2BM A/S

Livjægergade 17
2100 København Ø
CVR No. 25627261

Annual report 2021

The Annual General Meeting adopted the annual report on 26.04.2022

Lars Bork Dylander
Chairman of the General Meeting

Contents

Entity details

Entity

2BM A/S

Livjægergade 17

2100 København Ø

Business Registration No.: 25627261

Registered office: København

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Caroline Søeborg Ahlefeldt-Laurvig-Bille, chairman
Sten Tore Sanberg Davidsen, vice chairman
Mads Eske Jessen
Lars Bork Dylander
Torben Finnemann

Executive Board

Lars Bork Dylander, CEO
Flemming Frost, director

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of 2BM A/S for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2021 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 26.04.2022

Executive Board

Lars Bork Dylander
CEO

Flemming Frost
director

Board of Directors

Caroline Søeborg Ahlefeldt-Laurvig-Bille
chairman

Sten Tore Sanberg Davidsen
vice chairman

Mads Eske Jessen

Lars Bork Dylander

Torben Finnemann

Independent auditor's report

To the shareholders of 2BM A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of 2BM A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2021 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2021 - 31.12.2021 in accordance with 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 financial statements" section of this auditor's report. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

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

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in

Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent 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 commentary.

Copenhagen, 26.04.2022

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Hartmann Olesen
State Authorised Public Accountant
Identification No (MNE) mne34143

Management commentary

Financial highlights

	2021 DKK'000	2020 DKK'000
Key figures		
Revenue	111,379	0
Gross profit/loss	71,893	0
Operating profit/loss	9,557	0
Net financials	(442)	0
EBITDA	12,777	0
Profit/loss for the year	7,228	0
Balance sheet total	50,470	0
Investments in property, plant and equipment	638	0
Equity	16,522	0
Cash flows from operating activities	8,702	0
Cash flows from investing activities	(13,638)	0
Cash flows from financing activities	6,626	0
Ratios		
Gross margin (%)	64.55	
Net margin (%)	6.49	

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):
Gross profit/loss * 100
Revenue

Net margin (%):
Profit/loss for the year * 100
Revenue

Primary activities

The primary activities of 2BM a/s are to offer Danish companies consultancy services, licences and highly qualified SAP consultants within SAP ERP, SAP HR, and Enterprise Mobility.

In recent years, 2BM a/s has consolidated its position as one of the largest suppliers of SAP specialist services in the Nordic countries. This position has been made possible by acquiring Vision Management A/S and integrating their strengths and expertise with 2BM. In addition, 2BM a/s sells, maintains, and supports the third-party products SpinifexIT, Org. Publisher, and RecRight.

2BM is a SAP Value Added Reseller (SAP VAR Partner) in Denmark. Also, 2BM is certified by SAP as a Partner Centre of Expertise (PCoE). This certification covers our processes and systems and is a SAP seal of approval that enables 2BM to deliver SAP Enterprise and SAP Standard maintenance support for SAP solutions in the future.

Member of the United VARs alliance

2BM a/s is a member of the global alliance United VARs with representation in 90 countries and 10,000 specialised SAP consultants ensuring the best service and support to international roll-out projects, ERP optimisation projects, and near and offshore capacity.

Together with United VARs, 2BM a/s has a Platinum Partner status at SAP, which is the highest possible status.

Development in activities and finances

The COVID-19 pandemic has continued to increase the focus on digital solutions. Since the beginning of the pandemic, 2BM has reorganised its business to provide projects and services digitally through remote work. The delivery models were adapted to the new environment and have managed to increase efficiency through the new platforms such as Teams and Zoom. The adaptability of the 2BM organisation has strongly contributed to this year's profit. A flexibility that will continue in 2022.

The 2BM software organisation has implemented large contracts in 2021, which are also included in the expectations for 2022.

Financing and investment

Substantial investments were made in the financial year. The capital requirement was covered by equity, earnings, and external financing. Furthermore, investments were centred around the software development of 2BM's four core products, all within Field Service & Maintenance, and the acquisition of Vision Management A/S.

The software components include:

- 2BM Mobile Work Order
- 2BM Mobile Warehouse
- 2BM Qualification Check
- 2BM SMS Software

Vision Management A/S contributes with a consolidated position in the Danish market and increased expertise within consultancy and sourcing.

