605	74,745	58,052	145,407	115,635
Operating profit/loss (EBIT)	(35,449)	(41,026)	(48,316)	7,457	12,202
Financial income/expenses, net	(2,733)	(2,734)	(1,704)	360	(888)
Profit/loss before tax	(38,182)	(43,760)	(50,020)	7,817	11,401
Tax on the profit/loss for the year	10,631	12,126	9,969	(3,343)	(2,099)
Profit/loss for the year	(27,551)	(31,634)	(40,051)	4,474	9,302
Total assets	238,365	183,268	133,939	130,980	140,943
Total equity	26,487	10,205	34,026	36,141	54,229
Investment in non-current assets	2,480	4,145	6,407	509	388
Return on assets	-12%	-26%	-36%	6%	9%
Solvency ratio	11%	6%	25%	28%	38%
Return on equity	-150%	-186%	-142%	21%	23%
Average number of employees	207	181	184	165	129
Employees at the end of the year	213	180	177	195	148
Annual recurring revenue (ARR)***	94,816	57,627	38,371	-	-
Annual recurring revenue (ARR) growth	65%	49%	27%	-	-

*) Figures for the years 2019 - 2021 are presented in accordance with IFRS, comparative figures from previous years are presented in accordance with The Danish Financial Statements Act.

**) For the years 2017-2018 Gross Margin is presented as previously disclosed in the annual reports for the years.

***) ARR is defined as the value of the contracted recurring revenue components of our term subscriptions normalized to a one-year period.

FINANCIAL REVIEW

FOREIGN SUBSIDIARIES

The Group's activities are carried out through local subsidiaries established in Germany, United Kingdom, Poland, the US and Sweden. Omada has continued to grow its footprint internationally by successfully winning contracts with new strategic customers and partners.

KNOWLEDGE RESOURCES AND DEVELOPMENT ACTIVITIES

Omada continuously focuses on developing innovative products and services by attracting and retaining the very best talent in the marketplace.

The Company proactively works to retain and inspire employees by creating an attractive workplace and offering competitive terms as well as well-balanced incentive structures.

As a provider of software products and services, R&D activities are of key importance to Omada. Throughout 2021, Omada continued to invest significantly in improving and enhancing its award winning on-premises and SaaS product and IP. Omada will continue to further invest in innovative R&D and product development activities.

RISK MANAGEMENT

As Omada operates in a range of international markets, revenues and costs can be impacted by currency fluctuations. The fact that Omada has well-established local subsidiaries in Germany, Sweden, UK, Poland, and the US reduces the risk, as both revenues and the cost base are, to a certain degree, in the same currency

Management evaluates the risk and potential risk mitigations on an ongoing basis.

EVENTS AFTER THE BALANCE SHEET DATE

Since the closing of the annual accounts, no events have occurred that could change the Company's financial position.

Management has assessed the potential financial impact from the crises in Ukraine. Currently, no significant impact is expected.

With effect from 1 January 2022, Omada A/S will be merged with Omada Services A/S with Omada A/S as the continuing company.

OUTLOOK

The Group expects to deliver strong recurring revenue growth in 2022 due to positive development in the market situation and an improved footprint.

The impact on the business from Covid-19 is expected to be reduced as market conditions improve and the global economy recovers.

For 2022 a loss before tax in the range of DKK 35 - 40 million is expected driven by continuous investment in product as we are in our ending stages of our perpetual to SaaS transformation. The increase of the revenue is expected to be in the range of 20% to 30% in 2022.

COMPANY DETAILS

NAME	Omada A/S
ADDRESS, POSTAL CODE, CITY	Østerbrogade 135, 2100 Copenhagen
CVR NO.	25 35 74 69
ESTABLISHED	4 May 2000
REGISTERED OFFICE	Copenhagen Municipality
FINANCIAL YEAR	1 January - 31 December
WEBSITE	www.omadaidentity.com
BOARD OF DIRECTORS	James Ernest Ousley, Chairman Morten Grube Weicher Sebastian Ramin Künne Lars Dybkjær John Dawson Clark Kevin Michael Hickey Franck Leon Cohen Bradley Hibbert
EXECUTIVE BOARD	Michael Garrett, Chief Executive Officer Gry Collignon, Chief Financial Officer
AUDITORS	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

The Board of Directors and the Executive Board have today discussed and approved the annual report of Omada A/S for the financial year 1 January - 31 December 2021.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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 31 December 2021 and of the results of their operations and cash flows for the financial year 1 January - 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, results for the year, cash flows and financial position as well as a description of material risks and uncertainties that the Group and the Parent Company face.

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

Copenhagen, 24 May 2022

EXECUTIVE BOARD:

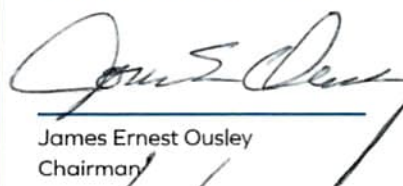


Michael Garrett,
Chief Executive Officer



Gry Collignon,
Chief Financial Officer

BOARD OF DIRECTORS:



James Ernest Ousley
Chairman



Morten Grube Weicher
Deputy Chairman



Sebastian Ramin Künne
Deputy Chairman



Lars Dybkjær
Board Member

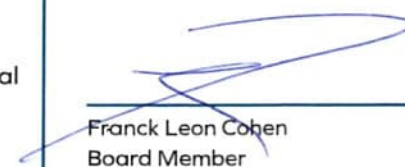


John Dawson Clark
Board Member

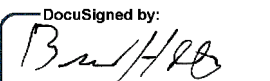
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Kevin Michael Hickey
Board Member



Franck Leon Cohen
Board Member

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Bradley Hibbert
Board Member

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Omada A/S

OPINION

We have audited the consolidated financial statements and the parent company financial statements of Omada A/S for the financial year 1 January – 31 December 2021, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies, for the Group and the Parent Company.

The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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 on 31 December 2021 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2021 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of 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.

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 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 our procedures, 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.

INDEPENDENT AUDITOR'S REPORT

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 International Financial Reporting Standards as adopted by the EU and additional requirements of 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 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 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

INDEPENDENT AUDITOR'S REPORT

- 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.

Copenhagen, 24 May 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Mikkel Sthyr
State Authorised
Public Accountant
mne26693



Simon Blendstrup
State Authorised
Public Accountant
mne44060

Our Vision

To Secure The World's Identities



FINANCIAL STATEMENTS

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NOTES TO THE CONSOLIDATED AND PARENT FINANCIAL STATEMENTS

24	1 Significant accounting policies	33	11 Intangible assets	57	21 Changes in working capital
25	2 Significant accounting estimates and judgements	38	12 Property, plant and equipment	57	22 Cash flow from financing activities
27	3 Segment information	42	13 Investments in subsidiaries	58	23 Contingent liabilities
27	4 Revenue	43	14 Receivables	58	24 Security
28	5 Operating costs	46	15 Contract assets and contract liabilities	58	25 Events after the reporting period
28	6 Other operating costs	47	16 Share capital	59	26 Accounting policies
29	7 Staff expenses and remuneration costs	48	17 Lease liabilities - right-of-use assets		
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30	9 Financial expenses	51	19 Financial risk and financial instruments		
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FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT INCOME STATEMENT

DKK'000	Note	GROUP		PARENT	
		2021	2020	2021	2020
Revenue	3,4	202,260	191,781	167,025	92,577
Cost of sales	5,7	(129,655)	(117,036)	(125,596)	(76,638)
Gross profit		72,605	74,745	41,429	15,939
Sales & Marketing cost	5,7	(63,795)	(61,209)	(45,284)	(36,291)
Research & Development cost	5,7	(10,587)	(12,734)	(10,050)	(3,755)
General & Administrative cost	5,7	(30,437)	(35,984)	(28,445)	(17,410)
Other operating costs	6	(3,234)	(5,844)	(2,468)	(4,223)
Operating profit/loss (EBIT)		(35,449)	(41,026)	(44,818)	(45,740)
Income from investment in subsidiaries	13	-	-	7,346	3,464
Financial income	8	-	-	307	-
Financial expenses	9	(2,733)	(2,734)	(2,281)	(1,936)
Profit/loss before tax		(38,182)	(43,760)	(39,446)	(44,212)
Tax on the profit/loss for the year	10	10,631	12,126	11,895	12,578
Profit/loss for the year		(27,551)	(31,634)	(27,551)	(31,634)

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT COMPREHENSIVE INCOME STATEMENT

DKK'000	GROUP		PARENT	
	2021	2020	2021	2020
Profit/loss for the year	(27,551)	(31,634)	(27,551)	(31,634)
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss:				
Exchange rate adjustments relating to foreign entities	(1,476)	1,728	(1,476)	1,728
Tax on other comprehensive income	-	-	-	-
Other comprehensive income after tax	(1,476)	1,728	(1,476)	1,728
Total comprehensive income	(29,027)	(29,906)	(29,027)	(29,906)

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT BALANCE SHEET: ASSETS AT 31 DECEMBER

DKK'000	Note	GROUP		PARENT	
		2021	2020	2021	2020
Software		4,921	3,487	4,921	3,487
Completed development projects		60,073	41,328	60,073	41,328
Development projects in progress		2,636	8,153	2,636	8,153
Intangible assets	11	67,631	52,968	67,631	52,968
Other fixtures and fittings, tools and equipment		2,455	1,942	2,455	1,942
Right-of-use assets		16,557	15,520	8,183	8,200
Property, plant and equipment	12	19,013	17,462	10,638	10,142
Investment in subsidiaries	13	-	-	24,562	18,843
Deposits	19	1,107	981	922	920
Other receivables	19	2,376	2,376	2,376	2,376
Deferred tax assets	10	9,553	7,315	9,553	7,158
Other non-current assets		13,036	10,672	37,413	29,297
Total non-current assets		99,679	81,102	115,682	92,407
Receivables	14,19	57,520	42,405	48,009	39,252
Contract assets	15	4,151	170	-	-
Receivables from group entities	19,20	35,439	9,474	87,281	13,447
Income tax receivables	10	5,808	5,578	5,572	5,513
Other receivables	19	6,723	-	-	-
Prepayments		4,309	1,634	2,910	1,487
Cash at bank and in hand	19	24,736	42,905	21,995	29,174
Total Current Assets		138,686	102,166	165,767	88,873
Total assets		238,365	183,268	281,449	181,280

