Omada A/S

ANNUAL REPORT

2023

Approved at the Annual General Meeting on 1 March 2024

Gry Collignon

Chairman of the meeting: Gry Collignon

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

TABLE OF CONTENTS

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 company that consistently is delivering high recurring revenue growth of **>34%**

Market-leading levels of R&D investment of **>35%** of software revenue

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

A company with a Net Retention Rate (NRR) of **>110%** and a Gross Retention Rate (GRR) incl. downsell **>96%***

A company, that is recognised as **a leader by leading analysts** (Gartner, Forrester, KC and IDC) and with a Gartner Peer Review Recommendation rate at 94%

A strong business partner with a Net Promoter Score of **>56** and a market leading focus on customer success

Note: GAAP figures is presented on page 9 under Financial review.

* NRR measures the ability to retain and expand customers and GRR is the percentage of recurring revenue retained from existing customers.

LETTER FROM THE CEO AND CHAIRMAN

Omada has continued to see very strong growth again in 2023 as the market looks to adopt cloud solutions and update their Identity Governance and Administration (IGA) capabilities to meet increasing demands for security, compliance, efficiency, and automation. The IGA marketplace is the largest and fastest growing segment in Identity and Omada is perfectly positioned to capitalize on this and deliver high levels of customer value and lower costs of operations.

During 2023 Omada has significantly increased its R&D investment, accelerated innovation and ensuring it continues to lead the market. Omada is delivering its Identity Cloud solution to the most complex use cases at scale and continues to rapidly expand its blue-chip customer base. Further, the company is advancing in Identity Fabric to protect customers' existing investment and AI to deliver new and exciting opportunities for IGA.

During 2023 Omada was recognized by independent customer reference (Gartner Peer Reviews) with the highest recommendation level, of 94%, in its peer group. The company continues to be relentlessly focused on customer success and ensuring maximum value is derived from their investment in Omada. This has created world class levels of Gross and Net Retention.

Looking forward Omada will expand into new markets in 2024 and deliver an increasing level of innovation in AI/ML, analytics, connectivity, and performance. We are grateful for the support of our customers and partners and look forward to the continued strong performance of the company.

DocuSigned by:

Michael Garrett

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Michael Garrett

CEO of Omada A/S

DocuSigned by:

Martin Blackburn

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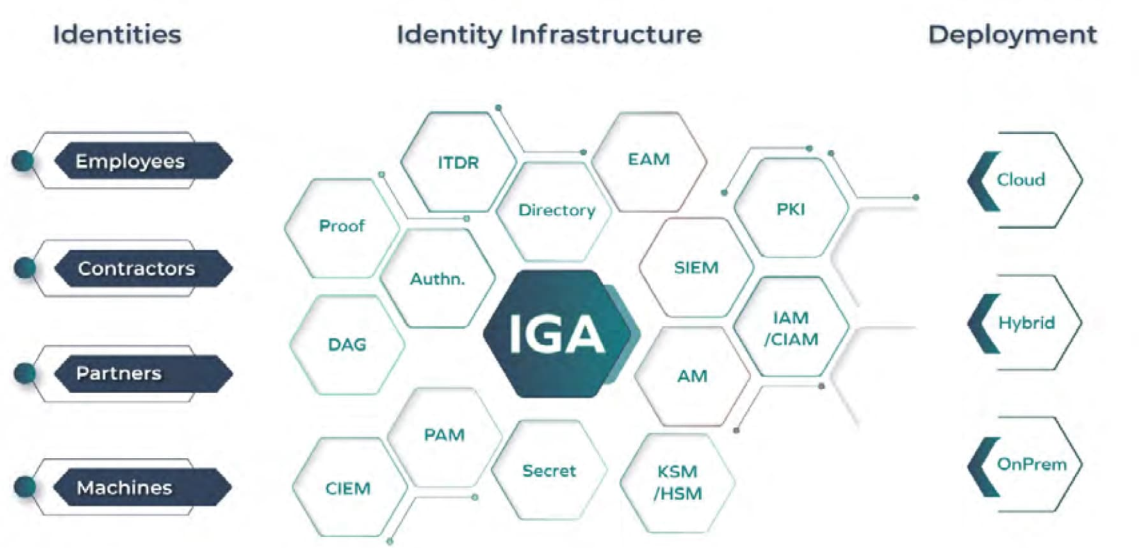
Martin Blackburn

Chairman

LOOKING FORWARDS

Looking ahead to 2024, Omada is positioned to deliver accelerated innovation at scale with major releases (Horizons) to the Omada Identity Cloud. Under Horizons Omada will provide real-time Identity Governance, advanced analytics and cutting-edge AI/ML use cases that customers value.

Omada will also be the governance leader for the identity fabric. Embracing a decentralized architecture, our vision extends to supporting customers' digital transformations in hybrid and multi-cloud environments, broadening governance to include not only employees but also partners, contractors, and machine identities. Omada continues to take a leadership in Identity Governance and Administration (IGA) whilst adding value in the broader IAM ecosystem.



In 2024, Omada will continue to play a crucial role in organizations' broader Identity and Access Management (IAM) programs, facilitating distributed workforces, bolstering security, and ensuring compliance with regulatory mandates.
Looking forward, Omada's key initiatives include:

1. **Providing Identity Governance Everywhere:** Omada aims to extend identity governance ubiquitously, offering comprehensive coverage across diverse organizational landscapes.
2. **Enriching the Identity Security Ecosystem:** Collaborating with leading Identity fabric vendors, Omada seeks to enhance the overall identity security ecosystem, ensuring compatibility with core industry solutions.
3. **Extending Connectivity:** By incorporating additional identity management and process connectors, Omada is committed to expanding the reach and capabilities of its IGA solution.
4. **Informing Smart Decision Making:** Leveraging advanced AI/ML technologies, Omada will empower smart decision-making through real-time role intelligence and approval recommendations. These insights can be automated or augmented to streamline processes.

In 2024, Omada aspires to not only be a pioneer in the IGA space but also to set the standard for governance within the broader identity fabric, delivering unmatched intelligence and decision-making capabilities to our valued customers.

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.

Omada is also committed to embrace the principles of resource conservation though 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.

ecovadis
Business Sustainability Ratings

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

UN GLOBAL COMPACT

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.

miłość nie wyklucza
STOWARZYSZENIE

Omada honors Pride Month by sponsoring Polish LGBTQ+ advocacy group, Love Does Not Exclude.

Omada aim to plant >130.000 trees by the end of 2025

Our Mission

Empowering organizations to confidently do more with identity

FINANCIAL REVIEW

FINANCIAL REVIEW OF 2023

In 2023 Omada A/S Group delivered group loss before tax of DKK (36,815) thousand and group loss after tax of DKK (30,879) thousand.

The result for 2023 is mostly impacted by the continued significant growth in SaaS recurring revenue effecting positively on both gross profit and operating profit. In addition The Omada A/S Group invested significantly in our market leading product which can be seen in the increase in R&D costs.

The group's activities are financed by a bank facility of MDKK 90 which have a final maturity date on 31 December 2024 and an equity of DKK 20,426 thousand. The group has a positive dialogue with the bank regarding prolonging of the facility. The performance for 2023 is better than expected mainly due to increasing high margin SaaS revenue however loss before tax is slightly below expectations last year due to investment in additionally market research.

FOREIGN SUBSIDIARIES

The Group's activities are carried out through local subsidiaries established in Germany, United Kingdom, Poland, the US, Sweden and Spain. 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.