Profit/loss for the year in relation to expected developments

Group: Revenue for the year amounted to DKK 110,1 million. The after-tax profit for the year amounted to DKK 7.3 million. For 2021 2BM A/S prepared consolidated accounts for the first time why no comparative figures has been included.

Parent: Revenue for the year amounted to DKK 95.6 million against DKK 89.5 million last year. The after-tax profit for the year amounted to DKK 7.3 million against DKK 6.5 million last year. This development should be compared with the fact that 2BM a/s expected a modest growth rate of 5% for 2021 in the annual report for 2020.

Consequently, Management considers this year's performance satisfactory.

Uncertainty relating to recognition and measurement

No uncetainty relating to this matter has been recogniced.

Outlook

An increase in revenue of 12% is expected for 2022 due to focused growth initiatives and a clear strategy for 2022.

Add to this the continued market positioning of 2BM a/s as one of the largest consulting businesses in the Nordic
countries with specialised knowledge of SAP ERP and SAP HCM and Enterprise Mobility solutions that will further contribute to the continued growth rate. At the same time, the S/4HANA and the "RISE with SAP" programmes are expected to increase the demand for digital transformation among existing and new customers.

Continued growth of our support centre on third-level support to our Application Management customers is expected.

2BM a/s expects to maintain a strong liquidity position in 2022.

Particular risks

The main operating risks of 2BM a/s are linked to the ability to be strongly positioned in the Danish SAP market where the majority of the deliveries are made, and the solutions are sold today. In addition, it is essential for 2BM a/s to remain at the forefront of technological development in most of its business segments.

Financial risks

2BM a/s is not significantly exposed to changes in exchange rates and interest rate levels due to its mainly domestic operations and modest internationalisation. 2BM policy is not to engage in active speculation in financial risks. In this way, the financial management of 2BM a/s is solely directed at managing the financial risks already undertaken.

Currency risks

The foreign business of 2BM a/s increased during 2021 but remains a smaller portion of the total business volume and is not directly affected by exchange rate fluctuations. The largest foreign market is through the subsidiary Software@2BM a/s.

Interest rate risks

The net interest-bearing debt of 2BM a/s only comprises bank financing. Due to its limitation, the interest-rate risk is not hedged.

Credit risks
The credit risks of 2BM a/s are primarily related to outstanding balances with debtors. Consequently, at the balance sheet date, the maximum credit risk associated with financial assets corresponds to the values recognised in the balance sheet.

2BM a/s is not exposed to material risks related to a single customer or business partner. However, the policy of

2BM a/s on the incurrence of credit risks implies that all major customers and other business partners are subject to ongoing credit rating.

Knowledge resources
The ambition of being a market leader and on the cutting edge of technological development entails that 2BM a/s is characterised by a dynamic and rapidly changing knowledge environment, placing heavy demands on the Company, in particular, when it comes to acquiring and conveying new knowledge, making it difficult to standardise solutions and products efficiently.

2BM still wants to strengthen its domain knowledge in the following areas, in which they already have a strong position:

- SAP ERP/HCM
- Field Service & Maintenance
- Digitisation & Industry 4.0

Research and development activities
2BM a/s did not incur any development costs in 2021. All development activities take place in the subsidiary Software@2BM a/s.

- In **Software@2BM** the development activities relate to our third-party software to SAP.
- **IoT** mainly relates to developing new ways of collecting and processing massive data quantities from object-specific sensors and IT applications, which analyse situational behaviour. In future, the 2BM Mobile Sensor Platform (IoT) will be incorporated in the software product 2BM Mobile Work Order as part of release 1903 under the brand “Connected Asset”.
- **Mobile Predictive Maintenance** is an innovative machine learning module in our existing product and approved by the Innovation Fund Denmark, which also financially supports the project.

The costs have been capitalised in the financial statements to a limited extent. Still, as a significant increase in value and customer intake appear, they will be considered part of the Company’s intangible assets.

The systems are expected to be continuously upgraded and will continue to be marketed and sold in Denmark and abroad in 2022. The new systems still look very promising and are expected to lead to significant business opportunities in the next few years, thus resulting in increased activity levels.

