Omada A/S

ANNUAL REPORT

2022

Approved at the Annual General Meeting on 1 March 2023

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 growth company delivering YoY recurring revenue growth of **>40%**

A company with a **>50%** increase in total Software Revenue

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

Market-leading levels of R&D investment of **>40%** of software revenue

A company, that in 2022 was named **Leader** in The Kuppinger Cole Leadership Compass and a **Major Player** by IDC

A strong business partner with a Net Promoter Score of **>45** and a market leading focus on customer success

LETTER FROM THE CEO AND CHAIRMAN

Omada has delivered strong growth in 2022 and sees high market demand for its Identity solutions. The rapidly growing requirement for Identity Governance on SaaS, with its lower operating costs and higher levels of flexibility, has further accelerated this growth. Omada is now firmly established as a market leader in Identity Governance for enterprise customers who demand high levels of functionality, scalability and automation. The company has also seen an increased demand from existing customers as they leverage the power of the platform and extend its use to more parts of their business.

The company has remained focused on customer satisfaction and retention as a critical measure of success. During the year Omada has been recognized by peer review providers as having one of the highest levels of customer advocacy in the industry. This is supported by a market leading Net Promotor Score (NPS), industry award recognition and a strong set of analyst reports during the year. Omada continues to invest heavily in customer success as one of the critical elements of its growth strategy and this is reflected in outstanding Net Retention Rates.

Omada's focus on Identity Governance and Administration (IGA) at the heart of the Identity Fabric has driven its innovation agenda and key product enhancements through 2022. R&D investment ratio levels are some of the highest in the market with the company has focused on customer value above market hype.
In 2022 we have seen an increasing number of large scale enterprise customers going live successfully on the Omada Identity Cloud in industry leading implementation timelines.

As customers look to prioritize value and return on their investments in Identity Omada is leveraging technology partnerships and integrations to deliver on the Identity Fabric. This strategic direction enables customers to maximize existing investments in adjacent technology whilst delivering best in class SaaS based IGA.

The company has delivered another strong period of growth whilst delivering on its customer commitments and innovation agenda and this provides a strong outlook for 2023.

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Michael Garrett
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Michael Garrett
CEO

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James Ernest Ousley
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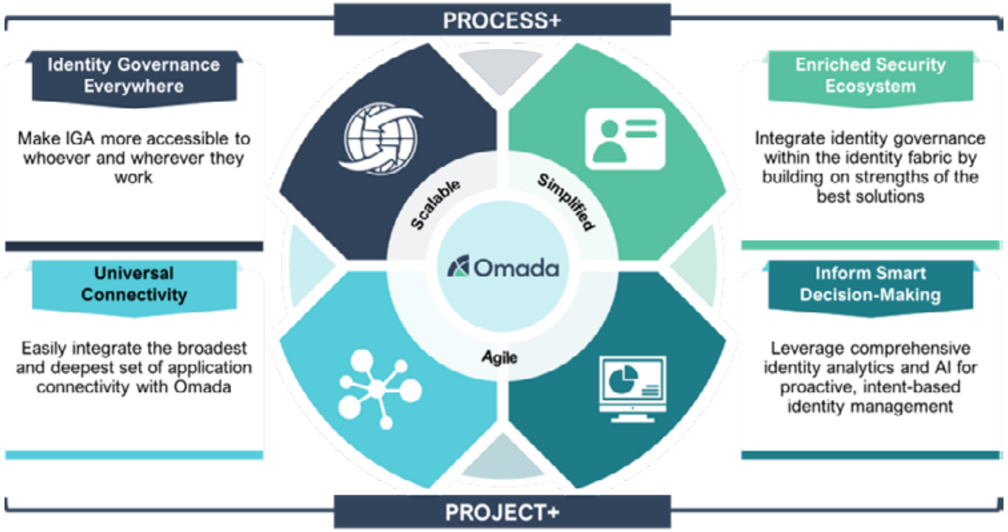
James Ernest Ousley
Chairman

LOOKING FORWARDS

Building on the successes of 2022, Omada is looking ahead to 2023 to build further on our mission to provide customers with the most intelligent and scalable Identity Governance and Administration (IGA) SaaS solution. Our model is to support customers' digital transformations with decentralized architecture to support hybrid and multi-cloud IT environments, and expanding governance beyond employees to partners, contractors and technical identities. This is also set with the backdrop of an increasingly challenging regulatory landscape.



IGA has never been more important to organization's broader Identity and Access Management (IAM) programs through enabling the distributed workforce, enhancing security, and meeting compliance mandates. Looking forwards, Omada is focused on delivering our vision of providing the market's leading Intelligent IGA solution by:

- Providing identity governance everywhere
- Enriching the identity security ecosystem by partnering with core leading Identity fabric vendors
- Further extending connectivity by adding even more identity management and process connectors
- Informing smart decision making by leveraging advanced, real-time role intelligence, and approval recommendations that can be automated or augmented

Omada will continue to deliver an innovative and approachable IGA platform by including our best practice framework, IdentityPROCESS+, within our solution to help customers easily and intuitively leverage the capability in practical and meaningful ways that deliver business value.

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.

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Business Sustainability Ratings

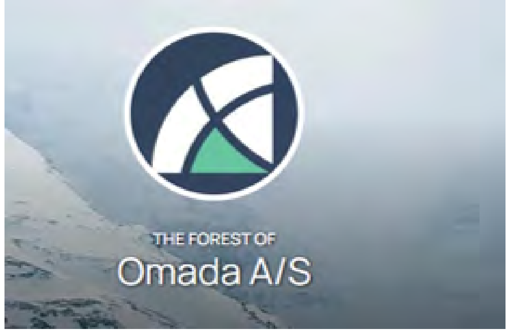
Omada has been rated a silver medal rating in recognition of its sustainability achievement.

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.