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT BALANCE SHEET: EQUITY AND LIABILITIES AT 31 DECEMBER

DKK'000	Note	GROUP		PARENT	
		2021	2020	2021	2020
Equity					
Share capital	16	1,425	1,425	1,425	1,425
Reserve for development costs		-	-	48,913	38,595
Reserve for loans and security		2,376	2,376	2,376	2,376
Translation reserve		(490)	986	(490)	986
Retained earnings		23,176	5,418	(25,737)	(33,177)
Total equity		26,487	10,205	26,487	10,205
Non-current liabilities					
Lease liabilities	17,19,22	12,543	11,658	6,655	6,595
Other liabilities	19	6,359	5,876	6,359	5,876
Financial institutions	19,22	72,695	49,146	62,144	49,146
Total non-current liabilities		91,597	66,680	75,158	61,617
Current liabilities					
Prepayments on contract assets	15	3,848	2,236	-	-
Trade payables	19	28,177	22,284	23,863	14,618
Payables to group entities	19,20	1,152	18,619	85,569	46,980
Income tax payables		1,410	1,078	-	-
Other liabilities	19	20,930	17,010	12,277	9,144
Lease liability	17,19,22	4,774	4,356	1,790	1,775
Contract liabilities	15	59,990	40,800	56,305	36,941
Total current liabilities		120,281	106,383	179,804	109,458
Total liabilities		211,878	173,063	254,962	171,075
Total equity and liabilities		238,365	183,268	281,449	181,280

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT CASH FLOW STATEMENT DKK'000	Note	GROUP		PARENT	
		2021	2020	2021	2020
Profit/loss for the year		(27,551)	(31,634)	(27,551)	(31,634)
Adjustments for non-cash transactions:					
Income from investment in subsidiaries	13	-	-	(7,346)	(3,464)
Finance income	8	-	-	(307)	-
Finance expenses	9	2,733	2,734	2,281	1,936
Income tax	10	(10,631)	(12,126)	(11,895)	(12,578)
Share based payments	7	1,294	2,493	1,294	2,493
Amortisation, depreciation and impairment losses	5	24,674	17,710	21,745	15,754
Changes in net working capital	21	(40,828)	49,313	(13,029)	43,423
Cash generated from primary activities		(50,309)	28,490	(34,808)	15,930
Interest received	8	-	-	307	-
Interest paid	9	(2,733)	(2,734)	(2,281)	(1,936)
Corporation tax		8,495	738	9,440	602
Cash flow from operating activities		(44,547)	26,494	(27,342)	14,596
Acquisition of intangible assets	11	(33,930)	(26,362)	(33,390)	(26,362)
Acquisition of Other fixtures and fittings, tools and equipment	12	(1,355)	(1,489)	(1,355)	(1,489)
Acquisition and remeasurement of rights-of-use assets	12	(5,492)	(2,656)	(1,620)	-
Acquisition of other non-current assets		(126)	(2,180)	(20)	(2,180)
Cash flow from investing activities		(41,013)	(32,687)	(36,925)	(30,031)
Increase in share capital		40,000	-	40,000	-
Purchase/disposal of treasury shares	16	4,015	3,592	4,015	3,592
Repayment of lease liabilities	22	(5,034)	(4,080)	(1,810)	(1,990)
Additions and remeasurement of lease liabilities	22	6,337	2,653	1,885	263
Loan proceeds	22	23,549	42,063	12,998	42,063
Cash flow from financing activities		68,867	44,228	57,088	43,928
Total cash flow		(16,693)	38,035	(7,179)	28,493
Cash at bank and in hand begin of period		42,905	2,698	29,174	681
Exchange rate adjustments		(1,476)	2,172	-	-
Cash funds at the end of the period		24,736	42,905	21,995	29,174

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

DKK'000	GROUP				
	Share capital	Reserve for loans and security	Translation reserve	Retained earnings	Total
Equity at 1 January 2020	1,425	-	(742)	33,343	34,026
Total comprehensive income in 2020					
Profit/loss for the year	-	-	-	(31,634)	(31,634)
Other comprehensive income:					
Exchange rate adjustments relating to foreign entities	-	-	1,728	-	1,728
Total other comprehensive income	-	-	1,728	-	1,728
Total comprehensive income for the period	-	-	1,728	(31,634)	(29,906)
Transaction with owners:					
Transfer	-	2,376	-	(2,376)	-
Purchase/disposal of Treasury shares /warrants	-	-	-	3,592	3,592
Share-based payment	-	-	-	2,493	2,493
Total transactions with owners	-	2,376	-	3,709	6,085
Equity at 31 December 2020	1,425	2,376	986	5,418	10,205
Total comprehensive income in 2021					
Profit/loss for the year	-	-	-	(27,551)	(27,551)
Other comprehensive income:					
Exchange rate adjustments relating to foreign entities	-	-	(1,476)	-	(1,476)
Total other comprehensive income	-	-	(1,476)	-	(1,476)
Total comprehensive income for the period	-	-	(1,476)	(27,551)	(29,027)
Transaction with owners:					
Capital increase	-	-	-	40,000	40,000
Purchase/disposal of Treasury shares/warrants	-	-	-	4,015	4,015
Share based payments	-	-	-	1,294	1,294
Total transactions with owners	-	-	-	45,309	45,309
Equity at 31 December 2021	1,425	2,376	(490)	23,176	26,487

FINANCIAL STATEMENTS

PARENT STATEMENT OF CHANGES IN EQUITY

DKK'000	PARENT					Total
	Share capital	Reserve for development costs	Reserve for loans and security	Translation reserve	Retained earnings	
Equity at 1 January 2020	1,425	30,663	-	(742)	2,680	34,026
Total comprehensive income in 2020						
Profit/loss for the year	-	7,932	-	-	(39,566)	(31,634)
Other comprehensive income:						
Exchange rate adjustments relating to foreign entities	-	-	-	1,728	-	1,728
Total other comprehensive income	-	-	-	1,728	-	1,728
Total comprehensive income for the period	-	7,932	-	1,728	(39,566)	(29,906)
Transaction with owners:						
Transfer	-	-	2,376	-	(2,376)	-
Purchase/disposal of Treasury shares /warrants	-	-	-	-	3,592	3,592
Share-based payment	-	-	-	-	2,493	2,493
Total transactions with owners	-	-	2,376	-	3,709	6,085
Equity at 31 December 2020	1,425	38,595	2,376	986	(33,177)	10,205
Total comprehensive income in 2021						
Profit/loss for the year	-	10,318	-	-	(37,869)	(31,634)
Other comprehensive income:						
Exchange rate adjustments relating to foreign entities	-	-	-	(1,476)	-	1,728
Tax of other comprehensive income	-	-	-	-	-	-
Total other comprehensive income	-	-	-	(1,476)	-	1,728
Total comprehensive income for the period	-	10,318	-	(1,476)	(37,869)	(29,906)
Transaction with owners:						
Capital increase	-	-	-	-	40,000	40,000
Purchase/disposal of Treasury shares/warrants	-	-	-	-	4,015	4,015
Share based payments	-	-	-	-	1,294	1,294
Total transactions with owners	-	-	-	-	45,309	45,309
Equity at 31 December 2021	1,425	48,913	2,376	(490)	(25,737)	26,487

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

CORPORATE INFORMATION

Omada A/S is incorporated and domiciled in Denmark. The Company's registered office is located at Østerbrogade 135, 2100 København Ø.

BASIS FOR PREPARATION

The financial statements for the period 1 January - 31 December 2021 for Omada A/S Group, which include financial statements for the Parent Company Omada A/S and consolidated financial statements for the Omada A/S Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU as well as additional Danish disclosure requirements applying to entities of reporting class medium C. Further they are prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

The consolidated and Parent Company's financial statements are presented in Danish Kroner (DKK), which is the presentation currency for the Group's activities and the functional currency of the parent.

The consolidated and Parent Company's financial statements have been prepared based on historical cost convention, except where IFRS explicitly requires use of other values. The main elements of the accounting policies and changes compared to last year due to new and amended standards are described below. The accounting policies are also disclosed in note 26.

In preparing the consolidated and Parent Company's financial statements, the management makes various accounting judgements that form the basis of presentation, recognition and measurement of the Group's assets and liabilities. The most significant estimates and judgements are presented in note 2.

THE EFFECT OF NEW ACCOUNTING STANDARDS

All new and revised standards, which entered into force with effect from fiscal periods beginning at 1 January 2021, and interpretations that are relevant to the Omada A/S Group are used in preparing the financial statements.

ADOPTION OF NEW AND AMENDED STANDARDS

IASB has issued a number of new or amended standards and interpretations which have not yet entered into force, and which have consequently not been incorporated into the consolidated and parent financial statements for 2021. The Group expects to implement the new applicable and approved, not yet effective accounting standards and interpretations, as they take effect.

None of the changed standards or interpretations are expected to have significant monetary effect on the statements of the Group's results, assets and liabilities, equity or cash flows.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

By applying the Group's accounting policies as described in note 26, it is necessary that the management performs judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The performed estimates and assumptions are based on historical experience and other factors that management considers reasonable under the circumstances, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may occur. The estimates and underlying assumptions are reviewed regularly. Changes to accounting estimates are recognized in the accounting period in which the change occurs and in future periods if the change affects both the period, in which the change occurs and subsequent accounting periods.

The most significant accounting estimates and judgements relate to the following areas.

RECOVERABILITY AND INTANGIBLE DEVELOPMENT PROJECTS GENERATED INTERNALLY IN THE GROUP

The management's assessment regarding completed development projects is that no impairment indicators exist.

An impairment assessment of ongoing development projects are made annually, or when there is indication of impairment, an estimate is made of how the parts of the business (cash-generating units) that ongoing development projects are related to will be able to generate sufficient cash flows in the future to support the value of ongoing development projects and other net assets in the relevant part of the business. Management closely monitors developments in the ongoing development projects and will make adjustments to the carrying amounts if required as a result of the development.

REVENUE RECOGNITION

Management are required to make a number of judgements, which may be finely balanced, in respect of revenue recognition.

These judgements include for instance deciding whether the goods and services in each sales contract with customers are separate performance obligations and the allocation of the total transaction price to separate performance obligations. Allocation of the transaction price may require management's judgement in certain circumstances, such as when an extension option exists and a part of the transaction price must be allocated to this future performance obligation. A decision to allocate revenue to future licenses, covered by an extension option, has the impact of deferring a portion of revenue to a later point in time. Management's assessments of these areas may have an impact on both the amount and timing of revenue recognised.

Deciding whether multiple contracts with the same customer should be combined requires judgement to assess whether the contracts are negotiated with a single commercial objective, whether the considerations in the individual contracts depend on one another, and whether the goods or services in the contracts are a single performance obligation. This assessment may also affect the amount and timing of revenue recognised by the Group.