Statutory report on corporate social responsibility

2BM works actively with CSR and will increase its focus on several different areas in 2022. The UN Global Compact and the 17 UN Sustainable Development Goals are incorporated into the 2BM way of working. Overall, these areas are:

- Demand compliance with human rights and labour rights from suppliers
- Work with suppliers to improve social and environmental conditions
- Work systematically with environmental and climate management
- Work to improve staff conditions and working environment internally in the Company

Events after the balance sheet date

No additional events have occurred after the balance sheet date to this date, which would significantly influence the financial position of 2BM A/S.

Consolidated income statement for 2021

	Notes	2021 DKK'000	2020 DKK'000
Revenue		111,379	0
Other external expenses		(39,486)	0
Gross profit/loss		**71,893**	**0**
Staff costs	1	(59,116)	0
Depreciation, amortisation and impairment losses		(3,220)	0
Operating profit/loss		**9,557**	**0**
Other financial income		104	0
Other financial expenses		(546)	0
Profit/loss before tax		**9,115**	**0**
Tax on profit/loss for the year	2	(1,887)	0
Profit/loss for the year	3	**7,228**	**0**

Consolidated balance sheet at 31.12.2021

Assets

	Notes	2021 DKK'000	2020 DKK'000
Completed development projects	5	5,273	0
Acquired intangible assets		400	0
Acquired rights		0	0
Goodwill		9,894	0
Intangible assets	4	**15,567**	**0**
Other fixtures and fittings, tools and equipment		514	0
Leasehold improvements		75	0
Property, plant and equipment	6	**589**	**0**
Deposits		292	0
Financial assets	7	**292**	**0**
Fixed assets		**16,448**	**0**
Trade receivables		28,090	0
Contract work in progress		1,219	0
Other receivables		1,438	0
Tax receivable		16	0
Joint taxation contribution receivable		932	0
Receivables from owners and management	8	116	0
Prepayments	9	521	0
Receivables		**32,332**	**0**
Cash		**1,690**	**0**
Current assets		**34,022**	**0**
Assets		**50,470**	**0**

Equity and liabilities

	Notes	2021 DKK'000	2020 DKK'000
Contributed capital	10	500	0
Reserves for loans and collateral		116	0
Retained earnings		10,906	0
Proposed dividend for the financial year		5,000	0
Equity		**16,522**	**0**
Deferred tax	11	892	0
Other provisions	12	880	0
Provisions		**1,772**	**0**
Bank loans		4,055	0
Other payables		4,810	0
Non-current liabilities other than provisions	13	**8,865**	**0**
Current portion of non-current liabilities other than provisions	13	1,188	0
Bank loans		8	0
Prepayments received from customers		664	0
Trade payables		4,530	0
Tax payable		1,850	0
Joint taxation contribution payable		364	0
Other payables	14	11,508	0
Deferred income	15	3,199	0
Current liabilities other than provisions		**23,311**	**0**
Liabilities other than provisions		**32,176**	**0**
Equity and liabilities		**50,470**	**0**
Contingent liabilities	17		
Assets charged and collateral	18		
Subsidiaries	19		

Consolidated statement of changes in equity for 2021

	Contributed capital DKK'000	Reserves for loans and collateral DKK'000	Retained earnings DKK'000	Proposed dividend for the financial year DKK'000	Total DKK'000
Equity beginning of year	500	286	9,507	1,000	11,293
Purchase of treasury shares	0	0	(2,000)	0	(2,000)
Sale of treasury shares	0	0	1,000	0	1,000
Ordinary dividend paid	0	0	0	(1,000)	(1,000)
Other entries on equity	0	0	1	0	1
Dissolution of reserves	0	(170)	170	0	0
Profit/loss for the year	0	0	2,228	5,000	7,228
Equity end of year	**500**	**116**	**10,906**	**5,000**	**16,522**

During the year, treasury shares were reacquired- and sold as part of a business aquisition. As part of this transaction, the entity has purchased- and sold treasury shares to a nominal value of DKK 12.500 equivalent to 2,5 % of the share capital. After this transaction, the entity does not own treasury shares.