COPEN HAGEN PRIDE

Omada is strongly supporting diversity and is supporting the Copenhagen Pride



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 2022

In 2022 Omada A/S Group delivered group earnings before tax of DKK (30,670) thousand and group earnings after tax of DKK (22,009) thousand.

The result for 2022 was affected by the ongoing transformation from sale of perpetual licenses to SaaS, which has deferred revenue to coming years.

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

The group's activities are financed by a bank facility of MDKK 70 and an equity of DKK 49,825 thousand. The result for 2022 is in line with our expectations.

PARENT COMPANY

Omada A/S and Omada Services A/S completed a taxfree merger with effect from 1 January 2022 with Omada A/S as the continuing company. The merger have had no effect on the equity for Omada A/S. Comparison figures for the parent company for 2021 have been adjusted in accordance with the book value method.

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.

CONSOLIDATED KEY FINANCIAL HIGHLIGHTS*

DKK'000	2022	2021	2020	2019	2018**
Revenue	258,872	202,260	191,781	208,303	-
Cost of sales	(151,726)	(129,655)	(117,036)	(150,251)	-
Gross profit	**107,146**	**72,605**	**74,745**	**58,052**	**145,407**
Operating profit/loss (EBIT)	**(25,379)**	**(35,449)**	**(41,026)**	**(48,316)**	**7,457**
Financial income/expenses, net	(5,291)	(2,733)	(2,734)	(1,704)	360
Profit/loss before tax	(30,670)	(38,182)	(43,760)	(50,020)	7,817
Tax on the profit/loss for the year	8,661	10,631	12,126	9,969	(3,343)
Profit/loss for the year	**(22,009)**	**(27,551)**	**(31,634)**	**(40,051)**	**4,474**
Total assets	254,890	238,365	183,268	133,939	130,980
Total equity	49,825	26,487	10,205	34,026	36,141
Investment in non-current assets	3,728	2,480	4,145	6,407	509
Return on assets	-9%	-12%	-26%	-36%	6%
Solvency ratio	20%	11%	6%	25%	28%
Return on equity	-58%	-150%	-186%	-142%	21%
Average number of employees	222	207	181	184	165
Employees at the end of the year	232	213	180	177	195
Annual recurring revenue (ARR)***	147,259	101,244	63,493	39,045	-

*) Figures for the years 2019 - 2022 are presented in accordance with IFRS, comparative figures from previous years are presented in accordance with The Danish Financial Statements Act.

**) For the year 2018 Gross Margin is presented as previously disclosed in the annual report for the year.

***) 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 - 2021 has been updated. ARR is a non-gaap measure.

FINANCIAL REVIEW

KNOWLEDGE RESOURCES AND DEVELOPMENT ACTIVITIES

Omada continuously focuses on developing innovative products and services by attracting and retaining the very best talent in the marketplace.
The Company proactively works to retain and inspire employees by creating an attractive workplace and offering competitive terms as well as well-balanced incentive structures.
As a provider of software products and services, R&D activities are of key importance to Omada. Throughout 2022, Omada continued to invest significantly in improving and enhancing its award winning on-premises and SaaS product and IP. Omada will continue to further invest in innovative R&D and product development activities.

RISK MANAGEMENT

As Omada operates in a range of international markets, revenues and costs can be impacted by currency fluctuations. The fact that Omada has well-established local subsidiaries in Germany, Sweden, UK, Poland, 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.
Management has assesed the potential financial impact from the crises in Ukraine. Currently, no significant impact is expected.

UNCERTAINTIES IN RECOGNITION AND MEASUREMENTS

Reference is made to note 2 of the financial statements.

OUTLOOK

The Group expects to deliver continued strong recurring revenue growth in 2023 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 mainly due to depreciations and amortization.
There is a risk of uncertainties in the market caused by the macroeconomic conditions such as increasing inflation and interests.

COMPANY DETAILS

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

STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

The Board of Directors and the Executive Board have today discussed and approved the annual report of Omada A/S for the financial year 1 January – 31 December 2022.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022 and of the results of their operations and cash flows for the financial year 1 January – 31 December 2022.

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 2023

EXECUTIVE BOARD:

DocuSigned by:
Michael Garrett
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Michael Garrett,
Chief Executive Officer

DocuSigned by:
Gry Cornelius Collignon
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Gry Collignon,
Chief Financial Officer

BOARD OF DIRECTORS:

DocuSigned by:
James Ernest Ousley
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James Ernest Ousley
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 Dybkjaer
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Lars Dybkjær
Board Member

DocuSigned by:
John Dawson Clark
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John Dawson Clark
Board Member

DocuSigned by:
Kevin Michael Hickey
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Kevin Michael Hickey
Board Member

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Franck Leon Cohen
Board Member

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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 2022, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies, for the Group and the Parent Company.
The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company on 31 December 2022 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 2022 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

STATEMENT ON THE MANAGEMENT'S REVIEW

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

MANAGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

INDEPENDENT AUDITOR'S REPORT

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

Copenhagen, 22 February 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Mikkel Sthyr	Simon Blendstrup
State Authorised	State Authorised
Public Accountant	Public Accountant
mne26693	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

DKK'000	Note	GROUP 2022	GROUP 2021	PARENT 2022	PARENT 2021
Revenue	3,4	258,872	202,260	203,451	167,025
Cost of sales	5,7	(151,726)	(129,655)	(131,986)	(124,504)
Gross profit		**107,146**	**72,605**	**71,465**	**42,521**
Sales & Marketing cost	5,7	(76,110)	(63,795)	(48,439)	(45,284)
Research & Development cost	5,7	(22,817)	(10,587)	(20,258)	(10,050)
General & Administrative cost	5,7	(31,886)	(30,437)	(33,679)	(28,445)
Other operating costs	6	(1,711)	(3,234)	(1,504)	(2,468)
Operating profit/loss (EBIT)		**(25,379)**	**(35,449)**	**(32,415)**	**(43,726)**
Income from investment in subsidiaries	13	-	-	5,061	6,246
Financial income	8	226	-	145	338
Financial expenses	9	(5,517)	(2,733)	(5,084)	(2,383)
Profit/loss before tax		**(30,670)**	**(38,182)**	**(32,292)**	**(39,525)**
Tax on the profit/loss for the year	10	8,661	10,631	10,283	11,974
Profit/loss for the year		**(22,009)**	**(27,551)**	**(22,009)**	**(27,551)**