To estimate the percentage of completion, the Group must assess the progress of underlying projects, in order to determine the amount and timing of revenue recognition. The performance obligations generally satisfied over time relate to implementation, maintenance, Software as a Service and service desk support. Any changes in management's assessment of the percentage of completion, and the associated revenue recognised, are accounted for as cumulative catch up adjustments.

NOTES TO FINANCIAL STATEMENTS

For Omada, the primary estimates include evaluating contracts with customers, and ensure how the performance obligations shall be recognized. Such agreements are individually evaluated to determine if revenue is recognized at a point in time or over time.

Revenue from customers can sometimes include several components. Subscription, maintenance, updates, support and implementation. The fees allocated to the different performance obligations are recognized separately. Some performance obligations are recognized over time and some are recognized at point of time.

UTILIZATION OF TAX LOSS CARRY FORWARDS

Deferred tax assets are recognized for all unused tax losses and deductible temporary differences to the extent it is probable that within the foreseeable future taxable profits will be realized in which the losses and the temporary differences can be utilized. Determining the size of the amount that can be recognized for deferred tax assets is based on management's estimate of the likely time and amount of future taxable profits. At 31 December 2021, the carrying value of recognized tax was DKK 9,553 thousand (2020: 7,315 thousand), which is estimated to be realized in a foreseeable future (5 years or less).



NOTES TO FINANCIAL STATEMENTS

NOTE 3. SEGMENT INFORMATION

The Group's operations are reported on the basis of one single operating segment in accordance with the definition of an operating segment in IFRS 8, Operating Segments. Management has assessed that the Group has only one operating segment on the basis that internal reporting presented to and followed-up on by the Group's chief operating decision maker (CODM), which is the executive board and the board of directors, is presented to the Group as a whole. The Group's core business is to develop, sell and implement the "Omada Identity" software.

GEOGRAPHIC INFORMATION

External revenue is distributed on individual countries when the Group generates more than 10% of consolidated revenue in that country. Other revenue is shown under 'Other countries'. Revenue is broken down geographically on the basis of customers' geographical location. Non-current assets are broken down on the basis of physical location.

MAJOR CUSTOMERS

No single customer accounted for more than 10% of consolidated revenue in 2020 and 2021.

DKK'000	2021		2020	
	Revenue	Non-current assets	Revenue	Non-current assets
Denmark	30,818	91,151	47,540	73,596
Rest of Scandinavia	30,088	-	24,635	-
Germany	76,736	2,653	69,694	3,006
USA	34,338	2,723	27,900	1,804
Other countries	30,280	3,151	22,012	2,696
Total	202,260	100,250	191,781	81,102

NOTE 4. REVENUE

Revenue from software is primarily recognised over time while consultant services are primarily recognised at point of time. For a detailed description of accounting policies, see note 26.

DKK'000	GROUP		PARENT	
	2021	2020	2021	2020
Software licenses	49,864	43,853	38,387	34,444
Software maintenance, updates & support	33,088	35,577	31,128	30,956
Revenue from software	82,951	79,430	69,516	65,400
Sales value of finished projects	136,129	129,395	116,873	47,285
Change in contract assets net	(16,821)	(17,044)	(19,364)	(20,108)
Revenue from implementation services	119,308	112,351	97,509	27,177
Total Revenue	202,260	191,781	167,025	92,577
Contract assets, net beginning of period	(42,866)	(21,589)	(36,941)	(16,833)
Contract assets, end of period	(59,687)	(42,866)	(56,305)	(36,941)
Total change in contract assets, net	(16,821)	(21,277)	(19,364)	(20,108)
Revenue recognised over time	79,108	59,502	64,277	44,754
Revenue recognised at point of time	123,242	132,279	102,748	47,823
Total Revenue	202,260	191,781	167,025	92,577

NOTES TO FINANCIAL STATEMENTS

NOTE 5. OPERATING COSTS

DKK'000	Staff and external costs	Amortisation & depreciation	GROUP Total	Staff and external costs	Amortisation & depreciation	PARENT Total
2021						
Cost of sales	112,923	16,732	129,655	110,327	15,269	125,596
Sales & marketing	62,882	913	63,795	44,957	327	45,284
Research & development	4,857	5,730	10,587	4,906	5,144	10,050
General & administrative	29,139	1,298	30,437	27,440	1,005	28,445
Total	209,801	24,673	234,474	187,630	21,745	209,375
2020						
Cost of sales	105,165	11,871	117,036	65,782	10,856	76,638
Sales & marketing	60,451	758	61,209	35,961	330	36,291
Research & development	8,651	4,083	12,734	63	3,692	3,755
General & administrative	34,986	998	35,984	16,534	876	17,410
Total	209,253	17,710	226,963	118,340	15,754	134,094

NOTE 6. OTHER OPERATING COSTS

DKK'000	GROUP		PARENT	
	2021	2020	2021	2020
Costs in relation to restructuring after the acquisition	-	5,844	-	4,223
Costs in relation to financial security	3,234	-	2,468	-
Total	3,234	5,844	2,468	4,223

NOTES TO FINANCIAL STATEMENTS

NOTE 7. STAFF EXPENSES AND REMUNERATION COSTS

DKK'000	GROUP		PARENT	
	2021	2020	2021	2020
Wages and salaries	172,463	170,366	66,355	75,099
Defined contribution plans	2,206	2,256	1,656	1,275
Other social security expenses	334	1,111	325	596
Share-based payment	1,592	2,493	1,592	2,493
Wages/salaries in the group capitalised as development projects	(26,322)	(20,125)	(26,322)	(20,125)
Staff expenses	150,272	156,101	43,606	59,338
Average number of employees	207	183	67	51

GROUP STAFF EXPENSES AND REMUNERATION COSTS ATTRIBUTABLE TO:

DKK'000	Executive Board	Other key employees*	Board of Directors	DKK'000	Executive Board	Other key employees	Board of Directors
	2021					2020	
Wages and salaries, etc.	7,292	10,251	985	Wages and salaries, etc.	8,057	6,821	843
Defined contribution pension plans	164	559	-	Defined contribution pension plans	211	314	-
Share-based payment	221	676	-	Share-based payment	785	1,295	-
Total	7,677	11,486	985	Total	9,053	8,430	843

*Other key employees are the executive management team ex. executive board.

Performance-based bonus schemes have been set up for the executive board who also participate in multi-year share option schemes and incentive plans. The service contracts for the executive board contain terms, including for notice of termination, which are customary for members of the executive board in similar companies.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. FINANCIAL INCOME

DKK'000	GROUP		PARENT	
	2021	2020	2021	2020
Interest income from group entities	-	-	307	-
Interest income, banks etc.	-	-	-	-
Interest income on financial assets not measured at fair value in the income statement	-	-	307	-
Foreign exchange gains	-	-	-	-
Total financial income	-	-	307	-

NOTE 9. FINANCIAL EXPENSES

DKK'000	GROUP		PARENT	
	2021	2020	2021	2020
Interest expenses, banks etc.	1,554	1,618	1,492	1,614
Lease interest	722	568	266	264
Amortisation of loan cost	-	58	-	58
Interest to group entities	201	-	-	-
Interest expenses on financial liabilities not measured at fair value in the income statement	2,477	2,244	1,758	1,936
Foreign exchange loss	256	490	523	-
Total financial expenses	2,733	2,734	2,281	1,936

NOTES TO FINANCIAL STATEMENTS

NOTE 10. CORPORATE TAX

DKK '000	Group		Parent	
	2021	2020	2021	2020
Corporate tax is specified as follows:				
Tax on profit for the year	10,631	12,126	11,895	12,578
Tax on profit/loss for the year	10,631	12,126	11,895	12,578
Corporate tax is specified as follows:				
Tax on profit/loss for the year	3,548	4,554	5,572	5,345
Deferred tax on profit/loss for the year	6,311	6,788	6,468	6,631
Adjustments relating to previous years (net)	772	784	(145)	602
Tax on profit/loss for the year	10,631	12,126	11,895	12,578
Analysis of tax on profit/loss:				
22% tax of profit/loss before tax	8,400	9,627	8,678	9,727
Non-tax deductible expenses from investments in subsidiaries	-	-	1,616	762
Deferred tax asset - Investment grant	2,061	1,501	2,061	1,501
Write down of deferred tax assets	-	232	-	-
Non-tax deductible expenses	(354)	(18)	(316)	(14)
Other, including prior year adjustments	524	784	(144)	602
Tax on profit/loss for the year	10,631	12,126	11,895	12,578
Effective tax rate	27.8%	27.7%	34.3%	32.3%

Income tax receivables of DKK 5.8 million mainly contains of expected tax receivable from Danish Tax Authorities relating to tax credit scheme.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. CORPORATE TAX

DKK '000	Group		Parent	
	2021	2020	2021	2020
Deferred tax at begin of period	7,315	513	7,158	527
Adjustment relating to previous years	10	14	10	-
Reclassification from other accounts regarding net classification of deferred tax	(4,083)	-	(4,083)	-
Deferred tax on profit for the year	6,311	6,788	6,468	6,631
Deferred tax at 31 December (net)	9,553	7,315	9,553	7,158
Deferred tax is recognized in the balance as follows:				
Deferred tax assets	9,553	7,315	9,553	7,158
Deferred tax at 31 December (net)	9,553	7,315	9,553	7,158
Deferred tax concerns:				
Intangible assets	(14,365)	(16,657)	(14,365)	(16,657)
Property, plant and equipment	17	52	17	52
Trade receivables	(383)	(377)	(383)	(377)
Tax loss	24,284	24,297	24,284	24,140
Deferred tax at 31 December (net)	9,553	7,315	9,553	7,158

The recognised value of tax losses derives from the financial results of the Danish companies that are taxed jointly with Omada Group ApS which acts as the management company.

The Group's capitalised tax assets are expected to be realisable on the basis of current updated budgets for the next five years.