Consolidated cash flow statement for 2021

	Notes	2021 DKK'000	2020 DKK'000
Operating profit/loss		9,557	0
Amortisation, depreciation and impairment losses		3,220	0
Working capital changes	16	(3,150)	0
Cash flow from ordinary operating activities		**9,627**	**0**
Financial income received		104	0
Financial expenses paid		(546)	0
Taxes refunded/(paid)		(483)	0
Cash flows from operating activities		**8,702**	**0**
Acquisition etc. of intangible assets		(3,000)	0
Acquisition of fixed asset investments		(638)	0
Acquisition of enterprises		(10,000)	0
Cash flows from investing activities		**(13,638)**	**0**
Free cash flows generated from operations and investments before financing		**(4,936)**	**0**
Loans raised		5,251	0
Dividend paid		(1,000)	0
Acquisition of treasury shares		(2,000)	0
Consolidated cash beginning of the year		7,002	0
Other long term debt		(127)	0
Other acquisition payments		(2,500)	0
Cash flows from financing activities		**6,626**	**0**
Increase/decrease in cash and cash equivalents		**1,690**	**0**
Cash and cash equivalents end of year		**1,690**	**0**
Cash and cash equivalents at year-end are composed of:			
Cash		1,690	0
Cash and cash equivalents end of year		**1,690**	**0**

Notes to consolidated financial statements

1 Staff costs

	2021 DKK'000	2020 DKK'000
Wages and salaries	56,726	0
Pension costs	4,830	0
Other social security costs	308	0
Other staff costs	252	0
	62,116	**0**
Staff costs classified as assets	(3,000)	0
	59,116	**0**

Average number of full-time employees	**69**	**0**

Special incentive programmes
A Subsidiary has established a warrant program with a total issuance of 25.000 warrants based on the Company's development in 2019 and 2020.

2 Tax on profit/loss for the year

	2021 DKK'000	2020 DKK'000
Current tax	1,740	0
Change in deferred tax	147	0
	1,887	**0**

3 Proposed distribution of profit/loss

	2021 DKK'000	2020 DKK'000
Ordinary dividend for the financial year	5,000	0
Retained earnings	2,228	0
	7,228	**0**

4 Intangible assets

	Completed development projects DKK'000	Acquired intangible assets DKK'000	Acquired rights DKK'000	Goodwill DKK'000
Cost beginning of year	9,540	4,775	1,150	6,000
Addition through business combinations etc	0	0	0	10,250
Additions	3,000	0	0	0
Cost end of year	**12,540**	**4,775**	**1,150**	**16,250**
Amortisation and impairment losses beginning of year	(5,094)	(3,975)	(1,150)	(6,000)
Amortisation for the year	(2,173)	(400)	0	(356)
Amortisation and impairment losses end of year	**(7,267)**	**(4,375)**	**(1,150)**	**(6,356)**
Carrying amount end of year	**5,273**	**400**	**0**	**9,894**

5 Development projects

The entity develops software which supplements the entity's core business. The costs include internal development hours and are valued in relation to business cases for the software products and already sold products. An annual review is made of the valuation of development costs.

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	3,762	1,657
Additions	540	98
Disposals	0	(1,657)
Cost end of year	**4,302**	**98**
Depreciation and impairment losses beginning of year	(3,496)	(1,657)
Depreciation for the year	(292)	(23)
Reversal regarding disposals	0	1,657
Depreciation and impairment losses end of year	**(3,788)**	**(23)**
Carrying amount end of year	**514**	**75**

7 Financial assets

	Deposits DKK'000
Cost beginning of year	376
Additions	6
Disposals	(90)
Cost end of year	**292**
Carrying amount end of year	**292**

8 Receivables from owners and management

The entity has in 2016 and 2019 provided a legal shareholder-loans according to the Danish company act. The loan has been granted with an interest of 3 % per year.

9 Prepayments

Prepayments comprise incurred costs such as licenses and subscribtions relating to subsequent financial years. Prepayments are measured at cost.

10 Contributed capital

	Number	Par value DKK'000	Nominal value DKK'000
Share capital	5,000,000	0.10	500
	5,000,000		**500**

There have been no changes in the share capital during the past five years.

11 Deferred tax

Changes during the year	2021 DKK'000
Beginning of year	147
Deffered tax liability at the beginning of the year due to the lack of comparison figures.	745
End of year	**892**

Deferred tax relates to intangible assets, property, plant and equipment, and other provisions.