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT COMPREHENSIVE INCOME STATEMENT	GROUP		PARENT	
DKK'000	2022	2021	2022	2021
Profit/loss for the year	(22,009)	(27,551)	(22,009)	(27,551)
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss:				
Exchange rate adjustments relating to foreign entities	(939)	(1,476)	(939)	(1,476)
Tax on other comprehensive income		-		-
Other comprehensive income after tax	(939)	(1,476)	(939)	(1,476)
Total comprehensive income	(22,948)	(29,027)	(22,948)	(29,027)

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT BALANCE SHEET: ASSETS AT 31 DECEMBER

		GROUP		PARENT	
DKK'000	**Note**	**2022**	**2021**	**2022**	**2021**
Software		6,033	4,921	6,033	4,921
Completed development projects		69,543	60,073	69,543	60,073
Development projects in progress		2,201	2,636	2,201	2,636
Intangible assets	11	**77,777**	**67,630**	**77,777**	**67,630**
Other fixtures and fittings, tools and equipment		2,943	2,455	2,943	2,455
Right-of-use assets		13,871	16,557	6,547	8,183
Property, plant and equipment	12	**16,814**	**19,013**	**9,490**	**10,638**
Investment in subsidiaries	13	-	-	9,031	16,866
Deposits		1,171	1,107	937	922
Other receivables	19,20	2,522	2,376	2,522	4,202
Deferred tax assets	10	14,284	9,553	14,284	9,553
Other non-current assets		**17,977**	**13,036**	**26,774**	**31,543**
Total non-current assets		**112,568**	**99,679**	**114,041**	**109,811**
Receivables	14,19	56,211	57,520	40,215	48,009
Contract assets	15	9,938	4,151	9,584	-
Receivables from group entities	19,20	56,385	35,439	60,002	39,486
Income tax receivables	10	5,910	5,808	5,378	4,947
Other receivables	19	2,391	6,723	-	-
Prepayments		5,041	4,309	4,613	2,910
Cash at bank and in hand	19	6,446	24,736	11,448	19,665
Total Current Assets		**142,322**	**138,686**	**131,240**	**115,017**
Total assets		**254,890**	**238,365**	**245,281**	**224,828**

FINANCIAL STATEMENTS

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

		GROUP		PARENT	
DKK'000	**Note**	**2022**	**2021**	**2022**	**2021**
Equity					
Share capital	16	1,881	1,425	1,881	1,425
Reserve for development costs		-	-	55,960	48,913
Reserve for loans and security		2,376	2,376	2,522	2,376
Translation reserve		(1,429)	(490)	(1,429)	(490)
Retained earnings		46,997	23,176	(9,109)	(25,737)
Total equity		**49,825**	**26,487**	**49,825**	**26,487**
Lease liabilities	17,19,22	9,755	12,543	5,064	6,655
Other liabilities	19	6,610	6,359	6,610	6,359
Financial institutions	19,22	30,000	72,695	30,000	62,144
Total non-current liabilities		**46,365**	**91,597**	**41,674**	**75,158**
Financial institutions	19,22	10,000	-	10,000	-
Prepayments on contract assets	15	8,256	3,848	6,360	-
Trade payables	19	22,412	28,177	19,974	25,477
Payables to group entities	19,20	14,679	1,152	42,569	24,160
Income tax payables		-	1,410	-	-
Other liabilites		12,496	20,930	5,255	12,967
Other provisions		-	-	-	2,484
Lease liability	17,19,22	5,038	4,774	1,790	1,790
Contract liabilities	15	85,819	59,990	67,834	56,305
Total current liabilities		**158,700**	**120,281**	**153,782**	**123,183**
Total liabilities		**205,065**	**211,878**	**195,456**	**198,341**
Total equity and liabilities		**254,890**	**238,365**	**245,281**	**224,828**

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT CASH FLOW STATEMENT		GROUP		PARENT	
DKK'000	**Note**	**2022**	**2021**	**2022**	**2021**
Profit/loss for the year		(22,009)	(27,551)	(22,009)	(27,551)
Adjustments for non-cash transactions:					
Income from investment in subsidiaries	13	-	-	(5,061)	(6,246)
Finance income	8	(226)	-	(145)	(307)
Finance expenses	9	5,517	2,733	5,084	2,281
Income tax	10	(8,661)	(10,631)	(10,283)	(11,895)
Other adjutsments		(724)	609	3,012	(609)
Share based payments	7	646	1,294	646	1,294
Amortisation, depreciation and impairment losses	5	32,096	24,674	29,008	21,745
Write-down on intercompany		-	-	7,372	16,866
Changes in net working capital	21	7,885	(40,828)	1,005	(26,336)
Cash generated from primary activities		**14,524**	**(49,700)**	**8,629**	**(30,758)**
Interest received	8	-	-	-	307
Interest paid	9	(5,517)	(2,733)	(5,084)	(2,281)
Corporation tax		3,868	8,495	5,488	4,781
Cash flow from operating activities		**12,875**	**(43,938)**	**9,045**	**(27,951)**
Acquisition of intangible assets	11	(36,264)	(33,930)	(36,264)	(33,390)
Acquisition of Other fixtures and fittings, tools and equipment	12	(1,715)	(1,355)	(1,715)	(1,355)
Cash flow from investing activities		**(38,009)**	**(35,285)**	**(38,009)**	**(35,285)**
Increase in share capital		45,640	40,000	45,640	40,000
Purchase/disposal of treasury shares	16	-	4,015	-	4,015
Repayment of lease liabilities	22	(5,162)	(5,034)	(1,810)	(1,810)
Loan proceeds	22	(32,695)	23,549	(22,144)	12,998
Cash flow from financing activities		**7,783**	**62,530**	**21,686**	**55,203**
Total cash flow		**(17,351)**	**(16,693)**	**(7,278)**	**(8,033)**
Cash at bank and in hand begin of period		24,736	42,905	19,665	29,174
Exchange rate adjustments		(939)	(1,476)	(939)	(1,476)
Cash funds at the end of the period		**6,446**	**24,736**	**11,448**	**19,665**