CONSOLIDATED KEY FINANCIAL HIGHLIGHTS*

DKK'000	2023	2022	2021	2020	2019
Revenue	305,756	258,872	202,260	191,781	208,303
Cost of sales	(160,103)	(151,726)	(129,655)	(117,036)	(150,251)
Gross profit	**145,653**	**107,146**	**72,605**	**74,745**	**58,052**
Operating profit/loss (EBIT)	**(31,713)**	**(25,379)**	**(35,449)**	**(41,026)**	**(48,316)**
Financial income/expenses, net	(5,102)	(5,291)	(2,733)	(2,734)	(1,704)
Profit/loss before tax	(36,815)	(30,670)	(38,182)	(43,760)	(50,020)
Tax on the profit/loss for the year	5,936	8,661	10,631	12,126	9,969
Profit/loss for the year	**(30,879)**	**(22,009)**	**(27,551)**	**(31,634)**	**(40,051)**
Total assets	267,564	254,890	238,365	183,268	133,939
Total equity	20,426	49,825	26,487	10,205	34,026
Investment in non-current assets	934	3,728	2,480	4,145	6,407
Return on assets	-12%	-9%	-12%	-26%	-36%
Solvency ratio	8%	20%	11%	6%	25%
Return on equity	-151%	-58%	-150%	-186%	-142%
Average number of employees	233	222	207	181	184
Employees at the end of the year	246	232	213	180	177
Annual recurring revenue (ARR)*	199,968	149,117	111,564	67,221	41,816
Annual recurring revenue (ARR) growth	34%	34%	66%	60%	35%

*) ARR is defined as the value of the contracted recurring revenue components of our term subscriptions normalized to a one-year period. In 2022 we added revenue from recurring services to ARR. Comparison figures for 2019 - 2022 has been updated due to the fact that the numbers are in constant currency.

FINANCIAL REVIEW

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 2023, Omada continued to invest significantly in improving and enhancing its award winning 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, Spain 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. The group currently does not use derivates to mitigate risks.

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.

UNCERTAINTIES IN RECOGNITION AND MEASUREMENTS

Reference is made to note 2 of the financial statements.

OUTLOOK

The Group expects to deliver continued strong revenue growth in 2024 in the range of 15% to 30% due to positive development in the market situation and an improved footprint.

The loss before tax is expected to be in the range of 5 - 25 mDKK.
There is a risk of uncertainties in the market caused by the macroeconomic conditions such as high interest rates but the management expects that it will not have a large impact on the companys business do to the market the company operates in.

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	Martin Blackburn, 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 2023.

The annual report has been prepared in accordance with IFRS Accounting 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 2023 and of the results of their operations and cash flows for the financial year 1 January – 31 December 2023.

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, 22 February 2024

EXECUTIVE BOARD:

DocuSigned by:
Michael Garrett
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Michael Garrett,
Chief Executive Officer

DocuSigned by:
Gry Collignon
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Gry Collignon,
Chief Financial Officer

BOARD OF DIRECTORS:

DocuSigned by:
Martin Blackburn
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Martin Blackburn
Chairman

DocuSigned by:
Morten Grube Weicher
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Morten Grube Weicher
Deputy Chairman

DocuSigned by:
Sebastian Ramin Künne
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Sebastian Ramin Künne
Deputy Chairman

DocuSigned by:
Lars Dybkjær
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Lars Dybkjær
Board Member

DocuSigned by:
John Dawson Clark
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John Dawson Clark
Board Member

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Kevin Michael Hickey
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Kevin Michael Hickey
Board Member

DocuSigned by:
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Franck Leon Cohen
Board Member

DocuSigned by:
Bradley Hibbert
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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 2023, 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 IFRS Accounting 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 2023 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 2023 in accordance with IFRS Accounting 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 IFRS Accounting 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
- Obtain sufficient appropriate audit evidence regarding the financial information

INDEPENDENT AUDITOR'S REPORT

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, 22 February 2024
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

NOTES TO THE CONSOLIDATED AND PARENT FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT INCOME STATEMENT		**GROUP**		**PARENT**	
DKK'000	**Note**	**2023**	**2022**	**2023**	**2022**
Revenue	3,4	305,756	258,872	246,034	203,451
Cost of sales	5,7	(160,103)	(151,726)	(146,607)	(131,986)
Gross profit		**145,653**	**107,146**	**99,427**	**71,465**
Sales & Marketing cost	5,7	(91,586)	(76,110)	(54,233)	(48,439)
Research & Development cost	5,7	(40,490)	(22,817)	(38,639)	(20,258)
General & Administrative cost	5,7	(35,705)	(31,886)	(36,853)	(33,679)
Other operating costs	6	(9,585)	(1,711)	(9,550)	(1,504)
Operating profit/loss (EBIT)		**(31,713)**	**(25,379)**	**(39,848)**	**(32,415)**
Income from investment in subsidiaries	14	-	-	5,708	5,061
Financial income	8	1,127	226	706	145
Financial expenses	9	(6,229)	(5,517)	(5,047)	(5,084)
Profit/loss before tax		**(36,815)**	**(30,670)**	**(38,481)**	**(32,292)**
Tax on the profit/loss for the year	10	5,936	8,661	7,602	10,283
Profit/loss for the year		**(30,879)**	**(22,009)**	**(30,879)**	**(22,009)**

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT COMPREHENSIVE INCOME STATEMENT	**GROUP**		**PARENT**	
DKK'000	**2023**	**2022**	**2023**	**2022**
Profit/loss for the year	**(30,879)**	**(22,009)**	**(30,879)**	**(22,009)**
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss:				
Exchange rate adjustments relating to foreign entities	734	(939)	734	(939)
Tax on other comprehensive income				
Other comprehensive income after tax	**734**	**(939)**	**734**	**(939)**
Total comprehensive income	**(30,145)**	**(22,948)**	**(30,145)**	**(22,948)**

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT BALANCE SHEET: ASSETS AT 31 DECEMBER

		GROUP		PARENT	
DKK'000	**Note**	**2023**	**2022**	**2023**	**2022**
Software		3,167	6,033	3,167	6,033
Completed development projects		57,113	69,543	57,113	69,543
Development projects in progress		16,720	2,201	16,720	2,201
Intangible assets	11	**77,000**	**77,777**	**77,000**	**77,777**
Other fixtures and fittings, tools and equipment		2,273	2,943	2,273	2,943
Property, plant and equipment	12	**2,273**	**2,943**	**2,273**	**2,943**
Right-of-use assets	13	11,177	13,871	5,587	6,547
Investment in subsidiaries	13	-	-	11,836	9,031
Deposits		1,224	1,171	1,036	937
Other receivables	20,21	2,598	2,522	2,598	2,522
Deferred tax assets	10	18,209	14,284	18,243	14,284
Other non-current assets		**33,208**	**31,848**	**31,830**	**33,321**
Total non-current assets		**112,481**	**112,568**	**111,103**	**114,041**
Receivables	15,20	65,968	56,211	47,608	40,215
Contract assets	16	10,197	9,938	5,556	9,584
Receivables from group entities	20,21	56,121	56,385	56,122	60,002
Income tax receivables	10	4,744	5,910	3,565	5,378
Other receivables	20	334	2,391	334	-
Prepayments		7,464	5,041	6,551	4,613
Cash at bank and in hand	20	10,255	6,446	8,505	11,448
Total Current Assets		**155,083**	**142,322**	**128,241**	**131,240**
Total assets		**267,564**	**254,890**	**246,814**	**245,281**