12 Other provisions

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

13 Non-current liabilities other than provisions

	Due within 12 months 2021 DKK'000	Due after more than 12 months 2021 DKK'000	Outstanding after 5 years 2021 DKK'000
Bank loans	1,188	4,055	0
Other payables	0	4,810	4,810
	1,188	**8,865**	**4,810**

14 Other payables

	2021 DKK'000	2020 DKK'000
VAT and duties	3,693	0
Wages and salaries, personal income taxes, social security costs, etc. payable	6,202	0
Holiday pay obligation	418	0
Other costs payable	1,195	0
	11,508	**0**

15 Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

16 Changes in working capital

	2021 DKK'000	2020 DKK'000
Increase/decrease in inventories	(3,271)	0
Increase/decrease in receivables	121	0
	(3,150)	**0**

17 Contingent liabilities

The Company has entered into a lease on its premises with a total liability of DKK 559 thousand. The Company has entered into a lease agreement on copiers, cars and firewall with a total liability of DKK 309 thousand.

18 Assets charged and collateral

The Company's bankers have accepted unsecured claims of no more than DKK 10,000 thousand as security for all outstanding account receivables which amounts to DKK 22.775 thousand as of 31 December.

The Company's owners have limitly guaranteed part of the Company's bank debt.

19 Subsidiaries

	Registered in	Corporate form	Ownership %
2BM AB	Sweden	AB	100.00
Software@2bm A/S	Denmark	A/S	100.00
Vision Management A/S	Denmark	A/S	100.00

Parent income statement for 2021

	Notes	2021 DKK'000	2020 DKK'000
Revenue		96,839	89,469
Other external expenses		(32,231)	(26,920)
Gross profit/loss		**64,608**	**62,549**
Staff costs	1	(55,558)	(54,485)
Depreciation, amortisation and impairment losses		(283)	(130)
Operating profit/loss		**8,767**	**7,934**
Income from investments in group enterprises		644	428
Other financial income		83	118
Other financial expenses		(392)	(199)
Profit/loss before tax		**9,102**	**8,281**
Tax on profit/loss for the year	2	(1,874)	(1,750)
Profit/loss for the year	3	**7,228**	**6,531**

Parent balance sheet at 31.12.2021

Assets

	Notes	2021 DKK'000	2020 DKK'000
Other fixtures and fittings, tools and equipment		512	233
Leasehold improvements		75	0
Property, plant and equipment	4	**587**	**233**
Investments in group enterprises		12,915	1,275
Deposits		292	286
Deferred tax	6	296	320
Financial assets	5	**13,503**	**1,881**
Fixed assets		**14,090**	**2,114**
Trade receivables		22,775	20,577
Contract work in progress		380	1,374
Receivables from group enterprises		5,426	4,683
Other receivables		280	1
Joint taxation contribution receivable		684	0
Receivables from owners and management	7	116	286
Prepayments	8	380	175
Receivables		**30,041**	**27,096**
Cash		**1,259**	**6,453**
Current assets		**31,300**	**33,549**
Assets		**45,390**	**35,663**

Equity and liabilities

	Notes	2021 DKK'000	2020 DKK'000
Contributed capital		500	500
Reserves for loans and collateral		116	286
Retained earnings		10,906	9,507
Proposed dividend for the financial year		5,000	1,000
Equity		**16,522**	**11,293**
Other provisions	9	880	927
Provisions		**880**	**927**
Bank loans		4,055	0
Other payables		4,407	4,534
Non-current liabilities other than provisions	10	**8,462**	**4,534**
Current portion of non-current liabilities other than provisions	10	1,188	0
Trade payables		3,175	4,143
Payables to group enterprises		212	1,953
Payables to associates		0	1,208
Tax payable		1,850	799
Other payables		10,091	7,804
Deferred income	11	3,010	3,002
Current liabilities other than provisions		**19,526**	**18,909**
Liabilities other than provisions		**27,988**	**23,443**
Equity and liabilities		**45,390**	**35,663**
Contingent liabilities	12		
Assets charged and collateral	13		