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 2021	1,425	2,376	986	5,418	10,205
Total comprehensive income in 2021					
Profit/loss for the year	-	-	-	(27,551)	(27,551)
Other comprehensive income:					
Exchange rate adjustments relating to foreign entities	-	-	(1,476)	-	(1,476)
Total other comprehensive income	-	-	(1,476)	-	(1,476)
Total comprehensive income for the period	-	-	(1,476)	(27,551)	(29,027)
Transaction with owners:					
Capital increase	-	-	-	40,000	40,000
Purchase/disposal of Treasury shares /warrants	-	-	-	4,015	4,015
Share-based payment	-	-	-	1,294	1,294
Total transactions with owners	-	-	-	45,309	45,309
Equity at 31 December 2021	**1,425**	**2,376**	**(490)**	**23,176**	**26,487**
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
Purchase/disposal of Treasury shares/warrants	-	-	-	-	-
Share based payments	-	-	-	646	646
Total transactions with owners	-	-	-	-	-
Equity at 31 December 2022	**1,881**	**2,376**	**(1,429)**	**46,997**	**49,825**

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 2021	1,425	38,595	2,376	986	(33,177)	10,205
Total comprehensive income in 2021						
Profit/loss for the year	-	10,318	-	-	(37,869)	(31,634)
Other comprehensive income:						
Exchange rate adjustments relating to foreign entities	-	-	-	(1,476)	-	(1,476)
Total other comprehensive income	-	-		(1,476)	-	(1,476)
Total comprehensive income for the period	-	10,318		(1,476)	(37,869)	(29,027)
Transaction with owners:						
Transfer	-	-	-	-	40,000	40,000
Purchase/disposal of Treasury shares /warrants	-	-	-	-	4,015	4,015
Share-based payment	-	-	-	-	1,294	1,294
Total transactions with owners	-	-	-	-	45,309	45,309
Equity at 31 December 2021	**1,425**	**48,913**	2,376	**(490)**	**(25,737)**	**26,487**
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
Purchase/disposal of Treasury shares/warrants	-	-	-	-	-	-
Share based payments	-	-	-	-	646	646
Total transactions with owners	-	-	-	-	-	-
Equity at 31 December 2022	**1,881**	**55,960**	**2,522**	**(1,429)**	**(9,109)**	**49,825**

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 2022 for Omada A/S Group, which include financial statements for the Parent Company Omada A/S and consolidated financial statements for the Omada A/S Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU as well as additional Danish disclosure requirements applying to entities of reporting class medium C. Further they are prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

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

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

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

THE EFFECT OF NEW ACCOUNTING STANDARDS

All new and revised standards, which entered into force with effect from fiscal periods beginning at 1 January 2022, 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 26, it is necessary that the management performs judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The performed estimates and assumptions are based on historical experience and other factors that management considers reasonable under the circumstances, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may occur.

The estimates and underlying assumptions are reviewed regularly. Changes to accounting estimates are recognized in the accounting period in which the change occurs and in future periods if the change affects both the period, in which the change occurs and subsequent accounting periods.

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 2022, the carrying value of recognized tax was DKK 14,323 thousand (2021: 9,553 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 30,821 thousand (2021: DKK 24,397 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 2021 and 2022.

	2022		2021	
DKK'000	**Revenue**	**Non-curent assets**	**Revenue**	**Non-curent assets**
Denmark	38,091	105,244	30,818	91,152
Rest of Scandinavia	18,915	-	30,088	-
Germany	93,509	1,774	76,736	2,653
USA	53,775	2,311	34,338	2,723
Other countries	54,582	3,239	30,280	3,151
Total	**258,872**	**112,568**	**202,260**	**99,679**

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 26.

	GROUP		PARENT	
DKK'000	**2022**	**2021**	**2022**	**2021**
Software licenses	9,299	9,027	9,299	9,027
Software subscriptions	82,595	40,836	56,579	29,361
Software support	33,065	33,088	30,778	31,128
Revenue from software	**124,959**	**82,951**	**96,656**	**69,516**
Sales value of finished projects	158,363	136,129	115,100	116,873
Change in contract assets net	(24,450)	(16,821)	(8,305)	(19,364)
Revenue from implementation services	**133,913**	**119,308**	**106,795**	**97,509**
Total Revenue	**258,872**	**202,260**	**203,451**	**167,025**
Contract assets, net beginning of period	(59,687)	(42,866)	(56,305)	(36,941)
Contract assets, end of period	(84,137)	(59,687)	(64,610)	(56,305)
Total change in contract assets, net	**(24,450)**	**(16,821)**	**(8,305)**	**(19,364)**
Revenue recognised over time	242,851	191,098	188,402	153,746
Revenue recognised at point of time*	16,021	11,162	15,049	13,279
Total Revenue	**258,872**	**202,260**	**203,451**	**167,025**

*There have been an adjustment between over time and point in time split in the note for 2021, which did not reflected the actual recognition.