FINANCIAL STATEMENTS

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

		GROUP		PARENT	
DKK'000	**Note**	**2023**	**2022**	**2023**	**2022**
Equity					
Share capital	17	1,881	1,881	1,881	1,881
Reserve for development costs		-	-	57,590	55,960
Reserve for loans and security		2,376	2,376	2,598	2,522
Translation reserve		(695)	(1,429)	(695)	(1,429)
Retained earnings		16,864	46,997	(40,948)	(9,109)
Total equity		**20,426**	**49,825**	**20,426**	**49,825**
Lease liabilities	18,20,23	6,795	9,755	3,877	5,064
Other liabilities	20	6,825	6,610	6,825	6,610
Financial institutions	20,23	-	30,000	-	30,000
Total non-current liabilities		**13,620**	**46,365**	**10,702**	**41,674**
Financial institutions	20,23	40,000	10,000	40,000	10,000
Prepayments on contract assets	16	9,684	8,256	4,427	6,360
Trade payables	20	20,954	22,412	16,922	19,974
Payables to group entities	20,21	17,459	14,679	44,038	42,569
Income tax payables		1,369	-	-	-
Other liabilites		18,302	12,496	12,361	5,255
Lease liability	18,20,23	5,312	5,038	2,026	1,790
Contract liabilities	16	120,438	85,819	95,912	67,834
Total current liabilities		**233,518**	**158,700**	**215,686**	**153,782**
Total liabilities		**247,138**	**205,065**	**226,388**	**195,456**
Total equity and liabilities		**267,564**	**254,890**	**246,814**	**245,281**

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT CASH FLOW STATEMENT		GROUP		PARENT	
DKK'000	Note	2023	2022	2023	2022
Profit/loss for the year		(30,879)	(22,009)	(30,879)	(22,009)
Adjustments for non-cash transactions:					
Income from investment in subsidiaries	14	-	-	(5,708)	(5,061)
Finance income	8	(1,127)	(226)	(706)	(145)
Finance expenses	9	6,229	5,517	5,074	5,084
Income tax	10	(5,936)	(8,661)	(7,602)	(10,283)
Other adjutsments		1,860	(724)	298	2,994
Share based payments	7	746	646	746	646
Amortisation, depreciation and impairment losses	5	34,678	32,096	31,917	29,008
Write-down on intercompany		-	-	3,735	7,372
Exchange rate adjustments		734	(939)	734	(939)
Changes in net working capital	22	32,575	7,885	29,691	1,005
Cash generated from primary activities		**38,880**	**13,585**	**27,273**	**7,672**
Interest received	8	-	-	-	-
Interest paid	9	(6,229)	(5,517)	(5,047)	(5,084)
Corporation tax		4,960	3,868	5,500	5,488
Cash flow from operating activities		**37,611**	**11,936**	**27,726**	**8,076**
Additions of intangible assets	11	(27,686)	(36,264)	(27,686)	(36,264)
Acquisition of Other fixtures and fittings, tools and equipment	12	(934)	(1,715)	(934)	(1,715)
Cash flow from investing activities		**(28,620)**	**(37,979)**	**(28,620)**	**(37,979)**
Increase in share capital		-	45,640	-	45,640
Repayment of lease liabilities	23	(5,182)	(5,162)	(2,049)	(1,810)
Loan proceeds	23	-	(32,695)	-	(22,144)
Cash flow from financing activities		**(5,182)**	**7,783**	**(2,049)**	**21,686**
Total cash flow		**3,809**	**(18,260)**	**(2,943)**	**(8,217)**
Cash at bank and in hand begin of period		6,446	24,736	11,448	19,665
Cash funds at the end of the period		**10,255**	**6,446**	**8,505**	**11,448**

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	GROUP				
DKK'000	Share capital	Reserve for loans and security	Translation reserve	Retained earnings	Total
Equity at 1 January 2022	1,425	2,376	(490)	23,176	26,487
Total comprehensive income in 2022					
Profit/loss for the year	-	-	-	(22,009)	(22,009)
Other comprehensive income:					
Exchange rate adjustments relating to foreign entities	-	-	(939)	-	(939)
Total other comprehensive income	-	-	(939)	-	(939)
Total comprehensive income for the period	-	-	(939)	(22,009)	(22,948)
Transaction with owners:					
Capital increase	456	-	-	45,184	45,640
Share based payments	-	-	-	646	646
Total transactions with owners	-	-	-	-	-
Equity at 31 December 2022	**1,881**	**2,376**	**(1,429)**	**46,997**	**49,825**
Total comprehensive income in 2023					
Profit/loss for the year	-	-	-	(30,879)	(30,879)
Other comprehensive income:					
Exchange rate adjustments relating to foreign entities	-	-	734	-	734
Total other comprehensive income	-	-	734	-	734
Total comprehensive income for the period	-	-	734	(30,879)	(30,145)
Transaction with owners:					
Share based payments	-	-	-	746	746
Total transactions with owners	-	-	-	746	746
Equity at 31 December 2023	**1,881**	**2,376**	**(695)**	**16,864**	**20,426**

FINANCIAL STATEMENTS

PARENT STATEMENT OF CHANGES IN EQUITY

	PARENT					
DKK'000	**Share capital**	**Reserve for development costs**	**Reserve for loans and security**	**Translation reserve**	**Retained earnings**	**Total**
Equity at 1 January 2022	1,425	48,913	2,376	(490)	(25,737)	26,487
Total comprehensive income in 2022						
Profit/loss for the year	-	7,047	146	-	(29,202)	(22,009)
Other comprehensive income:						
Exchange rate adjustments relating to foreign entities	-	-	-	(939)	-	(939)
Total other comprehensive income	-	-	-	(939)	-	(939)
Total comprehensive income for the period	-	7,047	146	(939)	(29,202)	(22,948)
Transaction with owners:						
Capital increase	456	-	-	-	45,184	45,640
Share based payments	-	-	-	-	646	646
Total transactions with owners	456	-	-	-	45,830	46,286
Equity at 31 December 2022	**1,881**	**55,960**	**2,522**	**(1,429)**	**(9,109)**	**49,825**
Total comprehensive income in 2023						
Profit/loss for the year	-	1,630	76	-	(32,585)	(30,879)
Other comprehensive income:						
Exchange rate adjustments relating to foreign entities	-	-	-	734	-	734
Total other comprehensive income	-	-	-	734	-	734
Total comprehensive income for the period	-	1,630	76	734	(32,585)	(30,145)
Transaction with owners:						
Share based payments	-	-	-	-	746	746
Total transactions with owners	-	-	-	-	746	746
Equity at 31 December 2023	**1,881**	**57,590**	**2,598**	**(695)**	**(40,948)**	**20,426**

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 2023 for Omada A/S, 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 IFRS Accounting Standards as adopted by the EU as well as additional Danish disclosure requirements applying to entities of reporting class medium C.

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 27.

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 2023, 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 2022. 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.

The IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.
The amendments requires disclosures when the right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The amendments also clarify the classification of such a liability as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

By applying the Group's accounting policies as described in note 27, 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.

CLIMATE CHANGE

In preparing the consolidated financial statements, management has considered the impact of climate change, to the extent that it affects the Group and its business activities as well as financial forecasts. These considerations did not have a material impact on the estimates and judgements.

MACROECONOMIC UNCERTAINTY

Macroeconomic uncertainty continue to affect the global economy and therefore also poses a potential risk to Omada Group. Management continue to assess the value of non-current assets, and internal forecasts have considered the ongoing impacts on income and expenses from inflationary pressure and higher interest rates etc. Growth assumptions are based on management's expectation of future changes in the markets where the Group operates.

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 on group level 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 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. The Group recognizes revenue from SaaS and service support over time because the customer simultaneously receives and consumes the benefits provided by making the system available 24/7 throughout the contract period.
The method used by the Group in measuring progress of the services etc. 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

NOTES TO FINANCIAL STATEMENTS

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.