Tax losses in foreign subsidiaries are not included in the estimated deferred tax assets of the Group. Whether the losses can be used to offset against expected future income within the limitation periods applying in the countries where the losses were incurred is subject to uncertainty.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

DKK'000	GROUP			Total
	Software	Completed development projects	Development projects in progress	
2021				
Cost at 1 January	4,739	87,922	8,153	100,814
Additions	3,112	-	30,817	33,930
Transfer	-	36,334	(36,334)	-
Cost at 31 December	7,851	124,256	2,636	134,744
Amortisation and impairment losses at 1 January	1,252	46,594	-	47,846
Amortisation for the year	1,678	17,589	-	19,267
Amortisation and impairment at 31 December	2,930	64,183	-	67,113
Carrying amount at 31 December	4,921	60,073	2,636	67,631
Internally generated assets included above	-	60,073	2,636	62,709
Amortisation period	3-5 years	5 years	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

DKK'000	GROUP			Total
	Software	Completed development projects	Development projects in progress	
2020				
Cost at 1 January	1,123	68,769	4,560	74,452
Additions	3,616	-	22,746	26,362
Transfer	-	19,153	(19,153)	-
Cost at 31 December	4,739	87,922	8,153	100,814
Amortisation and impairment losses at 1 January	528	34,017	-	34,545
Amortisation for the year	724	12,577	-	13,301
Amortisation and impairment at 31 December	1,252	46,594	-	47,846
Carrying amount at 31 December	3,487	41,328	8,153	52,968
Internally generated assets included above	-	41,328	8,153	49,481
Amortisation period	3-5 years	5 years	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

DKK'000	PARENT			Total
	Software	Completed development projects	Development projects in progress	
2021				
Cost at 1 January	4,739	87,922	8,153	100,814
Additions	3,112	-	30,817	33,930
Transfer	-	36,334	(36,334)	-
Cost at 31 December	7,851	124,256	2,636	134,744
Amortisation and impairment losses at 1 January	1,252	46,594	-	47,846
Amortisation for the year	1,678	17,589	-	19,267
Amortisation and impairment at 31 December	2,930	64,183	-	67,113
Carrying amount at 31 December	4,921	60,073	2,636	67,631
Internally generated assets included above	-	60,073	2,636	62,709
Amortisation period	3-5 years	5 years	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

DKK'000	PARENT			Total
	Software	Completed development projects	Development projects in progress	
2020				
Cost at 1 January	1,123	68,769	4,560	74,452
Additions	3,616	-	22,746	26,362
Transfer	-	19,153	(19,153)	-
Cost at 31 December	4,739	87,922	8,153	100,814
Amortisation and impairment losses at 1 January	528	34,017	-	34,545
Amortisation for the year	724	12,577	-	13,301
Amortisation and impairment at 31 December	1,252	46,594	-	47,846
Carrying amount at 31 December	3,487	41,328	8,153	52,968
Internally generated assets included above	-	41,328	8,153	49,481
Amortisation period	3-5 years	5 years	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

DEVELOPMENT PROJECTS IN PROGRESS

Costs relating to development projects in progress of DKK 2,636 thousand (31 December 2020: DKK 8,153 thousand) have been recognised in the financial statements of the Group and Parent Company. The costs relate to the further development of the Group's core products. The development projects were tested for indications of impairment at the end of the financial year, which did not lead to any write down.

OTHER INTANGIBLE ASSETS

Management assessed at the end of the financial year that the remaining assets show no indications of impairment.



NOTES TO FINANCIAL STATEMENTS

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

DKK'000	GROUP			Total
	Other fixtures and fittings, tools and equipment	Right-of-use assets (Offices)	Right-of-use assets (Cars)	
2021				
Cost at 1 January	5,816	18,835	2,674	27,325
Exchange rate adjustments	-	112	19	131
Additions	1,355	784	341	2,480
Remeasurement	-	4,367	-	4,367
Disposals	(161)	-	(188)	(349)
Cost at 31 December	7,010	24,097	2,846	33,953
Depreciation and impairment losses at 1 January	3,874	5,155	834	9,863
Depreciation for the year	842	3,608	957	5,407
Reversal of depreciation of disposals in the year	(161)	-	(168)	(329)
Depreciation and impairment at 31 December	4,555	8,763	1,623	14,941
Carrying amount at 31 December	2,455	15,334	1,223	19,013
Depreciation period	3-5 years	2-7 years	2-4 years	-

Remeasurement is evaluated yearly and for 2021 the remeasurement relates primarily to the expected lease period.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

DKK'000	GROUP			Total
	Other fixtures and fittings, tools and equipment	Right-of-use assets (Offices)	Right-of-use assets (Cars)	
2020				
Cost at 1 January	4,327	19,102	2,080	25,509
Exchange rate adjustments	-	(499)	(5)	(504)
Additions	1,489	1,387	1,269	4,145
Disposals	-	(1,155)	(670)	(1,825)
Cost at 31 December	5,816	18,835	2,674	27,325
Depreciation and impairment losses at 1 January	3,254	3,362	723	7,339
Exchange rate adjustments	-	(58)	(2)	(60)
Depreciation for the year	620	3,006	783	4,409
Reversal of depreciation of disposals in the year	-	(1,155)	(670)	(1,825)
Depreciation and impairment at 31 December	3,874	5,155	834	9,863
Carrying amount at 31 December	1,942	13,680	1,840	17,462
Depreciation period	3-5 years	2-7 years	2-4 years	-

Low value assets expensed amounts to DKK 17 thousand in 2021 (2020 DKK 0) and short term leases expensed amounts to DKK 0 (2020: DKK 0).

Lease payments amount to DKK 5,034 thousand (2020: DKK 4,080 thousand)

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

DKK'000	Other fixtures and fittings, tools and equipment	PARENT Right-of-use assets (Offices)	Total
2021			
Cost at 1 January	5,816	11,617	17,433
Additions	1,355	-	1,355
Remeasurement	-	1,620	1,620
Disposals	(161)	-	(161)
Cost at 31 December	7,010	12,237	20,247
Depreciation and impairment losses at 1 January	3,874	3,417	7,291
Depreciation for the year	842	1,637	2,479
Reversal of depreciation of disposals in the year	(161)	-	(161)
Depreciation and impairment at 31 December	4,555	5,054	9,608
Carrying amount at 31 December	2,455	8,183	10,638
Depreciation period	3-5 years	2-7 years	-

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

DKK'000	Other fixtures and fittings, tools and equipment	PARENT Right-of-use assets (Offices)	Total
2020			
Cost at 1 January	4,327	12,584	16,911
Additions	1,489	-	1,489
Disposals	-	(967)	(967)
Cost at 31 December	5,816	11,617	17,433
Depreciation and impairment losses at 1 January	3,254	2,551	5,805
Depreciation for the year	620	1,833	2,453
Reversal of depreciation of disposals in the year	-	(967)	(967)
Depreciation and impairment at 31 December	3,874	3,417	7,291
Carrying amount at 31 December	1,942	8,200	10,142
Depreciation period	3-5 years	2-7 years	-

Low value assets expensed amounts to DKK 11 thousand in 2021 (2020: DKK 0) and short term leases expensed amounts to DKK 0 (2020: DKK 0). Lease payments amount to DKK 1,810 thousand (2020: DKK 1,990 thousand).

NOTES TO FINANCIAL STATEMENTS

NOTE 13. INVESTMENTS IN SUBSIDIARIES

DKK'000	PARENT	
	2021	2020
Cost at begin of period	14,491	14,491
Addition	18	-
Cost at 31 December	14,509	14,491
Value adjustments at begin of period	(12,685)	(17,893)
Exchange rate adjustments	(1,474)	1,728
Share of the profit/loss for the year	7,346	3,464
Other	-	16
Value adjustments at 31 December	(6,813)	(12,685)
Carrying amount at 31 December	7,696	1,806
Net carrying amount consists of the following		
Write down of intercompany receivables	(16,866)	(17,037)
Other provision	-	-
Gross carrying amount of investments	24,562	18,843
Carrying amount at 31 December	7,696	1,806

NAME	REGISTERED ADDRESS	INTEREST HELD 2021	INTEREST HELD 2020
Omada Services A/S	Copenhagen	100%	100%
Omada Solutions Inc	USA	100%	100%
Omada GmbH	Germany	100%	100%
Omada Solutions Ltd	UK	100%	100%
Omada Sweden AB	Sweden	100%	-
Omada Poland S.P.z.o.o	Poland	100%	100%

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RECEIVABLES

DKK'000	GROUP		PARENT	
	2021	2020	2021	2020
Trade receivables from customers	53,918	39,369	44,694	36,554
Accrued revenue	3,816	3,250	3,529	2,912
Loss allowances	(214)	(214)	(214)	(214)
Total receivables (net) at 31 December	57,520	42,405	48,009	39,252
Receivables (gross) at begin of the period	42,619	65,113	39,466	59,293
Exchange rate adjustments	259	(487)	-	-
Change in receivables during the period	14,856	(22,007)	8,757	(19,827)
Receivables (gross) at 31 December	57,734	42,619	48,223	39,466
Provisions for bad debt at begin of period	214	559	214	559
Change in provisions for bad debt during the period	113	(198)	113	(198)
Loss realized during the period	(113)	(147)	(113)	(147)
Provisions for bad debt at 31 December	214	214	214	214
Carrying amount at 31 December	57,520	42,405	48,009	39,252

Provisions for bad debt are made based on the lifetime expected credit losses (simplified method) in line with the Group's accounting policies.

The Group's currency and credit risks relating to receivables are described in note 19.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RECEIVABLES

DKK'000	2021	2020	2021	2020
Age of trade receivables (gross):				
Not due	53,676	31,401	46,400	28,755
0-30 days	2,021	6,225	1,174	5,994
31 - 60 days	1	411	2	133
61 - 90 days	980	3,456	85	3,456
91 - 180 days	1,056	1,126	562	1,126
181 - 275 days	-	-	-	-
276 - 360 days	-	-	-	-
Above 360 days	-	-	-	-
Total	57,734	42,619	48,223	39,464
Age of impairment:				
Not due	77	-	77	-
0-30 days	5	12	5	12
31 - 60 days	-	2	-	1
61 - 90 days	26	86	26	86
91 - 180 days	107	113	107	115
181 - 275 days	-	-	-	-
276 - 360 days	-	-	-	-
Above 360 days	-	-	-	-
Total	214	214	214	214

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RECEIVABLES

DKK'000	2021	2020	2021	2020
Provision matrix:				
Not due	0.15%	0.0%	0.15%	0.0%
0-30 days	0.25%	0.2%	0.25%	0.2%
31 - 60 days	0.50%	0.5%	0.50%	0.5%
61 - 90 days	2.50%	2.5%	2.50%	2.5%
91 - 180 days	10.0%	10.0%	10.0%	10.0%
181 - 275 days	25.0%	25.0%	25.0%	25.0%
276 - 360 days	50.0%	50.0%	50.0%	50.0%
Above 360 days	100.0%	100.0%	100.0%	100.0%

NOTES TO FINANCIAL STATEMENTS

NOTE 15. CONTRACT ASSETS AND CONTRACT LIABILITIES

DKK'000	GROUP		PARENT	
	2021	2020	2021	2020
Balance at begin of the period	(42,865)	(25,822)	(36,941)	(16,832)
Changes in contract assets during the period	(26,093)	15,778	-	-
Changes on account billing and prepayments during the period	9,272	(32,821)	(19,364)	(20,109)
Balance at 31 December	(59,687)	(42,865)	(56,305)	(36,941)
Work in progress	4,151	30,244	-	-
On account billing and prepayments	(63,838)	(73,110)	(56,305)	(36,941)
Balance at 31 December	(59,687)	(42,866)	(56,305)	(36,941)
The net value is included in the balances as follows				
Contract assets	4,151	170	-	-
Prepayment on contract assets	(3,848)	(2,236)	(2,103)	(1,794)
Contract liabilities	(59,990)	(40,800)	(54,202)	(35,147)
Balance at 31 December	(59,687)	(42,866)	(56,305)	(36,941)

Contract assets exist whenever a payment for a service or good is to be received in the future upon completion of performance obligations. Upon completion, the amounts recognised as contract assets are reclassified to trade receivables. Contract assets are recognised from implementation services where the receipt of consideration is dependent on a successful completion.