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
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**
2021								
Cost of sales	67,736	45,187	16,732	129,655	38,266	70,969	15,269	124,504
Sales & marketing	45,174	17,708	913	63,795	13,884	31,073	327	45,284
Research & development	1,303	3,554	5,730	10,587	1,720	3,186	5,144	10,050
General & administrative	19,709	9,430	1,298	30,437	15,208	12,232	1,005	28,445
Total	**133,923**	**75,878**	**24,673**	**234,474**	**69,077**	**117,461**	**21,745**	**208,283**

NOTE 6. OTHER OPERATING COSTS

	GROUP		PARENT	
DKK'000	**2022**	**2021**	**2022**	**2021**
Costs in relation to financial security	1,711	3,234	1,504	2,468
Total	**1,711**	**3,234**	**1,504**	**2,468**

NOTES TO FINANCIAL STATEMENTS

NOTE 7. STAFF EXPENSES AND REMUNERATION COSTS

	GROUP		PARENT	
DKK'000	**2022**	**2021**	**2022**	**2021**
Wages and salaries	184,455	172,463	105,328	91,422
Defined contribution plans	2,718	2,206	2,512	2,017
Other social security expenses	430	334	355	368
Share-based payment	646	1,592	646	1,592
Wages/salaries in the group capitalised as development projects	(32,316)	(26,322)	(32,316)	(26,322)
Staff expenses	**155,933**	**150,272**	**76,525**	**69,077**
Average number of employees	222	207	94	86

GROUP STAFF EXPENSES AND REMUNERATION COSTS ATTRIBUTABLE TO:

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**

DKK'000	Executive Board	Other key employees	Board of Directors	Total
2021				
Wages and salaries, etc.	7,292	10,251	985	18,528
Defined contribution pension plans	164	559	-	723
Share-based payment	221	676	-	897
Total	**7,677**	**11,486**	**985**	**20,148**

*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	**2022**	**2021**	**2022**	**2021**
Interest income from group entities	81	-	-	338
Interest from receivables	145	-	145	-
Interest income on financial assets not measured at fair value in the income statement	**226**	-	**145**	**338**
Foreign exchange gains	-	-	-	-
Total financial income	**226**	**-**	**145**	**338**

NOTE 9. FINANCIAL EXPENSES

	GROUP		PARENT	
DKK'000	**2022**	**2021**	**2022**	**2021**
Interest expenses, banks etc.	3,438	1,554	3,082	1,580
Lease interest	607	722	219	266
Interest to group entities	-	201	347	-
Interest expenses on financial liabilities not measured at fair value in the income statement	**4,045**	**2,477**	**3,648**	**1,846**
Foreign exchange loss	1,472	256	1,436	537
Total financial expenses	**5,517**	**2,733**	**5,084**	**2,383**

NOTES TO FINANCIAL STATEMENTS

NOTE 10. CORPORATE TAX

	Group		Parent	
DKK '000	**2022**	**2021**	**2022**	**2021**
Corporate tax is specified as follows:				
Tax on profit for the year	8,661	10,631	10,283	11,974
Tax on profit/loss for the year	**8,661**	**10,631**	**10,283**	**11,974**
Corporate tax is specified as follows:				
Tax on profit/loss for the year	4,292	3,548	5,553	5,651
Deferred tax on profit/loss for the year	4,731	6,311	4,731	6,468
Adjustments relating to previous years (net)	(362)	772	-	(145)
Tax on profit/loss for the year	**8,661**	**10,631**	**10,283**	**11,974**
Analysis of tax on profit/loss:				
22% tax of profit/loss before tax	6,905	8,400	8,165	8,757
Non-tax deductible expenses from investments in subsidiaries	-	-	-	1,616
Deferred tax asset - Increase R&D deduction	2,118	2,061	2,118	2,061
Write down of deferred tax assets	-	-	-	-
Non-tax deductible expenses	-	(354)	-	(316)
Other, including prior year adjustments	(362)	524	-	(144)
Tax on profit/loss for the year	**8,661**	**10,631**	**10,283**	**11,974**
Effective tax rate	28.2%	27.8%	31.8%	30.3%

Income tax receivables of DKK 5.9 million (2021: DKK 5.8 million) mainly contains of expected tax receivable from Danish Tax Authorities relating to tax credit scheme.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. CORPORATE TAX

	Group		Parent	
DKK '000	**2022**	**2021**	**2022**	**2021**
Deferred tax at begin of period	9,553	7,315	9,553	7,158
Adjustment relating to previous years	-	10	-	10
Reclassification from other accounts regarding net classification of deferred tax	-	(4,083)	-	(4,083)
Deferred tax on profit for the year	4,731	6,311	4,731	6,468
Deferred tax at 31 December (net)	**14,284**	**9,553**	**14,284**	**9,553**
Deferred tax is recognized in the balance as follows:				
Deferred tax assets	14,284	9,553	14,284	9,553
Deferred tax at 31 December (net)	**14,284**	**9,553**	**14,284**	**9,553**
Deferred tax concerns:				
Intangible assets	(15,545)	(14,365)	(15,545)	(14,365)
Property, plant and equipment	62	17	62	17
Prepayments	(1,015)	(383)	(1,015)	(383)
Tax loss	30,781	24,284	30,781	24,284
Deferred tax at 31 December (net)	**14,284**	**9,553**	**14,284**	**9,553**

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

The Group's capitalised tax assets are expected to be realisable on the basis of current updated budgets for the next five years with the assumptions used in note 11.