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. 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 deductable 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 2023, the carrying value of recognized tax was DKK 18,209 thousand (2022: 14,323 thousand), which is estimated to be realized in a foreseeable future (5 years or less). Tax losses included within deferred tax liabilities amounts to DKK 35,453 thousand (2022: DKK 30,821 thousand).

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 2022 and 2023.

	2023		2022	
DKK'000	**Revenue**	**Non-curent assets**	**Revenue**	**Non-current assets**
Denmark	31,968	106,891	38,091	105,244
Rest of Scandinavia	28,641	-	18,915	-
Germany	109,841	2,260	93,509	1,774
USA	52,851	1,219	53,775	2,311
Other countries	82,455	2,111	54,582	3,239
Total	**305,756**	**112,481**	**258,872**	**112,568**

NOTE 4. REVENUE

Revenue from subscription and consultant services are primarily recognised over time while licenses are primarily recognised at point of time. For a detailed description of accounting policies, see note 27.

	GROUP		PARENT	
DKK'000	**2023**	**2022**	**2023**	**2022**
Software licenses	9,400	9,299	9,400	9,299
Software subscriptions	120,564	82,595	83,577	56,579
Software support	34,306	33,065	32,687	30,778
Revenue from software	**164,270**	**124,959**	**125,664**	**96,656**
Sales value of finished projects	177,274	158,363	150,543	115,100
Change in contract assets net	(35,788)	(24,450)	(30,173)	(8,305)
Revenue from implementation services	**141,486**	**133,913**	**120,370**	**106,795**
Total Revenue	**305,756**	**258,872**	**246,034**	**203,451**
Contract assets, net beginning of period	(84,137)	(59,687)	(64,610)	(56,305)
Contract assets, end of period	(119,925)	(84,137)	(94,783)	(64,610)
Total change in contract assets, net	**(35,788)**	**(24,450)**	**(30,173)**	**(8,305)**
Revenue recognised over time	291,784	242,851	232,446	188,402
Revenue recognised at point of time	13,972	16,021	13,588	15,049
Total Revenue	**305,756**	**258,872**	**246,034**	**203,451**

NOTES TO FINANCIAL STATEMENTS

NOTE 5. OPERATING COSTS

DKK'000	Staff costs	External costs	Amortisation & depreciation	GROUP Total	Staff costs	External costs	Amortisation & depreciation	PARENT Total
2023								
Cost of sales	79,704	58,170	22,229	160,103	36,096	89,656	20,856	146,608
Sales & marketing	66,259	24,405	922	91,586	16,742	37,118	372	54,233
Research & development	16,743	14,285	9,461	40,490	11,354	18,374	8,911	38,639
General & administrative	20,188	13,452	2,065	35,705	18,943	16,132	1,778	36,853
Total	**182,894**	**110,312**	**34,677**	**327,884**	**83,135**	**161,280**	**31,917**	**276,333**
2022								
Cost of sales	77,845	51,930	21,951	151,726	39,086	72,491	20,408	131,985
Sales & marketing	53,998	21,167	944	76,110	14,858	33,255	327	48,440
Research & development	4,115	11,227	7,474	22,817	4,699	8,701	6,857	20,257
General & administrative	20,400	9,760	1,726	31,886	17,882	14,383	1,415	33,679
Total	**156,359**	**94,085**	**32,096**	**282,539**	**76,525**	**128,829**	**29,008**	**234,362**

NOTE 6. OTHER OPERATING COSTS

	GROUP		PARENT	
DKK'000	**2023**	**2022**	**2023**	**2022**
Costs in relation to market research	8,157	-	8,157	-
Costs in relation to external legal support relating to shareholder program	1,428	-	1,393	-
Costs in relation to financial security	-	1,711	-	1,504
Total	**9,585**	**1,711**	**9,550**	**1,504**

NOTES TO FINANCIAL STATEMENTS

NOTE 7. STAFF EXPENSES AND REMUNERATION COSTS

	GROUP		PARENT	
DKK'000	**2023**	**2022**	**2023**	**2022**
Wages and salaries	206,273	184,455	91,658	105,328
Defined contribution plans	3,456	2,718	3,169	2,512
Other social security expenses	582	430	498	355
Share-based payment	746	646	746	646
Wages/salaries in the group capitalised as development projects	(27,213)	(32,316)	(12,936)	(32,316)
Staff expenses	**183,844**	**155,933**	**83,135**	**76,525**
Average number of employees	233	222	82	94

GROUP STAFF EXPENSES AND REMUNERATION COSTS ATTRIBUTABLE TO:

DKK'000	Executive Board	Other key employees*	Board of Directors	Total
2023				
Wages and salaries, etc.	6,784	1,375	12,620	20,779
Defined contribution pension plans	299	-	433	732
Share-based payment	88	70	244	402
Total	**7,171**	**1,445**	**13,297**	**21,913**

DKK'000	Executive Board	Other key employees	Board of Directors	Total
2022				
Wages and salaries, etc.	5,350	10,501	1,302	17,153
Defined contribution pension plans	188	483	-	671
Share-based payment	105	8	198	311
Total	**5,643**	**10,992**	**1,500**	**18,315**

*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

	GROUP		PARENT	
DKK'000	**2023**	**2022**	**2023**	**2022**
Interest income from group entities	1,051	81	630	-
Interest from receivables	76	145	76	145
Interest income on financial assets not measured at fair value in the income statement	**1,127**	**226**	**706**	**145**
Total financial income	**1,127**	**226**	**706**	**145**

NOTE 9. FINANCIAL EXPENSES

	GROUP		PARENT	
DKK'000	**2023**	**2022**	**2023**	**2022**
Interest expenses, banks etc.	4,445	3,438	3,705	3,082
Lease interest	509	607	194	219
Interest to group entities	-	-	-	347
Interest expenses on financial liabilities not measured at fair value in the income statement	**4,954**	**4,045**	**3,899**	**3,648**
Foreign exchange loss	1,275	1,472	1,148	1,436
Total financial expenses	**6,229**	**5,517**	**5,047**	**5,084**

NOTES TO FINANCIAL STATEMENTS

NOTE 10. CORPORATE TAX

	Group		Parent	
DKK '000	**2023**	**2022**	**2023**	**2022**
Corporate tax is specified as follows:				
Tax on profit for the year	5,936	8,661	7,602	10,283
Tax on profit/loss for the year	**5,936**	**8,661**	**7,602**	**10,283**
Corporate tax is specified as follows:				
Tax on profit/loss for the year	1,886	4,292	3,565	5,553
Deferred tax on profit/loss for the year	6,307	4,731	6,294	4,731
Adjustments relating to previous years (net)	(2,257)	(362)	(2,257)	-
Tax on profit/loss for the year	**5,936**	**8,661**	**7,602**	**10,283**
Analysis of tax on profit/loss:				
22% tax of profit/loss before tax	8,099	6,905	8,466	8,165
Non-tax deductible expenses from investments in subsidiaries	-	-	1,256	-
Deferred tax asset - Increase R&D deduction	336	2,118	336	2,118
Non-tax deductible expenses	(203)	-	(203)	-
Other, including prior year adjustments	(2,296)	(362)	(2,252)	-
Tax on profit/loss for the year	**5,936**	**8,661**	**7,602**	**10,283**
Effective tax rate	16.1%	28.2%	19.8%	31.8%

Income tax receivables of DKK 4.7 million (2022: DKK 5.9 million) mainly contains of expected tax receivable from Danish Tax Authorities relating to tax credit scheme. The change in effective tax rate for both parent and group is due to changes to previous years tax.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. CORPORATE TAX