Contract liabilities exist whenever the customer pays for a good or service in advance of receiving it and the performance obligation has not yet been satisfied. Contract liabilities are recognised from implementation services where payment is made in advance, service desk support, maintenance, payment for SaaS or subscription licenses and where the payment for the perpetual licenses are made prior to the transfer of the license. The majority of contract obligations consist of prepayments for licenses and maintenance where the performance obligation is fulfilled over 12 months compared to payment terms of 30-60 days.

Contract assets has been tested for impairment in line with the Group's accounting policies. The result of the impairment test did not give rise to any impairment of the contract work in progress.

The transaction price allocated to the remaining performance obligations for the Group (either unsatisfied or partially unsatisfied) as of 31 December 2021 totals DKK 59.7 millions (31 December 2020: 43 million) of which DKK 54.5 million is expected to be recognised as revenue in 2022 (31 December 2020: DKK 36 million was expected to be recognised as revenue in 2021).

Unsatisfied or partly unsatisfied performance obligations relate to Software-as-a-Service and maintenance, updates and support agreements.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. SHARE CAPITAL

SHARE CAPITAL

All shares rank equally. Shares are non-negotiable instruments and any transfer, pledge or other form of creation of rights attaching to the Company's shares require the prior written consent of the board of directors. No shares are subject to restrictions on transferability or voting rights.

	NOMINEL VALUE	
	2021	2020
2,850,900 shares of DKK 0.50 each	1,425	1,425
31 December	1,425	1,425

MANAGING CAPITAL

Executive management and the board of directors regularly assess whether the capital structure is in accordance with the interest of the Group and the shareholders. The overall goal is to ensure a capital structure which supports long-term financial growth, and at the same time maximizes the return to the Group's stakeholders through optimization of the debt and equity balance. Evaluations of the capital structure are based on the Group's budgets and strategic plans. The Group expects to finance its current strategy through operations.

TREASURY SHARES

In 2021, the company has transferred all treasury shares and warrants, DKK 4,015 thousands to the parent company, Omada Group ApS.

	GROUP/PARENT	
	2021	2020
Treasury shares and warrants 1 January	4,015	7,606
Purchases	-	820
Disposals	-	(4,411)
Sold to Omada Group ApS	(4,015)	-
31 December	-	4,015

NOTES TO FINANCIAL STATEMENTS

NOTE 17. LEASE LIABILITIES, RIGHT-OF-USE ASSETS

DKK'000	GROUP			PARENT	
	Cars	Offices	Total	Offices	Total
2021					
Less than 1 year	806	3,967	4,774	1,790	1,790
Between 1 and 5 years	441	12,102	12,543	6,655	6,655
Total	1,248	16,070	17,317	8,445	8,445

DKK'000	GROUP			PARENT	
	Cars	Offices	Total	Offices	Total
2020					
Less than 1 year	879	3,477	4,356	1,775	1,775
Between 1 and 5 years	990	10,668	11,658	6,595	6,595
Total	1,869	14,145	16,014	8,370	8,370

NOTES TO FINANCIAL STATEMENTS

NOTE 18. SHARE BASED PAYMENTS

The Board of Directors of Omada Group ApS has implemented incentive plans, based on the Omada Group ApS's share price, for the executive board of Omada A/S and other employees in the Group, as part of the overall remuneration strategy adopted by the Group. The inclusion of an element of remuneration that is linked to share price performance is an important part of the Board of Directors aligning decision-making with the principle goal of long-term Group profitability and is an appropriate element of the overall rewards structure of the Group.

Warrants of Omada Group ApS have been granted the executive board of Omada A/S and other employees in the Group in December 2018. The warrants can only be exercised in case of a sale or IPO. Additionally, vesting of the warrants is dependent on the internal rate of return (IRR) for the investment in the Omada Group. Employees must remain in service from the grant date until the vesting conditions are met.

The fair value of warrants granted is estimated at the date of grant using a Black-Scholes model, taking into account the terms and conditions on which the warrants were granted. The model simulates the IRR. It takes into account historical and expected dividends, and the share price volatility of the Group relative to that of its competitors so as to predict the share performance.

Each of the warrants entitles the participants to subscribe for one C-share in Omada Group ApS. The exercise price of the warrants is based on the market price of the underlying shares on the date of grant.

The Group accounts for the warrants as an equity-settled plan.

A total of 68,626,527 warrants, divided equally into three series, were granted in December 2018 for an aggregate value of DKK 14,141 thousand. The estimated market value of the warrants is based on Black & Scholes calculation at the grant date. The calculation is based on an average share price of DKK 1, weighted

average exercise price of DKK 1.76, dividend per share of 0%, volatility of 50% and a risk-free interest rate of -0.32% and an expected life of the warrants of 4 years. date. The calculation is based on an average share price of DKK 1, weighted average exercise price of DKK 1.76, dividend per share of 0%, volatility of 50% and a risk-free interest rate of -0.32% and an expected life of the warrants of 4 years.

The expected life of the warrants is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The estimated expected life of the warrants of 4 years is determined by Management's estimate of the likely time horizon for a future sale of Omada Group ApS.

The warrants vest over a period of 4 years beginning December 2018 at 1/48 for each month the warrant holder is employed by the Group. On 12 December 2018, the warrant holders paid DKK 4,463 thousand to acquire the warrants valued at DKK 14,141 and a net amount of DKK 9,678 was expected to be accrued over the vesting period as per the grant date.

In 2020 and 2021, the company bought back warrants from resigning Executives/employees and sold most of the warrants to new executives/employees of the Group.

As per 31 December 2021, an amount of DKK 7,708 thousand (31 December 2020 DKK 8,848 thousand) is expected to be accrued over the entire vesting period as share-based payments in the income statement. As per 31 December 2021 DKK 1,781 thousand is expected to be expensed over the remaining vesting period (31 December 2020 DKK 4,215 thousand).

In 2021, the Group expensed DKK 1,294 thousand (2020 DKK 2,493 thousand) in share-based payment relating to equity instruments.

NOTES TO FINANCIAL STATEMENTS

NOTE 18. SHARE BASED PAYMENTS

DKK	Average exercise price per warrant	Board of directors	Executive board	Other key employees*	Other employees	Total
Warrant program						
Outstanding at 1 Januar 2020	1.76	-	9,388,335	16,567,650	20,580,342	46,536,327
Reclassification during the period	1.76	-	-	(7,179,315)	7,179,315	-
Granted during the period	1.76	-	6,275,625	19,180,818	3,367,749	28,824,192
Forfeited during the period	1.76	-	-	(9,388,335)	(3,225,672)	(12,614,007)
Outstanding at 31 December 2020	1.76	-	15,663,960	19,180,818	27,901,734	62,746,512
	Average exercise price per warrant	Board of directors	Executive board	Other key employees	Other employees*	Total
Warrant program						
Outstanding at 1 Januar 2021	1.76	-	15,663,960	19,180,818	27,901,734	62,746,512
Reclassification during the period	1.76	-	(4,694,166)	4,694,166	-	-
Granted during the period	1.76	-	-	-	4,250,850	4,250,850
Forfeited during the period	1.76	-	(4,694,166)	-	(7,643,715)	(12,337,881)
Outstanding at 31 December 2021	1.76	-	6,275,628	23,874,984	24,508,869	54,659,481
Total warrants which can be exercised 31 December 2020 and 31 December 2021	-	-	-	-	-	-
Weighted average remaining contractual life (years) as per 31 December 2020	-	-	-	1.9	1.9	1.9
Weighted average remaining contractual life (years) as per 31 December 2021	-	-	-	0.9	0.9	0.9
Range of exercise price per warrant	-	-	-	1.46 - 2.07	1.46 - 2.07	1.46 - 2.07

* Other key employees are executive management team of Omada A/S ex. executive board.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE GROUP

Due to the nature of its operations, investments and financing activities, the Group is exposed to a number of financial risks. These risks relate to market risk, which consists of foreign exchange and interest rate risk, as well as credit risk and liquidity risk.

It is the Group's policy not to actively speculate in financial instruments. The sole purpose of the Group's financial management is to manage and reduce financial risk.

Management monitors the risks the Group is exposed to and aligns policies to hedge such risks.

Management is authorised to enter into forward currency contracts, but the Group was not party to any derivatives at the balance sheet dates.

LIQUIDITY RISK MANAGEMENT

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast of cash flows, and by matching the maturity profiles of financial assets and liabilities. For all the primary financial instruments, the carrying amounts are equivalent to the fair value.