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

	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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

DEVELOPMENT PROJECTS

Activation costs relating to development projects in progress of DKK 2,201 thousand (31 December 2021: DKK 2,636 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 32,751 thousand (31 December 2021: DKK 36,334 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

	GROUP			
DKK'000	Other fixtures and fittings, tools and equipment	Right-of-use assets (Offices)	Right-of-use assets (Cars)	Total
2022				
Cost at 1 January	7,010	24,097	2,846	33,953
Exchange rate adjustments	-	113	(108)	5
Additions	1,745	990	993	3,728
Remeasurement	-	-	208	208
Disposals	-	-	(1,216)	(1,216)
Cost at 31 December	**8,755**	**25,200**	**2,663**	**36,618**
Depreciation and impairment losses at 1 January	4,555	8,763	1,623	14,941
Depreciation for the year	1,257	3,700	1,022	5,979
Reversal of depreciation of disposals in the year	-	-	(1,116)	(1,116)
Depreciation and impairment at 31 December	**5,812**	**12,463**	**1,529**	**19,804**
Carrying amount at 31 December	**2,943**	**12,737**	**1,134**	**16,814**
Depreciation period	3-5 years	2-7 years	2-4 years	-

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

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

Remeasurement is evaluated yearly and for 2022 the remeasurement relates primarily to the expected lease period.
Low value assets expensed amounts to DKK 193 thousand in 2022 (2021 DKK 17 thousand) and short term leases expensed amounts to DKK 0 (2021: DKK 0).
Lease payments amount to DKK 5,162 thousand (2021: DKK 5,034 thousand)

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

	PARENT		
DKK'000	**Other fixtures and fittings, tools and equipment**	**Right-of-use assets (Offices)**	**Total**
2022			
Cost at 1 January	7,010	13,237	20,247
Additions	1,745	-	1,745
Disposals	-	-	-
Cost at 31 December	**8,755**	**13,237**	**21,992**
Depreciation and impairment losses at 1 January	4,555	5,054	9,608
Depreciation for the year	1,257	1,637	2,894
Reversal of depreciation of disposals in the year	-	-	-
Depreciation and impairment at 31 December	**5,812**	**6,691**	**12,502**
Carrying amount at 31 December	**2,943**	**6,546**	**9,490**
Depreciation period	3-5 years	2-7 years	-

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

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

Low value assets expensed amounts to DKK 193 thousand in 2022 (2021: DKK 11 thousand) and short term leases expensed amounts to DKK 0 (2021: DKK 0).
Lease payments amount to DKK 1,810 thousand (2021: DKK 1,810 thousand).

NOTES TO FINANCIAL STATEMENTS

NOTE 13. INVESTMENTS IN SUBSIDIARIES

	PARENT	
DKK'000	**2022**	**2021**
Cost at begin of period	9,715	9,697
Addition	23	18
Cost at 31 December	**9,737**	**9,715**
Value adjustments at begin of period	(12,199)	(16,971)
Exchange rate adjustments	(939)	(1,474)
Share of the profit/loss for the year	5,061	6,246
Value adjustments at 31 December	**(8,078)**	**(12,199)**
Carrying amount at 31 December	**1,659**	**(2,484)**
Net carrying amount consists of the following		
Write down of intercompany receivables	(7,372)	(16,866)
Other provisions	-	(2,484)
Gross carrying amount of investments	9,031	16,866
Carrying amount at 31 December	**1,659**	**(2,484)**

NAME	REGISTERED ADDRESS	INTEREST HELD 2022	INTEREST HELD 2021
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%	-
Omada Poland S.P.z.o.o	Poland	100%	100%

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RECEIVABLES

	GROUP		PARENT	
DKK'000	**2022**	**2021**	**2022**	**2021**
Trade receivables from customers	52,857	53,918	37,147	44,694
Accrued revenue	3,455	3,816	3,137	3,529
Loss allowances	(101)	(214)	(69)	(214)
Total receivables (net) at 31 December	**56,211**	**57,520**	**40,215**	**48,009**
Receivables (gross) at begin of the period	57,734	42,619	48,223	39,466
Exchange rate adjustments	579	259	-	-
Change in receivables during the period	(2,001)	14,856	(7,939)	8,757
Receivables (gross) at 31 December	**56,312**	**57,734**	**40,284**	**48,223**
Provisions for bad debt at begin of period	214	214	214	214
Change in provisions for bad debt during the period	(113)	113	(145)	113
Loss realized during the period	-	(113)	-	(113)
Provisions for bad debt at 31 December	101	214	69	214
Carrying amount at 31 December	**56,211**	**57,520**	**40,215**	**48,009**

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RECEIVABLES

DKK'000	2022	2021	2022	2021
Age of trade receivables (gross):				
Not due	34,012	53,676	27,248	46,400
0-30 days	22,268	2,021	13,000	1,174
31 - 60 days	32	1	36	2
61 - 90 days	-	980	-	85
91 - 180 days	-	1,056	-	562
181 - 275 days	-	-	-	-
276 - 360 days	-	-	-	-
Above 360 days	-	-	-	-
Total	**56,312**	**57,734**	**40,284**	**48,223**
Age of impairment:				
Not due	45	77	36	77
0-30 days	56	5	33	5
31 - 60 days	-	-	-	-
61 - 90 days	-	26	-	26
91 - 180 days	-	107	-	107
181 - 275 days	-	-	-	-
276 - 360 days	-	-	-	-
Above 360 days	-	-	-	-
Total	**101**	**214**	**69**	**214**

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RECEIVABLES

DKK'000	**2022**	**2021**	**2022**	**2021**
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 15. CONTRACT ASSETS AND CONTRACT LIABILITIES

	GROUP		PARENT	
DKK'000	**2022**	**2021**	**2022**	**2021**
Balance at begin of the period	(59,687)	(42,865)	(56,305)	(36,941)
Changes in contract assets during the period	5,787	(26,093)	9,584	-
Changes on account billing and prepayments during the period	(30,237)	9,272	(17,889)	(19,364)
Balance at 31 December	**(84,137)**	**(59,687)**	**(64,610)**	**(56,305)**
Work in progress	9,938	4,151	9,584	-
On account billing and prepayments	(94,075)	(63,838)	(74,194)	(56,305)
Balance at 31 December	**(84,137)**	**(59,687)**	**(64,610)**	**(56,305)**
The net value is included in the balances as follows				
Contract assets	9,938	4,151	9,584	-
Prepayments on contract assets	(8,256)	(3,848)	(6,360)	(2,103)
Contract liabilities	(85,819)	(59,990)	(67,834)	(54,202)
Balance at 31 December	**(84,137)**	**(59,687)**	**(64,610)**	**(56,305)**

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

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

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

The transaction price allocated to the remaining performance obligations for the Group (either unsatisfied or partially unsatisfied) as of 31 December 2022 totals DKK 84.1 millions (31 December 2021: 59.7 million) of which DKK 84.1 million is expected to be recognised as revenue in 2023 (31 December 2021: DKK 59.7 million was expected to be recognised as revenue in 2022).