	Group		Parent	
DKK '000	**2023**	**2022**	**2023**	**2022**
Deferred tax at begin of period	14,284	9,553	14,284	9,553
Adjustment relating to previous years	(2,335)	-	(2,335)	-
Deferred tax on profit for the year	6,260	4,731	6,294	4,731
Deferred tax at 31 December (net)	**18,209**	**14,284**	**18,243**	**14,284**
Deferred tax is recognized in the balance as follows:				
Deferred tax assets	18,209	14,284	18,243	14,284
Deferred tax at 31 December (net)	**18,209**	**14,284**	**18,243**	**14,284**
Deferred tax concerns:				
Intangible assets	(16,080)	(15,545)	(16,080)	(15,545)
Property, plant and equipment	180	62	180	62
Prepayments	(1,314)	(1,015)	(1,314)	(1,015)
Tax loss carry forward	35,423	30,781	35,457	30,781
Deferred tax at 31 December (net)	**18,209**	**14,284**	**18,243**	**14,284**

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 deferred tax assets are expected to be realisable on the basis of current updated budgets for the coming five years. The significant assumptions related hereto, includes an average growth in revenue of 21%. Our presumption of the valuation is, among other, built on the expected continued transformation to SaaS revenue.

In calculating the recoverable amount, the change in costs relating to operations has been estimated at an average EBITDA margin of 14,9%.

Macroeconomic uncertainty and climate change is considered in the estimates prepared by management cf. note 2 but not considered a material factor do to the company's business.

Management believes that no reasonably possible changes in the key assumptions would lead to write-down of the deferred tax asset.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

	GROUP			
DKK'000	**Software**	**Completed development projects**	**Development projects in progress**	**Total**
2023				
Cost at 1 January	11,799	157,007	2,201	171,007
Additions	473	10,493	16,720	27,686
Transfer	-	2,201	(2,201)	-
Cost at 31 December	**12,272**	**169,701**	**16,720**	**198,693**
Amortisation and impairment losses at 1 January	5,766	87,464	-	93,230
Amortisation for the year	3,339	25,124	-	28,463
Amortisation and impairment at 31 December	**9,105**	**112,588**	**-**	**121,693**
Carrying amount at 31 December	**3,167**	**57,113**	**16,720**	**77,000**
Internally generated assets included above	-	-	-	-
Amortisation period	3-5 years	5 years	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

	GROUP			
DKK'000	**Software**	**Completed development projects**	**Development projects in progress**	**Total**
2022				
Cost at 1 January	7,851	124,256	2,636	134,744
Additions	3,948	-	32,316	36,264
Transfer	-	32,751	(32,751)	-
Cost at 31 December	**11,799**	**157,007**	**2,201**	**171,007**
Amortisation and impairment losses at 1 January	2,930	64,183	-	67,113
Amortisation for the year	2,836	23,281	-	26,117
Amortisation and impairment at 31 December	**5,766**	**87,464**	**-**	**93,230**
Carrying amount at 31 December	**6,033**	**69,543**	**2,201**	**77,777**
Internally generated assets included above	-	69,543	2,201	71,744
Amortisation period	3-5 years	5 years	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

	PARENT			
DKK'000	**Software**	**Completed development projects**	**Development projects in progress**	**Total**
2023				
Cost at 1 January	11,799	157,007	2,201	171,007
Additions	473	10,493	16,720	27,686
Transfer	-	2,201	(2,201)	-
Cost at 31 December	**12,272**	**169,701**	**16,720**	**198,693**
Amortisation and impairment losses at 1 January	5,766	87,464	-	93,230
Amortisation for the year	3,339	25,124	-	28,463
Amortisation and impairment at 31 December	**9,105**	**112,588**	**-**	**121,693**
Carrying amount at 31 December	**3,167**	**57,113**	**16,720**	**77,000**
Internally generated assets included above	-	-	-	-
Amortisation period	3-5 years	5 years	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

	PARENT			
DKK'000	**Software**	**Completed development projects**	**Development projects in progress**	**Total**
2022				
Cost at 1 January	7,851	124,256	2,636	134,744
Additions	3,948	-	32,316	36,264
Transfer	-	32,751	(32,751)	-
Cost at 31 December	**11,799**	**157,007**	**2,201**	**171,007**
Amortisation and impairment losses at 1 January	2,930	64,183	-	67,113
Amortisation for the year	2,836	23,281	-	26,117
Amortisation and impairment at 31 December	**5,766**	**87,464**	**-**	**93,230**
Carrying amount at 31 December	**6,033**	**69,543**	**2,201**	**77,777**
Internally generated assets included above	-	69,543	2,201	71,744
Amortisation period	3-5 years	5 years	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

DEVELOPMENT PROJECTS

Activation costs relating to development projects in progress of DKK 16,720 thousand (31 December 2022: DKK 2,201 thousand) have been recognised in the consolidated financial statements. 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 writedown. Costs relating to completed developement projects for the year amounts to DKK 10,493 thousand (31 December 2022: DKK 32,751 thousand).

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 Other fixtures and fittings, tools and equipment	GROUP Total	PARENT Other fixtures and fittings, tools and equipment	PARENT Total
2023				
Cost at 1 January	8,755	8,755	8,755	8,755
Additions	934	934	934	934
Cost at 31 December	**9,689**	**9,689**	**9,689**	**9,689**
Depreciation and impairment losses at 1 January	5,812	5,812	5,812	5,812
Depreciation for the year	1,604	1,604	1,604	1,604
Depreciation and impairment at 31 December	**7,416**	**7,416**	**7,416**	**7,416**
Carrying amount at 31 December	**2,273**	**2,273**	**2,273**	**2,273**
Depreciation period	3-5 years	-	3-5 years	-

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

	GROUP		PARENT	
DKK'000	**Other fixtures and fittings, tools and equipment**	**Total**	**Other fixtures and fittings, tools and equipment**	**Total**
2022				
Cost at 1 January	7,010	7,010	7,010	7,010
Additions	1,745	1,745	1,745	1,745
Cost at 31 December	**8,755**	**8,755**	**8,755**	**8,755**
Depreciation and impairment losses at 1 January	4,555	4,555	4,555	4,555
Depreciation for the year	1,257	1,257	1,257	1,257
Depreciation and impairment at 31 December	**5,812**	**5,812**	**5,812**	**5,812**
Carrying amount at 31 December	**2,943**	**2,943**	**2,943**	**2,943**
Depreciation period	3-5 years	-	3-5 years	-

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RIGHT-OF-USE ASSETS

	Group			Parent	
DKK'000	**Right-of-use assets (Offices)**	**Right-of-use assets (Cars)**	**Total**	**Right-of-use assets (Offices)**	**Total**
2023					
Cost at 1 January	25,200	2,663	27,863	13,237	13,237
Exchange rate adjustments	(271)	277	6	-	-
Additions	-	582	582	-	-
Remeasurement	213	757	970	903	903
Disposals	(151)	-	(151)	-	-
Cost at 31 December	**24,991**	**4,280**	**29,270**	**14,140**	**14,140**
Depreciation and impairment losses at 1 January	12,463	1,529	13,992	6,691	6,691
Depreciation for the year	3,521	1,089	4,610	1,862	1,862
Disposals	(509)	-	(509)	-	-
Depreciation and impairment at 31 December	**15,475**	**2,618**	**18,093**	**8,553**	**8,553**
Carrying amount at 31 December	**9,515**	**1,662**	**11,177**	**5,587**	**5,587**

Remeasurement is evaluated yearly and for 2023 the remeasurement relates primarily to the expected lease period.
Low value assets expensed amounts to DKK 431 thousand in 2023 (2022 DKK 193 thousand) which is classified as General and administrative costs in the income statement. Short term leases expensed amounts to DKK 0 (2022 DKK 0). Lease payments amount to DKK 5,182 thousand (2022 DKK 5,162 thousand).