The below maturity analysis for the Group is based on the undiscounted cash flow including interest.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

Financial assets 31 December

DKK'000	GROUP				PARENT			
	Less than 1 year	Between 1 and 5 years	More than 5 years	Total	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
2021								
Receivables	57,520	-	-	57,520	48,009	-	-	48,009
Receivables group entities	35,439	-	-	35,439	87,281	-	-	87,281
Other receivables	6,723	2,376	-	9,099	-	2,376	-	2,376
Cash and bank balances	24,736	-	-	24,736	21,995	-	-	21,995
Total financial assets	124,418	2,376	-	126,794	157,285	2,376	-	159,661
Financial institutions	-	72,695	-	72,695	-	62,144	-	62,144
Trade payables	28,177	-	-	28,177	23,863	-	-	23,863
Payables group entities	1,152	-	-	1,152	85,569	-	-	85,569
Other liabilities	20,930	250	6,109	27,289	12,277	250	6,109	18,636
Lease liability	4,774	12,543	-	17,317	1,790	6,655	-	8,445
Total financial liabilities	55,033	85,488	6,109	146,630	123,499	69,049	6,109	198,657
Ratio	-	-	-	0.9	-	-	-	0.8
2020								
Receivables	42,405	-	-	42,405	39,250	-	-	39,250
Receivables group entities	9,474	-	-	9,474	13,447	-	-	13,447
Other receivables	-	2,376	-	2,376	-	2,376	-	2,376
Cash and bank balances	23,759	-	-	23,759	29,174	-	-	29,174
Total financial assets	94,784	2,376	-	97,160	81,871	2,376	-	84,247
Financial institutions	-	49,146	-	49,146	-	49,146	-	49,146
Trade payables	22,311	-	-	22,311	14,618	-	-	14,618
Payables group entities	18,619	-	-	18,619	46,980	-	-	46,980
Other liabilities	17,010	250	5,626	22,886	9,144	250	5,626	15,020
Lease liability	4,356	11,658	-	16,014	1,775	6,595	-	8,370
Total financial liabilities	62,269	61,054	5,626	128,949	72,517	55,991	5,626	134,134
Ratio	-	-	-	0.8	-	-	-	0.6

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE GROUP AND PARENT COMPANY

Financial facilities	GROUP		PARENT	
	2021	2020	2021	2020
Cash and bank balances	24,736	42,905	21,995	29,174
Unused credit facilities	17,305	10,854	17,305	10,854
Total	42,041	53,759	39,300	40,028

The Group has a revolving credit facility with Nordea of DKK 90 million (31 December 2020: DKK 60 million) of which DKK 73 million is drawn 31 December 2021 (31 December 2020: DKK 50 million). Cash reserves and expected cash flow for 2022 are considered to be adequate to meet the obligations of the Group as they fall due. In March 2022 the owners have done a capital increase of DKK 44 million. Cash reserves comprise cash and cash equivalents and unutilised credit facilities. The Group aims to have sufficient cash reserves to allow it to continue to operate adequately in case of unforeseen fluctuations in cash.

The revolving credit facility will be gradually reduced from 2023 towards the final maturity date which is December 2024. The group expects that external credit facilities will not be needed after that date, but expects to ensure financing through profit and positive cash-flow.

CURRENCY RISK

The Group is exposed to currency fluctuations from individual Group companies conducting purchase and sales transactions and have receivables and debt in currencies other than their own functional currency.

In 2021, the Group invoiced approx. 15% (2020: 25%) of its sale in DKK, 54% (2020: 47%) in EUR, 17% (2020: 15%) in USD and the remaining 14% (2020: 13%) in various currencies. As parent company is incorporated in Denmark, a large part of the costs are incurred in DKK corresponding to approx. 63% (2020: 34%), approx.

14% (2020: 37%) in EUR, approx. 10% (2020: 16%) in USD and approx. 13% (2020: 13%) in various currencies.

The Group's foreign exchange exposure is primarily in EUR and USD. Management does not believe that EUR exposure involves particular risk as the exchange rate policy of the Danish National Bank is to keep the DKK/EUR exchange rate within a certain range. As regards USD, management monitors the situation and considers whether hedging would be appropriate. No hedging contracts were entered into at the balance sheet dates.

Value adjustment of investments in foreign group undertakings using functional currencies other than DKK is taken directly to equity and is shown in the statement of other comprehensive income. Related foreign exchange risk is not hedged. A sensitivity analysis shows that had the USD/DKK exchange rate been 10% lower in 2021, EBIT would have been DKK 0.2 million lower (2020: 0.1 million lower).

Currency risk 31 December

DKK'000 Currency	Payment/ maturity	Receivable	Cash at bank and in hand	Debt	Net position
31 December 2021 USD	< 1 year	2,078	286	4,657	(2,311)
31 December 2020 USD	< 1 year	4,441	4,846	7,012	2,275

A decrease in the USD/DKK exchange rate of 10% at 31 December 2021 would reduce the negative value of the financial instruments, net by approx. 0.2 million (31 December 2020 a decrease in the value of the Groups financial instruments, net of 0.2 million. Income statement would not be affected.

The Group has no USD denominated receivables or debt falling due after more than 12 months apart from deposits paid on inception of leases, which amounts are not included in the sensitivity analysis.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE GROUP AND THE PARENT COMPANY

Interest rate risk

Fluctuations in interest rates have an effect on the Group's financial instruments. By the end of 2021, an increase in interest rates of half a percentage point would increase the Group's financial interests by approx. DKK 0.3 million (2020: 0.1 million). Net position with financial institutions are used in the analysis.

Credit risk

The Group's credit risk primarily derive from receivables. Receivables are distributed between many customers and geographical areas. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

The maximum credit risk at the balance sheet date equals the carrying amount of the Group's total financial assets, cf below table.

No customer represents more than 10% of the total trade receivables from clients as per 31 December 2021 (31 December 2020: less than 10%).

DKK'000	GROUP		PARENT	
	2021	2020	2021	2020
Categories of Financial instruments				
Other non-current financial assets	1,107	981	922	920
Trade receivables	57,520	42,405	48,009	39,252
Receivables Group entities	35,439	9,474	87,281	13,447
Other receivables	9,099	2,376	2,376	2,376
Cash at bank and in hand	24,736	42,905	21,995	29,174
Measured at amortised cost (receivables and deposits)	127,900	96,746	159,129	85,169
Financial institutions	72,695	49,146	62,144	49,146
Trade payables	28,177	22,311	23,863	14,618
Payables Group entities	1,152	18,619	85,569	46,980
Other liabilities	27,289	22,886	18,636	15,020
Lease liabilities	17,317	16,014	8,445	8,370
Measured at amortised cost (loans and other debt)	146,630	128,949	198,657	134,134

The fair value of financial assets and liabilities is assessed not to deviate significantly from the carrying values.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE PARENT COMPANY

The maturity analysis below is based on the undiscounted cash flow including interest.

DKK'000	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
2021				
Receivables from Group subsidiaries	87,281	-	-	87,281
Receivables	48,009	-	-	48,009
Other receivables	-	2,376	-	2,376
Cash and bank balances	21,995	-	-	21,995
Total financial assets	157,285	2,376	-	159,661
Trade payables	23,863	-	-	23,863
Financial institutions	-	62,144	-	62,144
Payables group entities	85,569	-	-	85,569
Other liabilities	12,277	250	6,109	18,636
Lease liability	1,790	6,655	-	8,445
Total financial liabilities	123,499	69,049	6,109	198,657
Ratio	-	-	-	0.8

DKK'000	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
2020				
Receivables from Group subsidiaries	13,447	-	-	13,447
Receivables	39,252	-	-	39,252
Other receivables	-	2,376	-	2,376
Cash and bank balances	29,174	-	-	29,174
Total financial assets	81,871	2,376	-	84,247
Trade payables	14,618	-	-	14,618
Financial institutions	-	49,146	-	49,146
Payables group entities	46,980	-	-	46,980
Other liabilities	9,144	250	5,626	15,020
Lease liability	1,775	6,595	-	8,370
Total financial liabilities	72,517	55,991	5,626	134,134
Ratio	-	-	-	0.6

The fair value of financial assets and liabilities is assessed not to deviate significantly from the carrying values.

DKK'000	2021	2020
Receivables from Group subsidiaries	87,281	13,447
Receivables	48,009	39,252
Other receivables	2,376	2,376
Cash and bank balances	21,995	29,174
Measured at amortised cost (receivables and deposits)	159,661	84,247
Trade payables	23,863	14,618
Financial institutions	62,144	49,146
Payables group entities	85,569	46,980
Other liabilities	18,636	15,020
Lease liability	8,445	8,370
Measured at amortised cost (loans and other debt)	198,657	134,134

NOTES TO FINANCIAL STATEMENTS

NOTE 20. RELATED PARTY TRANSACTIONS

Gubernare Holdings Jersey Limited and GRO Holding VII ApS have significant influence in Omada A/S via the wholly owned holding companies Omada Group ApS and Gubernare BidCo ApS. Hence the companies are considered a related party together with its board of directors.

Other related parties are Omada Group ApS', Gubernare BidCo ApS' and Omada A/S' Board of Directors and Executive Board and key employees of the Group as well as close relatives of these persons and companies owned by them. Apart from ordinary remuneration, payment of travel costs and the transactions listed below under "Transactions with related parties" there were no other transactions.

No member of the Board were employed with the Group during the financial years.

Loans are granted to employees (cf. note 7)". The loans are remunerated on market terms and matures upon the earlist of the following to occur: 1) Termination of employment, 2) Sale of Omada Group ApS or 3) on 31 December 2025.

Omada A/S' wholly owned subsidiaries are considered related parites. There are no group enterprise transactions that have not been carried out on normal market terms.

The Financial Statements of Omada Group ApS (parent company of Gubernare BidCo ApS) and Gubernare BidCo ApS (parent company of Omada A/S) are publicly available.

TRANSACTIONS WITH RELATED PARTIES:

DKK'000	GROUP		PARENT	
	2021	2020	2021	2020
General & administrative	(6,099)	(5,958)	(6,099)	(5,958)
Cost of sales	-	-	(98,387)	(21,248)
Interests paid	201	-	-	-
Interests received	-	-	307	154
Receivables from group entities	35,439	9,474	87,281	13,447
Payables to group entities	(1,152)	(18,619)	(85,569)	(46,980)

NOTES TO FINANCIAL STATEMENTS

NOTE 21. CHANGES IN WORKING CAPITAL

DKK'000	GROUP		PARENT	
	2021	2020	2021	2020
Change in receivables and contract assets	(45,061)	27,396	(82,430)	20,041
Change in other receivables	(9,398)	723	(1,423)	539
Change in payables and contract liabilities	9,228	17,804	67,198	11,429
Change in other liabilities	4,403	3,390	3,616	11,414
Cash flow from changes in working capital	(40,828)	49,313	(13,029)	43,423

NOTE 22. CASH FLOW FROM FINANCING ACTIVITIES

The table below specify changes in liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flow will be, classified in the cash flow statement as cash flow from financing activities.

GROUP	ADJUSTMENTS FOR NON-CASH TRANSACTIONS				
	1 January 2021	Cash flows	Addition of right-of-use assets	Other	31 December 2021
DKK'000					
Lease liabilities	16,014	(5,034)	5,603	734	17,317
Financial institutions	49,146	23,549	-	-	72,695
Total	65,160	18,515	5,603	734	90,012

GROUP	ADJUSTMENTS FOR NON-CASH TRANSACTIONS				
	1 January 2020	Cash flows	Addition of right-of-use assets	Other	31 December 2020
DKK'000					
Lease liabilities	17,441	(4,080)	2,086	567	16,014
Financial institutions	7,083	42,063	-	-	49,146
Total	24,524	37,983	2,086	567	65,160

PARENT	ADJUSTMENTS FOR NON-CASH TRANSACTIONS				
	1 January 2021	Cash flows	Addition of right-of-use assets	Other	31 December 2021
DKK'000					
Lease liabilities	8,370	(1,810)	1,620	265	8,445
Financial institutions	49,146	12,998	-	-	62,144
Total	57,516	11,188	1,620	265	70,589

PARENT	ADJUSTMENTS FOR NON-CASH TRANSACTIONS				
	1 January 2020	Cash flows	Addition of right-of-use assets	Other	31 December 2020
DKK'000					
Lease liabilities	10,097	(1,990)	-	263	8,370
Financial institutions	7,083	42,063	-	-	49,146
Total	17,178	40,073	-	263	57,516

NOTES TO FINANCIAL STATEMENTS

NOTE 23. CONTINGENT LIABILITIES

The company is jointly taxed with its ultimate parent, Omada Group ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2013 and onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 1 July 2012.