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

NOTES TO FINANCIAL STATEMENTS

NOTE 16. SHARE CAPITAL

SHARE CAPITAL

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

	NOMINEL VALUE	
	2022	2021
3,763,700 shares of DKK 0.50 each	1,882	1,425
31 December	**1,882**	**1,425**

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.

TREASURY SHARES

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

	GROUP/PARENT	
	2022	2021
Treasury shares and warrants 1 January	-	4,015
Purchases	-	-
Disposals	-	-
Sold to Omada Group ApS	-	(4,015)
31 December	**-**	**-**

NOTES TO FINANCIAL STATEMENTS

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

		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**

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

NOTES TO FINANCIAL STATEMENTS

NOTE 18. SHARE BASED PAYMENTS

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

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

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

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

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

A total of 68,626,527 warrants, divided equally into three series, were granted in December 2018 for an aggregate value of DKK 14,141 thousand. The estimated market value of the warrants is based on Black & Scholes calculation at the grant date. The calculation is based on an average share price of DKK 1, weighted average exercise price of DKK 1.76, dividend per share of 0%, volatility of 50% and a risk-free interest rate of –0.32% and an expected life of the warrants of 4 years. date. The calculation is based on an average share price of DKK 1, weighted average exercise price of DKK 1.76, dividend per share of 0%, volatility of 50% and a risk-free interest rate of –0.32% and an expected life of the warrants of 5 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 5 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 2022.

The warrants vest over a period of 5 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 2021 and 2022, 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 2022, an amount of DKK 7,812 thousand (31 December 2021 DKK 7,708 thousand) is expected to be accrued over the entire vesting period as share-based payments in the income statement. As per 31 December 2022 DKK 1,239 thousand is expected to be expensed over the remaning vesting period (31 December 2021 DKK 1,781 thousand).

In 2022, the Group expensed DKK 646 thousand (2021 DKK 1,294 thousand) in share-based payment relating to equity instruments.

NOTES TO FINANCIAL STATEMENTS

NOTE 18. SHARE BASED PAYMENTS

DKK	Average exercise price per warrant	Board of directors	Executive board	Other key employees*	Other employees	Total
Warrant program						
Outstanding at 1 Januar 2022	1.76	-	6,275,628	23,874,984	24,508,869	54,659,481
Reclassification during the period	1.76	-	-	-	-	-
Granted during the period	1.76	-	-	722,373	5,737,164	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	**-**	**6,275,628**	**22,087,107**	**27,249,993**	**55,612,728**

	Average exercise price per warrant	Board of directors	Executive board	Other key employees	Other employees*	Total
Warrant program						
Outstanding at 1 Januar 2021	1.76	-	15,663,960	19,180,818	27,901,734	62,746,512
Reclassification during the period	1.76	-	(4,694,166)	4,694,166	-	-
Granted during the period	1.76	-	-	-	4,250,850	4,250,850
Forfeited during the period	1.76	-	(4,694,166)	-	(7,643,715)	(12,337,881)
Outstanding at 31 December 2021	1.76	**-**	**6,275,628**	**23,874,984**	**24,508,869**	**54,659,481**

Total warrants which can be exercised 31 December 2021 and 31 December 2022	-	-	-	-	-	-
Weighted average remaining contractual life (years) as per 31 December 2022	-	-	-	0.9	0.9	0.9
Weighted average remaining contractual life (years) as per 31 December 2021	-	-	-	0.9	0.9	0.9
Range of exercise price per warrant	**-**	**-**	**-**	**1.46 - 2.07**	**1.46 - 2.07**	**1.46 - 2.07**

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

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE GROUP

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

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

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

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

LIQUIDITY RISK MANAGEMENT

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by 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 19. 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
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
2021								
Receivables	57,520	-	-	57,520	48,009	-	-	48,009
Receivables group entities	35,439	-	-	35,439	39,486	-	-	39,486
Other receivables	6,723	2,376	-	9,099	-	4,202	-	4,202
Cash and bank balances	24,736	-	-	24,736	19,665	-	-	19,665
Total financial assets	**124,418**	**2,376**	**-**	**126,794**	**107,160**	**4,202**	**-**	**111,362**
Financial institutions	-	72,695	-	72,695	-	62,144	-	62,144
Trade payables	28,177	-	-	28,177	25,477	-	-	25,477
Payables group entities	1,152	-	-	1,152	24,160	-	-	24,160
Other liabilities	20,930	250	6,109	27,289	12,967	250	6,109	19,326
Lease liability	4,774	12,543	-	17,317	1,790	6,655	-	8,445
Total financial liabilities	**55,033**	**85,488**	**6,109**	**146,630**	**64,394**	**69,049**	**6,109**	**139,552**
Ratio	-	-	-	0.9	-	-	-	0.8

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE GROUP AND PARENT COMPANY

Financial facilities	GROUP		PARENT	
DKK'000	2022	2021	2022	2021
Cash and bank balances	6,446	24,736	11,448	21,995
Unused credit facilities	30,000	17,305	30,000	17,305
Total	**36,446**	**42,041**	**41,448**	**39,300**

The Group has a revolving credit facility with Nordea of DKK 70 million (31 December 2021: DKK 90 million) of which DKK 40 million is drawn 31 December 2022 (31 December 2021: DKK 73 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 will be gradually reduced from end of 2023 towards the final maturity date which is December 2024. The group expects that external credit facilities will not be needed after that date, but expects to ensure financing through profit and positive cash-flow but will be evaluated ongoing.