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RIGHT-OF-USE ASSETS

	Group			Parent	
DKK'000	**Right-of-use assets (Offices)**	**Right-of-use assets (Cars)**	**Total**	**Right-of-use assets (Offices)**	**Total**
2022					
Cost at 1 January	24,097	2,846	26,943	13,237	13,237
Exchange rate adjustments	113	(108)	5	-	-
Additions	990	993	1,983	-	-
Remeasurement	-	208	208	-	-
Disposals	-	(1,216)	(1,216)	-	-
Cost at 31 December	**25,200**	**2,663**	**27,923**	**13,237**	**13,237**
Depreciation and impairment losses at 1 January	8,763	1,623	10,386	5,054	5,054
Depreciation for the year	3,700	1,022	4,722	1,637	1,637
Disposals	-	(1,116)	(1,116)	-	-
Depreciation and impairment at 31 December	**12,463**	**1,529**	**13,992**	**6,691**	**6,691**
Carrying amount at 31 December	**12,737**	**1,134**	**13,931**	**6,546**	**6,546**

NOTES TO FINANCIAL STATEMENTS

NOTE 14. INVESTMENTS IN SUBSIDIARIES

	PARENT	
DKK'000	**2023**	**2022**
Cost at begin of period	9,737	9,715
Addition	-	23
Cost at 31 December	**9,737**	**9,737**
Value adjustments at begin of period	(8,078)	(12,199)
Exchange rate adjustments	734	(939)
Share of the profit/loss for the year	5,708	5,061
Value adjustments at 31 December	**(1,636)**	**(8,078)**
Carrying amount at 31 December	**8,101**	**1,659**
Net carrying amount consists of the following		
Write down of intercompany receivables	(3,735)	(7,372)
Gross carrying amount of investments	11,836	9,031
Carrying amount at 31 December	**8,101**	**1,659**

NAME	**REGISTERED ADDRESS**	**INTEREST HELD 2023**	**INTEREST HELD 2022**
Omada Solutions Inc	USA	100%	100%
Omada GmbH	Germany	100%	100%
Omada Solutions Ltd	UK	100%	100%
Omada Sweden AB	Sweden	100%	100%
Omada Identity Spain S.L.	Spain	100%	100%
Omada Poland S.P.z.o.o	Poland	100%	100%

NOTES TO FINANCIAL STATEMENTS

NOTE 15. RECEIVABLES

	GROUP		PARENT	
DKK'000	**2023**	**2022**	**2023**	**2022**
Trade receivables from customers	62,727	52,857	45,257	37,147
Accrued revenue	3,358	3,455	2,433	3,137
Loss allowances	(117)	(101)	(82)	(69)
Total receivables (net) at 31 December	**65,968**	**56,211**	**47,608**	**40,215**
Receivables (gross) at begin of the period	56,312	57,734	40,284	48,223
Exchange rate adjustments	-	579	-	-
Change in receivables during the period	9,773	(2,001)	7,406	(7,939)
Receivables (gross) at 31 December	**66,085**	**56,312**	**47,690**	**40,284**
Provisions for bad debt at begin of period	101	214	69	214
Change in provisions for bad debt during the period	16	(113)	13	(145)
Provisions for bad debt at 31 December	117	101	82	69
Carrying amount at 31 December	**65,968**	**56,211**	**47,608**	**40,215**

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 20.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. RECEIVABLES

DKK'000	2023	2022	2023	2022
Age of trade receivables (gross):				
Not due	41,970	34,012	36,184	27,248
0-30 days	19,995	22,268	10,744	13,000
31 - 60 days	762	32	762	36
61 - 90 days	-	-	-	-
91 - 180 days	-	-	-	-
181 - 275 days	-	-	-	-
276 - 360 days	-	-	-	-
Above 360 days	-	-	-	-
Total	**62,727**	**56,312**	**47,690**	**40,284**
Age of impairment:				
Not due	63	45	51	36
0-30 days	50	56	27	33
31 - 60 days	4	-	4	-
61 - 90 days	-	-	-	-
91 - 180 days	-	-	-	-
181 - 275 days	-	-	-	-
276 - 360 days	-	-	-	-
Above 360 days	-	-	-	-
Total	**117**	**101**	**82**	**69**

NOTES TO FINANCIAL STATEMENTS

NOTE 15. RECEIVABLES

DKK'000	2023	2022	2023	2022
Provision matrix:				
Not due	0.15%	0.15%	0.15%	0.15%
0-30 days	0.25%	0.25%	0.25%	0.25%
31 - 60 days	0.50%	0.50%	0.50%	0.50%
61 - 90 days	2.50%	2.50%	2.50%	2.50%
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 16. CONTRACT ASSETS AND CONTRACT LIABILITIES

	GROUP		PARENT	
DKK'000	**2023**	**2022**	**2023**	**2022**
Balance at begin of the period	(84,137)	(59,687)	(64,610)	(56,305)
Changes in contract assets during the period	259	5,787	(4,028)	9,584
Changes on account billing and prepayments during the period	(36,047)	(30,237)	(26,145)	(17,889)
Balance at 31 December	**(119,925)**	**(84,137)**	**(94,783)**	**(64,610)**
Work in progress	10,197	9,938	5,556	9,584
On account billing and prepayments	(130,122)	(94,075)	(100,339)	(74,194)
Balance at 31 December	**(119,925)**	**(84,137)**	**(94,783)**	**(64,610)**
The net value is included in the balances as follows				
Contract assets	10,197	9,938	5,556	9,584
Prepayments on contract assets	(9,684)	(8,256)	(4,427)	(6,360)
Contract liabilities	(120,438)	(85,819)	(95,912)	(67,834)
Balance at 31 December	**(119,925)**	**(84,137)**	**(94,783)**	**(64,610)**

Contract assets exist whenover 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. (i)
Contact assets are recognized when Omada satisfies a performance obligation but does not have an unconditional right to consideration.
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 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 liabilities consist of prepayments for licenses and maintenance where the performance obligation is fulfilled over 12 months compared to payment terms of 30-60 days.
Voucher and other prepayments relate to consideration that Omada expects to pay to the customers.

Contract assets has been tested for impairment in line with the Group's accounting policies. The result of the impairment assessment was insignificant in relation to the Group's consolidated financial statement and did not give rise to any impairment of the contract work in progress.

Contract assets and liabilities as of 31 December 2023 on a net basis amount to DKK 119,9 millions (31 December 2022: 84.1 million) of which DKK 119,9 million is expected to be recognized as revenue in 2024 (31 December 2022: DKK 84.1 million was expected to be recognized as revenue in 2023).
Unsatisfied or partly satisfied performance obligations substantially relate to SaaS and service support agreements.

NOTES TO FINANCIAL STATEMENTS

NOTE 17. 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	
	2023	2022
3,763,700 shares of DKK 0.50 each	1,882	1,882
31 December	**1,882**	**1,882**

MANAGING CAPITAL

Executive management and the board of directors regulary 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 continued loan facilities.