The parent company is jointly registered for VAT with its subsidiary Omada Services A/S. The Company is thus jointly and severally liable for VAT liabilities.

NOTE 24. SECURITY

As security for debt to financial institutions, Omada A/S has entered an agreement of floating charges with a value of DKK 30,000 thousand in the company's basic receivables, inventories (if any), fixed assets or similar and goodwill.

In addition, there are no collateral.

Omada A/S has issued a letter of support to Omada Solutions Ltd. The subsidiary Omada Solutions Ltd is exempt from submitting audited accounts under section 479A of the UK Companies Act 2006.

NOTE 25. EVENTS AFTER THE REPORTING PERIOD

No significant events requiring specific mentioning in the financial report have occurred to date in 2022.

Management has assessed the potential financial impact from the crises in Ukraine. Currently, no significant impact is expected.

With effect from 1 January 2022, Omada A/S will be merged with Omada Services A/S with Omada A/S as the continuing company.

In March 2022 the owners have done a capital increase of DKK 44 million to support the ongoing transition from perpetual to SaaS.

NOTES TO FINANCIAL STATEMENTS

NOTE 26. ACCOUNTING POLICIES

In addition to the description in Note 1, the accounting policies are as described below.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the financial statements of the Parent Company and subsidiaries controlled by the Parent Company. Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment and be able to affect those returns through its power over the investee.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra group income and expenses, shareholdings, intra group balances and dividends, and realised and unrealised gains on intra group transactions are eliminated. In the consolidated financial statements, the accounting items of subsidiaries are recognised in full.

FOREIGN CURRENCY TRANSLATION

Transactions in currencies other than the Group's functional currency are translated initially at the transaction date. Receivables and payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated at the closing rate. Gains and losses arising from the difference between the exchange and the transaction date are recognized in the income statement as financial items.

Tangible and intangible assets, inventories and other non-monetary assets acquired in a foreign currency and measured at historical cost are translated at the transaction date. Non-monetary items revalued at fair value are translated using the exchange rate at the date of revaluation.

Translation of foreign subsidiaries

On recognition in the consolidated financial statements of foreign subsidiaries with a functional currency other than Danish kroner (DKK), income statements are translated at average exchange rates for the months unless these deviate significantly from the actual exchange rates at the transaction dates. In the latter case, the actual exchange rates are used. Assets and liabilities for each balance sheet presented are translated at the closing exchange rates. All resulting differences are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that foreign operation is reclassified to profit or loss.

CONSOLIDATED INCOME STATEMENT

Revenue

Omada's revenue from contract with customers comes mainly from providing perpetual or fixed-term (rental) software licenses, software as a service (SaaS), software maintenance services, implementation services and service desk support. If a sales contract consists of several performance obligations, the total contract

NOTES TO FINANCIAL STATEMENTS

revenue is allocated to the individual performance obligations prior to revenue recognition.

For a contract to exist between Omada and its customers, each party's rights must be identifiable, payment terms must be identifiable, the contract must be deemed to have commercial substance, and it must be probable that the payments identifiable in the contract will be recovered by Omada.

Revenue is recognised when the transfer of control of the license or service to the customer. Control of the asset refers to the ability to direct the use of, and obtain substantially all the benefits from, the software licenses or associated services. For contracts that contain elements such as discounts, rebates or interest, the stand-alone selling price for the specific performance obligation is identified.

LICENSES

Rental license agreements are software licenses with a fixed term, providing the customer with the right to use the software for a pre-determined, time-limited period. Perpetual licenses provide the customer with a right to use the license for an unlimited period. Control of both licenses is deemed to pass to the customer when the software and the associated activation keys are delivered to the customer. The performance obligation identified when providing the customer with a perpetual license, is the right to use the software, and there are no subsequent technical requirements for additional enhancements or updates to the software in order to facilitate use by the customer after delivery.

When providing the customer with a rental license, the performance obligation identified is satisfied over time, as additional enhancements and updates to the software in order to facilitate use becomes available to the customer after initial delivery.

For perpetual licenses, the performance obligation is satisfied at a point in time, when both parties have signed a binding contract and the software,

and associated activation key, are delivered to the customer. Revenue for the perpetual license is therefore recognized on a point-in-time basis.

For rental license agreements, the performance obligation is satisfied over time starting from when the contract obligation has been fulfilled, as the customer receives and benefits from a product that constantly is being enhanced and updated on a running basis.

Hence the Rental license revenue is recognized over time as the software keeps being enhanced and updated.

MAINTENANCE

Maintenance services relate to periodic updates and security patches that can be made available to customers, at their discretion, subsequently to the installation of the licenses (both perpetual and rental), over an agreed contract period. The performance obligation is satisfied over time, as the customer simultaneously receives and consumes the benefits of the maintenance service. Accordingly, revenue related to maintenance services is recognised over time.

IMPLEMENTATION

Whenever the customer purchases software licenses or SaaS, Omada may be contracted to provide implementation services, which include the customisation and installation of the software in accordance with the requirements of the specific customer.

The performance obligation is satisfied over time, as the customer obtains control over the services as they are provided. Implementation services are billed on a time and materials basis and revenue is recognised over time based on the work performed to date.

SOFTWARE AS A SERVICE (SAAS)/SERVICE DESK

Software as a Service (SaaS) provides customers with access to Omada, with Omada hosting the software and maintaining the responsibility for providing

NOTES TO FINANCIAL STATEMENTS

software enhancements during the contract period. The performance obligation for SaaS is satisfied over time, as the customer continually receives and consumes the benefits of the SaaS during the contract period.

As a part of purchasing SaaS, the customer obtains the right to access the Omada service desk for any issues the customer encounters. The performance obligation for the service desk is satisfied over time as the customer simultaneously receives and consumes the benefits of the service desk.

TRANSACTION PRICE ALLOCATION

Based on the relative stand-alone selling price for each of the distinct goods or services provided by Omada, an allocation of the transaction price is made to each performance obligation. The stand-alone selling price for implementation services is determined based on the hourly billing rate, and time expended on the contract.

CONTRACT MODIFICATIONS

A contract modification is treated as a separate contract when the goods or services in the modification contract are distinct from the goods or services in the original contract and the consideration expected for the additional goods and services reflect the stand-alone selling price of those.

CONTRACT EXTENSIONS

In some sales contracts, Omada provides extension options, which give the customer the right to acquire additional, future licenses at a discounted unit price, for an additional period, following the original contract term. When the presence of discount in the extension option provides the customer with a material right, the extension option is treated as a separate performance obligation. If such an option is present in a sales contract, Omada allocates part of the transaction price to future licenses as a separate performance obligation.

Operating costs

Operating costs are allocated into cost of sales, research and development, sales and marketing costs, and general and administrative expenses.

Cost of sales comprise costs incurred to achieve the year's revenue, including costs of delivering and implementing systems, hosting and infrastructure costs, third party costs, training courses, and support. Cost of sales primarily comprise salaries, share-based payments, other employee related costs, costs for external implementation consultants, hosting fees and other third-party costs, travel costs, depreciation and amortization, and other direct or indirect related cost such as rent and technological infrastructure costs attributable to the Group's cost of sales.

Research and development costs comprise salaries, share-based payments, other employee related costs, depreciation and amortization, and other direct or indirect related cost such as rent and technological infrastructure costs attributable to the Group's research and development activities. Research and development costs are expensed in the year in which they are incurred when they do not qualify for capitalization.

Sales and marketing costs primarily comprise salaries, commissions, bonuses, share-based payments, and other sales employee related costs, travel and meeting expenses, marketing expenses, depreciation and amortization, and other direct or indirect related cost such as rent and technological infrastructure costs attributable to the Group's sales and marketing activities.

General and administrative expenses comprise expected loss on trade receivables, salaries, bonuses, share-based payments and other employee costs and expenses, recruitment and other HR related costs, office costs, travel costs, audit & legal costs, depreciation and amortization, and other direct or indirect related cost such as rent and technological infrastructure costs attributable to the Group's administrative activities.

NOTES TO FINANCIAL STATEMENTS

Other operating income and expenses

Other operating income and expenses comprise items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of non current assets.

Financial items

Financial items include interest income and expenses, the interest on lease liabilities, amortisation of borrowing issue costs, realized and unrealized gains and losses on foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme.

Income from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement for the Parent Company according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra group gains/losses is made for equity investments in subsidiaries.

Tax

Income tax for the year, comprising current tax and movements in deferred tax, is recognized in the income statement by the portion attributable to the profit and directly in equity or in other comprehensive income to the extent that it relates to items recognized directly in equity and in other comprehensive income. Exchange adjustments of deferred tax is recognized as part of the adjustment of deferred tax.

Current tax liabilities and receivables are recognized in the balance sheet as estimated tax on the taxable income, adjusted for prepaid tax.

When calculating the current tax, the applicable tax rates and rules on the balance sheet date is used.

Deferred tax is recognized using the balance sheet Asset/Liability method on all temporary differences between accounting and tax values of assets and liabilities, except for deferred taxes on temporary differences arising on the initial recognition of goodwill or from the initial recognition of a transaction that is not a business combination, and where the temporary difference identified by the initial recognition affects neither the accounting profit nor the taxable income. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, unless the parent is able to control when the deferred tax is realized, and it is probable that the deferred tax will not crystallize as current tax in the foreseeable future. Deferred tax is calculated based on the planned use of each asset and settlement of each liability.

Deferred tax is measured based on the tax rules and rates in the respective countries, based on enacted or in reality enacted laws at the balance sheet dates that are expected to apply when the deferred tax is expected to crystallize as current tax. Changes in deferred tax due to changes in tax rates or rules are recognized in the income statement unless the deferred tax is attributable to transactions previously recognized directly in equity or in other comprehensive income. In the latter case, the change is also recognized in equity, respectively, in other comprehensive income.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognized at the value at which they are expected to be realized, either as net assets to offset against future taxable income or against deferred tax liabilities in the same legal tax entity and jurisdiction. It is assessed at each reporting date whether it is probable that in the future there will be sufficient taxable profits against which the deferred tax asset can be utilized.