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 2022, the Group invoiced approx. 13% (2021: 15%) of its sale in DKK, 49% (2021: 54%) in EUR, 22% (2021: 17%) in USD and the remaining 16% (2021: 14%) in various currencies. As parent company is incorporated in Denmark, a large part of the costs are incurred in DKK corresponding to approx. 47% (2021: 63%), approx. 16% (2021: 14%) in EUR, approx. 19% (2021: 10%) in USD and approx. 18% (2021: 13%) in various currencies.

The Group's foreign exchange exposure is primarily in EUR and USD. Management does not believe that EUR exposure involves particular risk. As 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 2022, EBIT would have been DKK 0.2 million lower (2021: 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 2022 USD	< 1 year	2,266	156	1,608	814
31 December 2021 USD	< 1 year	2,078	286	4,657	(2,311)

A decrease in the USD/DKK exchange rate of 10% at 31 December 2022 would reduce the positive value of the financial instruments, net by approx. 0.1 million (31 December 2021 a decrease in the value of the Groups financial instruments, net of 0.2 million. Income statement would not be affected.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE GROUP AND THE PARENT COMPANY

Interest rate risk

Fluctuations in interest rates have an effect on the Group's financial instruments, 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 2022, an increase in interest rates of half a percentage point would decrease the Group's profit and equity by less than DKK 0.1 million (2021: DKK 0.3 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 2022 (31 December 2021: less than 10%).

	GROUP		PARENT	
DKK'000	**2022**	**2021**	**2022**	**2021**
Categories of Financial instruments				
Other receivables	2,547	2,400	2,547	2,400
Cash at bank and in hand	6,510	24,983	11,562	19,862
Measured at amortised cost (receivables and deposits)	**9,057**	**27,383**	**14,109**	**22,262**
Financial institutions	40,400	73,422	40,400	62,765
Measured at amortised cost (loans and other debt)	**40,400**	**73,422**	**40,400**	**62,765**

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

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE PARENT COMPANY

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

DKK'000	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
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

DKK'000	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
2021				
Receivables from Group subsidiaries	39,486	-	-	39,486
Receivables	48,009	-	-	48,009
Other receivables	-	4,202	-	4,202
Cash and bank balances	19,665	-	-	19,665
Total financial assets	**107,160**	**4,202**	**-**	**111,362**
Trade payables	25,477	-	-	25,477
Financial institutions	-	62,144	-	62,144
Payables group entities	24,160	-	-	24,160
Other liabilities	12,967	250	6,109	19,326
Lease liability	1,790	6,655	-	8,445
Total financial liabilities	**64,394**	**69,049**	**6,109**	**139,552**
Ratio	-	-	-	0.8

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

NOTES TO FINANCIAL STATEMENTS

NOTE 20. RELATED PARTY TRANSACTIONS

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

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

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

Loans are granted to 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. There are no group enterprise transactions that have not been carried out on normal market terms.

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

	GROUP		PARENT	
DKK'000	**2022**	**2021**	**2022**	**2021**
General & administrative	(6,075)	(6,099)	(6,075)	(6,099)
Cost of sales	-	-	(74,617)	(98,387)
Interests paid	-	(201)	(347)	-
Interests received	81	-	-	307
Receivables from group entities	56,385	35,439	60,002	87,281
Payables to group entities	(14,679)	(1,152)	(42,569)	(85,569)

NOTES TO FINANCIAL STATEMENTS

NOTE 21. CHANGES IN WORKING CAPITAL

	GROUP		PARENT	
DKK'000	**2022**	**2021**	**2022**	**2021**
Change in receivables and contract assets	(25,424)	(45,061)	(22,306)	(34,796)
Change in other receivables	3,454	(9,398)	(23)	(3,249)
Change in payables and contract liabilities	37,999	9,228	30,795	7,403
Change in other liabilities	(8,144)	4,403	(7,461)	4,306
Cash flow from changes in working capital	**7,885**	**(40,828)**	**1,005**	**(26,336)**

NOTE 22. CASH FLOW FROM FINANCING ACTIVITIES

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

GROUP			ADJUSTMENTS FOR NON-CASH TRANSACTIONS		
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**

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

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**

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

NOTES TO FINANCIAL STATEMENTS

NOTE 23. CONTINGENT LIABILITIES

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

NOTE 24. SECURITY

As security for debt to financial institutiions, 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.

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

NOTE 25. EVENTS AFTER THE REPORTING PERIOD

No significant events requiring specific mentioning in the financial report have occured to date in 2022.
Management has assesed the potential financial impact from the crises in Ukraine. Currently, no significant impact is expected.

NOTES TO FINANCIAL STATEMENTS

NOTE 26. ACCOUNTING POLICIES

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

CONSOLIDATED FINANCIAL STATEMENTS

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

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.
The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

PRINCIPLES OF CONSOLIDATION

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

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.

TREASURY SHARES

Treasury shares are recognised on equity at cost.

NOTES TO FINANCIAL STATEMENTS

SHARE OPTION SCHEMES

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

On initial recognition of share options, the number of options expected to vest at expiry is estimated. Recognition is subsequently revised for changes in the estimated number of vested options, so that the total recognition is based on the actual number of vested options.
The fair value of the options granted is estimated using the Black-Scholes model.

CURRENT LIABILITIES

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

Other liabilities are measured at amortized cost.

DEFERRED INCOME

Deferred income comprises invoices issued concerning income in subsequent years.

THE CASH FLOW STATEMENT

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

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

Cash flow from operating activities

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

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

Cash flow from investment activities

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

Cash flow from financing activities

Cash flows from financing activities comprise changes in size or composition of share capital and related costs as well as raising and repayment of loans, repayment of interest-bearing debt, purchase and divestment of treasury shares and payment of dividend to minority shareholders.
Inception of leases are treated as non-cash transactions. Cash payments for the principal portion of the lease liability are classified with in financing activities.

Cash

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

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

Our Values

Ambition
Teamwork
Constant Care
Create Value

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