NOTES TO FINANCIAL STATEMENTS

NOTE 18. LEASE LIABILITIES, RIGHT-OF-USE ASSETS

	GROUP			PARENT	
DKK'000	Cars	Offices	Total	Offices	Total
2023					
Less than 1 year	1,212	4,100	5,312	2,026	2,026
Between 1 and 5 years	529	6,266	6,795	3,877	3,877
Total	**1,742**	**10,366**	**12,108**	**5,903**	**5,903**

	GROUP			PARENT	
DKK'000	Cars	Offices	Total	Offices	Total
2022					
Less than 1 year	811	4,227	5,038	1,790	1,790
Between 1 and 5 years	373	9,382	9,755	5,064	5,064
Total	**1,184**	**13,609**	**14,793**	**6,854**	**6,854**

NOTES TO FINANCIAL STATEMENTS

NOTE 19. SHARE BASED PAYMENTS

The Board of Directors has implemented incentive plans, based on the company'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 ApS. 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 DKK14,141 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 6 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 6 years is determined by Management's estimate of the likely time horizon for a future sale of Omada Group ApS. The estimated expected life has been reevaluated in 2023.

The warrants vest over a period of 6 years beginning December 2018 at a proportion 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. An amount of DKK 9,678 was expected to be accrued over the vesting period as share based payments in the income statement.

In 2022 and 2023, 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 2023, an amount of DKK 6,996 thousand (31 December 2022 DKK 7,812 thousand) is expected to be accrued over the entire vesting period as share-based payments in the income statement. As per 31 December 2023 DKK 746 thousand is expected to be expensed over the remaning vesting period (31 December 2022 DKK 1,239 thousand).

In 2023, the Group expensed DKK 746 thousand (2022 DKK 646 thousand) in share-based payment relating to equity instruments.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. 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 2023	1.76	5,024,412	6,275,628	22,087,107	22,225,581	55,612,728
Granted during the period	1.76	1,006,350	-	-	-	1,006,350
Forfeited during the period	1.76	(1,004,988)	-	-	(502,050)	(1,507,038)
Outstanding at 31 December 2023	1.76	**5,025,774**	**6,275,628**	**22,087,107**	**21,723,531**	**55,112,040**

	Average exercise price per warrant	Board of directors	Executive board	Other key employees	Other employees*	Total
Warrant program						
Outstanding at 1 Januar 2022	1.76	2,801,178	6,275,628	23,874,984	21,707,691	54,659,481
Granted during the period	1.76	2,223,234	-	722,373	3,513,930	6,459,537
Forfeited during the period	1.76	-	-	(2,510,250)	(2,996,040)	(5,506,290)
Outstanding at 31 December 2022	1.76	**5,024,412**	**6,275,628**	**22,087,107**	**22,225,581**	**55,612,728**

Total warrants which can be exercised 31 December 2022 and 31 December 2023	-	-	-	-	-	-
Weighted average remaining contractual life (years) as per 31 December 2023	-	-	-	0.9	0.9	0.9
Weighted average remaining contractual life (years) as per 31 December 2022	-	-	-	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 20. 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 continously 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 20. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

Financial assets 31 December	GROUP				PARENT			
DKK'000	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
2023								
Receivables	65,968	-	-	65,968	47,608	-	-	47,608
Receivables group entities	56,121	-	-	56,121	59,857	-	-	59,857
Other receivables	334	-	-	334	334	-	-	334
Cash and bank balances	10,255	-	-	10,255	8,505	-	-	8,505
Total financial assets	**132,678**	-	-	**132,678**	**116,304**	-	-	**116,304**
Financial institutions	40,000	-	-	40,000	40,000	-	-	40,000
Trade payables	20,954	-	-	20,954	16,922	-	-	16,922
Payables group entities	17,459	-	-	17,459	44,039	-	-	44,039
Other liabilities	18,052	250	6,825	25,127	12,111	250	6,825	19,186
Lease liability	5,312	6,795	-	12,107	2,026	3,877	-	5,903
Total financial liabilities	**101,777**	**6,945**	**6,825**	**115,547**	**115,098**	**4,127**	**6,825**	**126,050**
Ratio				1.1				0.9
2022								
Receivables	56,211	-	-	56,211	40,215	-	-	40,215
Receivables group entities	56,385	-	-	56,385	60,002	-	-	60,002
Other receivables	2,391	2,522	-	4,913	-	2,522	-	2,522
Cash and bank balances	6,446	-	-	6,446	11,448	-	-	11,448
Total financial assets	**121,433**	**2,522**	-	**123,955**	**111,665**	**2,522**	-	**114,187**
Financial institutions	10,000	30,000	-	40,000	10,000	30,000	-	40,000
Trade payables	22,412	-	-	22,412	19,974	-	-	19,974
Payables group entities	14,679	-	-	14,679	42,569	-	-	42,569
Other liabilities	12,496	-	6,610	19,106	5,255	-	6,610	11,865
Lease liability	5,038	9,755	-	14,793	1,790	5,064	-	6,854
Total financial liabilities	**64,625**	**39,755**	**6,610**	**110,990**	**79,588**	**35,064**	**6,610**	**121,262**
Ratio	-	-	-	1.1	-	-	-	0.9

NOTES TO FINANCIAL STATEMENTS

NOTE 20. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE GROUP AND PARENT COMPANY

Financial facilities	GROUP		PARENT	
DKK'000	**2023**	**2022**	**2023**	**2022**
Cash and bank balances	10,255	6,446	8,505	11,448
Unused credit facilities	50,000	30,000	50,000	30,000
Total	**60,255**	**36,446**	**58,505**	**41,448**

The Group has a revolving credit facility with Nordea of DKK 90 million (31 December 2022: DKK 70 million) of which DKK 40 million is drawn 31 December 2023 (31 December 2022: DKK 40 million). Cash reserves and expected cash flow for 2023 are considered to be adequate to meet the obligations of the Group as they fall due.

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 unforseen fluctuations in cash.
The revolving credit facility has a final maturity date which is end December 2024. The group has a positive dialogue with the bank regarding prolonging of the facility. Omada has never had any breaches with the bank why management expect to obtain new facilities during 2024 to ensure continued financing of the group.

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 2023, the Group invoiced approx. 10% (2022: 13%) of its sale in DKK, 44% (2022: 49%) in EUR, 17% (2022: 22%) in USD and the remaining 28% (2022: 16%) in various currencies. As parent company is incorporated in Denmark, a large part of the costs are incurred in DKK corresponding to approx. 56% (2022: 47%), approx. 15% (2022: 16%) in EUR, approx. 14% (2022: 19%) in USD and approx. 15% (2022: 18%) 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 regards USD, mangement monitors the situation and consider 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 comprehensive income. Related foreign exchange risk is not hedged. A sensitivity analysis shows that had the USD/DKK exchange rate been 10% lower in 2023, EBIT would have been DKK 0.2 million lower (2022: DKK 0.2 million lower).

Currency risk 31 December

DKK'000 Currency	Payment/ maturity	Receivable	Cash at bank and in hand	Debt	Net position
31 December 2023 USD	< 1 year	2,693	651	1,395	1,949
31 December 2022 USD	< 1 year	2,266	156	1,608	814

A decrease in the USD/DKK exchange rate of 10% at 31 December 2023 would reduce the positive value of the financial instruments, net by approx. 0.2 million (31 December 2022 a decrease in the value of the Groups financial instruments, net of 0.1 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 20. 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, primarily on the Group's borrowings and cash balances. Interest on the Group's borrowings and cash are calculated as 1 % of the outstanding amount. By the end of 2023, an increase in interest rates of half a percentage point would decrease the Group's profit and equity by less than DKK 0.3 million (2022: DKK 0.1 million). Net positions on financial instruments carrying variable interest are used in the analysis.

Credit risk

The Group's credit risk primarily derive from receivables. Receivables are distributed between many customers and geografical 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 2023 (31 December 2022: less than 10%).