NOTES TO FINANCIAL STATEMENTS

BALANCE SHEET

INTANGIBLE ASSETS

Intangible assets include goodwill, customer relationships and software acquired as part of a business combination and other intangible assets such as development projects and other acquired intangible rights, including software licences and development projects.

Intangible assets are measured at cost less accumulated amortisation and impairment losses.

Goodwill

Goodwill is recognized and measured at initial recognition as the difference between the cost and the net assets of the acquired company. The net assets of the acquired company are based on the fair value of assets and liabilities at the acquisition date. On recognition of goodwill, the goodwill is allocated to each of the Group's activities that generate separate cash flows (cash generating units) to which the goodwill relates. The determination of cash-generating units follows the management structure and internal financial management and reporting of the Group. A cash-generating unit is not larger than an operating segment.

Goodwill is not amortized, but is tested annually for impairment.

Customer relationships

Customer relationships comprise the capitalized fair value of the customer relationships in acquired companies, recognized during the purchase price allocation. Customer base is amortized over 8 years.

Software

Acquired software comprise the capitalized fair value of the software in acquired companies, recognized during the purchase price allocation and software acquired subsequently. Acquired software is amortized over 3 to 5 years.

Development projects

Software development projects are projects that are clearly defined and identifiable, where the technical feasibility, adequate resources and a potential future market or application in the group can be demonstrated and where the intention is to produce, promote or use the project. Development projects are recognized as intangible assets if the cost can be measured reliably and there is sufficient assurance that future earnings or the net selling price will cover production, sales, administration and development costs. Other development costs are recognized in the income statement as incurred.

Development costs are measured at cost less accumulated amortisation and impairment losses. The cost includes wages, salaries, services and other costs directly attributable to the Group's development and which are necessary to complete the project, from the time when the development project first qualifies for recognition as an asset.

On completion of the development project, development costs are amortised on straight-line basis over the estimated useful life. The amortisation period is 5 years.

Development projects are reviewed annually to determine whether there are indications of impairment. If such an indication exists, the asset's recoverable amount is calculated. If the recoverable amount is lower than the carrying value, the development projects are impaired to this value. Development projects in progress are tested at least annually for impairment.

NOTES TO FINANCIAL STATEMENTS

TANGIBLE ASSETS

Property plant and equipment

These are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date the asset is ready for use.

Fixtures and equipment are depreciated over 3 to 5 years, equal to the asset's estimated useful life. Leasehold improvements are amortized over the lease period not exceeding 5 years.

The basis for depreciation is determined by the cost of assets less the residual value. The value is impaired to the recoverable amount if this is lower than the carrying value. The residual value is determined at the acquisition date and reassessed annually. Depreciation is discontinued if the residual value exceeds the carrying amount. In amendment of the depreciation period or the residual value, the effect is recognized prospectively as a change in accounting estimates.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are classified separately from other assets in the consolidated financial statements. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and estimated useful lives of the assets, as follows:

- Offices 2 to 7 years
- Motor vehicles 2 to 4 years.

Lease liabilities are initially measured at the net present value of the fixed lease payments to be made over the lease term. If, at inception of the lease, the Group are reasonably certain about exercising an option to extend a lease, the lease payments will be included in the option period when calculating the lease liability.

Lease liabilities are measured using the incremental borrowing rate, rather than the interest rate implicit in the leases as these cannot easily be determined in the contracts.

The applied incremental borrowing rate ranges between 3% and 5%.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in a contract to the lease and non-lease components based on their relative stand-alone prices. The Group accounts for non-lease components in accordance with the accounting policy applicable for such items. Non-lease components comprise of services and operating costs etc. Variable lease expenses that do not depend on an index or a rate are recognized in operating costs in the period when the condition triggering those payments occurs.

Interests of lease liabilities are recognized in financial expenses. Each lease payment is separated into repayment of the lease liability and payment of interests of the lease liability.

Debt repayments are classified as cash flows from financing activities, and payment of interests are classified as cash flows from operating activities.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the income statement. Short-term leases are leases with a term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture with a value of DKK 25,000 or less when new.

NOTES TO FINANCIAL STATEMENTS

FINANCIAL ASSETS

Equity investments in subsidiaries are measured according to the equity method in the Parent Company's financial statements.

On initial recognition, equity investments in subsidiaries are measured at cost. Transaction costs are recognised in the income statement. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The consideration is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

NON-CURRENT ASSETS

Impairment of non-current assets

The carrying values of tangible and intangible assets of definite useful lives as well as investment in subsidiaries are reviewed at each balance sheet date to determine any indications of impairment. If this is the case, the asset's recoverable value is determined to identify any need for impairment and the extent thereof.

If the asset does not generate cash flow independent of other assets, the

recoverable amount of the smallest cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset is the higher of fair value less costs of disposal and value in use.

For cash-generating units, the impairment is firstly distributed on goodwill, and then any remaining impairment is distributed to other assets in the unit.

Impairment losses are recognized in the income statement. On any subsequent reversal of impairment losses resulting from changes in the assumptions used to determine the recoverable amount, the asset and the cash-generating unit's carrying amount is increased to the adjusted recoverable amount, however not exceeding the carrying value of the asset or cash-generating excluding impairment. Impairment of goodwill is not reversed.

Deferred tax assets are reviewed annually and recognized only to the extent that it is probable for utilization within a five-year period.

RECEIVABLES

Receivables consist of receivables from sales of products and services and other receivables.

Receivables are measured at initial recognition at fair value and subsequently at amortized cost, which usually corresponds to nominal value less provisions for bad debts.

When assessing impairment for the Groups receivables the expected credit losses model (ECL) is applied in accordance with IFRS 9. The ECL model involves a three-stage approach under which financial assets move through the stages as their credit quality changes. The stages determine how impairment losses are measured.

NOTES TO FINANCIAL STATEMENTS

For trade receivables the Group uses the simplified approach in calculating ECL's. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Provision rates are determined based on grouping of trade receivables sharing the same credit risk characteristics and days past due.

CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract assets are measured at the sales value of the work performed less progress billings and expected losses. Contract liabilities are recognized when a payment for customer is due (or already received, whichever is earlier) before a related performance obligation is satisfied. Market value is measured based on completion at the balance sheet date and the total expected income from the contract. The stage of completion is determined as the ratio between the resources spent and the total estimated resource for the project. For some projects where the consumption of resources cannot be used as a base, the measurement is instead based on the ratio between completed sub activities and the total project.

When it is probable that total costs will exceed total revenue on a contract work in progress, the expected loss on the contract is taken immediately as an expense and a provision.

When the outcome of a contract cannot be estimated reliably, the selling price is only recognized at cost, to the extent that it is probable, they will be recovered.

Contract assets and contract liabilities are recognized in the balance sheet under current assets or liabilities, depending on whether net value of a contract is a receivable or liability.

Costs of sales work and securing contracts are recognized in the income statement income as incurred.

When assessing impairment for the Groups contract work in progress the simplified approach under the ECL model is used in line with impairment for the Groups trade receivables.

PREPAYMENTS

Prepayments recognized under assets include expenses paid concerning subsequent financial years and are measured at cost.

DIVIDEND

Proposed dividends are recognized as a liability at the time of approval by the general meeting (time of declaration).

TRANSLATION RESERVE

The translation reserve comprises foreign exchange differences arising from translation of the financial report for entities with a different functional currency than Danish kroner.

TREASURY SHARES

Treasury shares are recognised on equity at cost.

SHARE OPTION SCHEMES

Equity-settled share options are measured at fair value at allotment date and recognized in the income statement under share-based payment over the period in which the final right of the options vest. The balancing item is recognized directly in equity.

On initial recognition of share options, the number of options expected to vest at expiry is estimated. Recognition is subsequently revised for changes in the estimated number of vested options, so that the total recognition is based on the actual number of vested options.

The fair value of the options granted is estimated using the Black-Scholes model.

NOTES TO FINANCIAL STATEMENTS

CURRENT LIABILITIES

Current liabilities include bank loans, trade payables and other liabilities to public authorities, etc. Current liabilities are initially measured at fair value, less any transaction costs. In subsequent periods, current liabilities are measured at amortized cost using the "effective interest method" so that the difference between the proceeds and the nominal value is recognized in the income statement under financial expenses over the loan period.

Other liabilities are measured at amortized cost.

DEFERRED INCOME

Deferred income comprises invoices issued concerning income in subsequent years.

THE CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method based on profit for the year.

The cash flow statement shows cash flows for the year, the change in cash, as well as the balance of cash at the beginning and end of the year.

Cash flow from operating activities

Cash flow from operating activities is calculated as profit for the year adjusted for non-cash operating items, changes in working capital, interests received and paid, and corporation tax paid.

Cash payments for the interest portion of the lease liability; and short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability are classified within operating activities.

Cash flow from investment activities

Cash flows from investment activities comprise payments relating to purchase and divestment of businesses and activities, purchase and divestment of intangible and other long-term assets as well as purchase and divestment of securities not recognized as cash and dividends received. Cash flow from acquired companies is included from the date of acquisition, while cash flow from divestments is recognized until the time of sale.

Cash flow from financing activities

Cash flows from financing activities comprise changes in size or composition of share capital and related costs as well as raising and repayment of loans, repayment of interest-bearing debt, purchase and divestment of treasury shares and payment of dividend to minority shareholders.

Inception of leases are treated as non-cash transactions. Cash payments for the principal portion of the lease liability are classified with in financing activities.

Cash

Cash comprise cash less any overdraft facilities that are an integral part of cash management. Cash pool arrangement exist and are recognized as either net asset or liability.

Cash flows in currencies other than the functional currency are translated using average exchange rates unless these deviate significantly from the transaction date.

SEGMENT INFORMATION

Segment information are prepared in accordance with the Group's accounting policies and the Group's internal management reporting. The Group has only one operating segment and therefore only information about geography is disclosed in the Segment note.

NOTES TO FINANCIAL STATEMENTS

FINANCIAL RATIOS

The financial ratios stated under "Consolidated key Financial highlights" have been calculated as follows:

Return on assets	$\frac{\text{Operating profit/loss (EBIT)} \times 100}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity, year end} \times 100}{\text{Total equity and liabilities, year end}}$
Return on equity	$\frac{\text{Operating profit/loss (EBIT)} \times 100}{\text{Average equity}}$

Our Values

Ambition
Teamwork
Constant Care
Create Value





Omada, a global market leader in identity governance and administration (IGA), offers a full-featured, enterprise-grade, cloud-native iga solution that enables organizations to achieve compliance, reduce risk and maximize efficiency. founded in 2000, omada delivers innovative identity management to complex hybrid environments based on our proven best-practice process framework and deployment approach.

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