	GROUP		PARENT	
DKK'000	**2023**	**2022**	**2023**	**2022**
Categories of Financial instruments				
Other receivables	2,624	2,547	2,624	2,547
Cash at bank and in hand	10,358	6,510	8,590	11,562
Measured at amortised cost (receivables and deposits)	**12,982**	**9,057**	**11,214**	**14,109**
Financial institutions	40,400	40,400	40,400	40,400
Measured at amortised cost (loans and other debt)	**40,400**	**40,400**	**40,400**	**40,400**

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

NOTES TO FINANCIAL STATEMENTS

NOTE 20. 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
2023				
Receivables from Group subsidiaries	59,857	-	-	59,857
Receivables	47,608	-	-	47,608
Other receivables	-	2,598	-	2,598
Cash and bank balances	8,505	-	-	8,505
Total financial assets	**115,970**	**2,598**	-	**118,568**
Trade payables	16,922	-	-	16,922
Financial institutions	40,000	-	-	40,000
Payables group entities	44,038	-	-	44,038
Other liabilities	12,111	250	6,825	19,186
Lease liability	2,026	3,877	-	5,903
Total financial liabilities	**115,097**	**4,127**	**6,825**	**126,049**
Ratio				0.9

DKK'000	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
2022				
Receivables from Group subsidiaries	60,002	-	-	60,002
Receivables	40,215	-	-	40,215
Other receivables	-	2,522	-	2,522
Cash and bank balances	11,448	-	-	11,448
Total financial assets	**111,665**	**2,522**	**-**	**114,187**
Trade payables	19,974	-	-	19,974
Financial institutions	10,000	30,000	-	40,000
Payables group entities	42,569	-	-	42,569
Other liabilities	5,255	-	6,610	11,865
Lease liability	1,790	5,064	-	6,854
Total financial liabilities	**79,588**	**35,064**	**6,610**	**121,262**
Ratio	-	-	-	0.9

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

NOTES TO FINANCIAL STATEMENTS

NOTE 21. 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 one other key employee and one other employee (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 do not assess any credit risk
regarding the loan granted to the employees.

Omada A/S' wholly owned subsidiaries and its parent companies are considered related parites.

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.

	GROUP		PARENT	
DKK'000	**2023**	**2022**	**2023**	**2022**
General & administrative	(6,157)	(6,075)	(9,654)	(6,075)
Cost of sales	-	-	(37,386)	(74,617)
Research & Development	-	-	(28,521)	-
Sales & Marketing	-	-	(22,771)	-
Interests paid	-	-	-	(347)
Interests received	1,051	81	630	-
Receivables from group entities	56,121	56,385	56,122	60,002
Payables to group entities	(17,459)	(14,679)	(44,038)	(42,569)

NOTES TO FINANCIAL STATEMENTS

NOTE 22. CHANGES IN WORKING CAPITAL

	GROUP		PARENT	
DKK'000	**2023**	**2022**	**2023**	**2022**
Change in receivables and contract assets	(10,016)	(25,424)	(3,365)	(22,306)
Change in other receivables	1,981	3,454	(410)	(23)
Change in payables and contract liabilities	34,589	37,999	26,145	30,795
Change in other liabilities	6,021	(8,144)	7,321	(7,461)
Cash flow from changes in working capital	**32,575**	**7,885**	**29,691**	**1,005**

NOTE 23. 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**		
DKK'000	**1 January 2023**	**Cash flows**	**Addition of right-of-use assets**	**Other**	**31 December 2023**
Lease liabilities	14,793	(5,182)	-	2,497	12,108
Financial institutions	40,000	-	-	-	40,000
Total	**54,793**	**(5,182)**	**-**	**2,497**	**52,108**

GROUP			**ADJUSTMENTS FOR NON-CASH TRANSACTIONS**		
DKK'000	**1 January 2022**	**Cash flows**	**Addition of right-of-use assets**	**Other**	**31 December 2022**
Lease liabilities	17,317	(5,162)	2,136	502	14,793
Financial institutions	72,695	(32,695)	-	-	40,000
Total	**90,012**	**(37,857)**	**2,136**	**502**	**54,793**

PARENT			**ADJUSTMENTS FOR NON-CASH TRANSACTIONS**		
DKK'000	**1 January 2023**	**Cash flows**	**Addition of right-of-use assets**	**Other**	**31 December 2023**
Lease liabilities	6,854	(2,049)	-	1,098	5,903
Financial institutions	40,000	-	-	-	40,000
Total	**46,854**	**(2,049)**	**-**	**1,098**	**45,903**

PARENT			**ADJUSTMENTS FOR NON-CASH TRANSACTIONS**		
DKK'000	**1 January 2022**	**Cash flows**	**Addition of right-of-use assets**	**Other**	**31 December 2022**
Lease liabilities	8,445	(1,810)	-	219	6,854
Financial institutions	62,144	(22,144)	-	-	40,000
Total	**70,589**	**(23,954)**	**-**	**219**	**46,854**

NOTES TO FINANCIAL STATEMENTS

NOTE 24. 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, royalities and dividends falling due for payment on or after 1 July 2012.

NOTE 25. 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 asstes or similar and goodwill.

In addition, there are no collateral.

NOTE 26. EVENTS AFTER THE REPORTING PERIOD

No significant events requiring specific mentioning in the financial report have occured in 2024.

NOTES TO FINANCIAL STATEMENTS

NOTE 27. 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.

INTRA-GROUP BUSINESS COMBINATIONS

The book value method is applied to business combinations such as acquisition and disposal of equity investments, mergers, demergers, additions of assets and share conversions, etc., in which entities controlled by the Parent Company are involved, provided that the combination is considered completed at the acquisition date without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly in equity.

For vertical and downstream intra-group mergers the group method is applied for the combination of the entities. Thereby, the entities are combined at the revaluation value recognised in the consolidated financial statements or which would have been recognised in the consolidated financial statements for the parent company included in the merger. The group method is applied as if the entities had been combined from the date when the parent company acquired the equity investments in the entities included in the merger, and therefore, the comparative figures were restated.

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

NOTES TO FINANCIAL STATEMENTS

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 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 costumer 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.

NOTES TO FINANCIAL STATEMENTS

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 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.

NOTES TO FINANCIAL STATEMENTS

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.

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 crystalize 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

NOTES TO FINANCIAL STATEMENTS

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.

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.

NOTES TO FINANCIAL STATEMENTS

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.

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 accesses 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 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 allocate the consideration in a contract to the lease and non-lease components based on their relative stand-alone prices. The Group account 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.

NOTES TO FINANCIAL STATEMENTS

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.

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.

Investments in entities whose net asset value is negative are measured at DKK 0. The entity's proportionate share of a deficit on equity, if any, is set off against receivables from the investment in so far as the deficit is irrecoverable. Amounts in excess thereof are recognised under 'other provisions' in so far as the parent has a legal or constructive obligation to cover the deficit.

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.

NOTES TO FINANCIAL STATEMENTS

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. 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.

SHARE OPTION SCHEMES
Equity-settled share options are measured at fair value at allotment date and

NOTES TO FINANCIAL STATEMENTS

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.

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 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.

NOTES TO FINANCIAL STATEMENTS

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.

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	$\frac{\text{Operating profit/loss (EBIT)} \times 100}{\text{Average equity}}$
Annual recurring revenue (ARR)	Annual recurring revenue is defined as revenue from contracts recurring in more than one financial year.

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.

www@omada.net | info@omada.net

Omada A/S
Østerbrogade 135
2100 Copenhagen
Denmark