Parent statement of changes in equity for 2021

	Contributed capital DKK'000	Reserves for loans and collateral DKK'000	Retained earnings DKK'000	Proposed dividend for the year DKK'000	Total DKK'000
Equity beginning of year	500	286	9,507	1,000	11,293
Purchase of treasury shares	0	0	(2,000)	0	(2,000)
Sale of treasury shares	0	0	1,000	0	1,000
Ordinary dividend paid	0	0	0	(1,000)	(1,000)
Other entries on equity	0	0	1	0	1
Dissolution of reserves	0	(170)	170	0	0
Profit/loss for the year	0	0	2,228	5,000	7,228
Equity end of year	**500**	**116**	**10,906**	**5,000**	**16,522**

During the year, treasury shares were reacquired- and sold as part of a business aquisition. As part of this transaction, the entity has purchased- and sold treasury shares to a nominal value of DKK 12.500 equivalent to 2,5 % of the share capital. After this transaction, the entity does not own treasury shares.

Notes to parent financial statements

1 Staff costs

	2021 DKK'000	2020 DKK'000
Wages and salaries	50,799	49,997
Pension costs	4,317	4,240
Other social security costs	222	(42)
Other staff costs	220	290
	55,558	**54,485**

Average number of full-time employees	**57**	**61**

	Remuneration of Management 2021 DKK'000
Executive Board	2,400
Board of Directors	382
	2,782

Special incentive programmes

The Company has established a warrant program based on Company development in 2019 and 2020. In 2020 11.111 warrants has been granted.

2 Tax on profit/loss for the year

	2021 DKK'000	2020 DKK'000
Current tax	1,850	1,111
Change in deferred tax	24	639
	1,874	**1,750**

3 Proposed distribution of profit and loss

	2021 DKK'000	2020 DKK'000
Ordinary dividend for the financial year	5,000	1,000
Retained earnings	2,228	5,531
	7,228	**6,531**

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	3,438	0
Additions	540	98
Cost end of year	**3,978**	**98**
Depreciation and impairment losses beginning of year	(3,205)	0
Depreciation for the year	(261)	(23)
Depreciation and impairment losses end of year	**(3,466)**	**(23)**
Carrying amount end of year	**512**	**75**

5 Financial assets

	Investments in group enterprises DKK'000	Deposits DKK'000	Deferred tax DKK'000
Cost beginning of year	3,842	286	320
Addition through business combinations etc	11,000	0	0
Additions	0	6	0
Disposals	0	0	(24)
Cost end of year	**14,842**	**292**	**296**
Impairment losses beginning of year	(2,557)	0	0
Exchange rate adjustments	(5)	0	0
Amortisation of goodwill	(356)	0	0
Share of profit/loss for the year	1,000	0	0
Reversal of impairment losses	(9)	0	0
Impairment losses end of year	**(1,927)**	**0**	**0**
Carrying amount end of year	**12,915**	**292**	**296**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

6 Deferred tax

Changes during the year	**2021 DKK'000**
Beginning of year	320
Recognised in the income statement	(24)
End of year	**296**

Deferred tax relates to intangible assets, property, plant and equipment, and other provisions.

Deferred tax assets

Recognition of deferred tax assets are based on future expected taxable income.

7 Receivables from owners and management

The entity has in 2016 and 2019 provided two legal shareholder-loans according to the Danish company act. The loans has been provided with an interest of 3 % per year.

8 Prepayments

Prepayments comprise incurred costs such as licenses and subscribtions relating to subsequent financial years. Prepayments are measured at cost.

9 Other provisions

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

10 Non-current liabilities other than provisions

	Due within 12 months 2021 DKK'000	Due after more than 12 months 2021 DKK'000	Outstanding after 5 years 2021 DKK'000
Bank loans	1,188	4,055	0
Other payables	0	4,407	4,407
	1,188	**8,462**	**4,407**

11 Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

12 Contingent liabilities

The Company has entered into a lease on its premises with a total liability of DKK 559 thousand. The Company has entered into a lease agreement on copiers, cars and firewall with a total liability of DKK 309 thousand.

The Company serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

13 Assets charged and collateral

The Company’s bankers have accepted unsecured claims of no more than DKK 10,000 thousand as security for all outstanding account receivables which amounts to DKK 22.775 thousand as of 31 December.

The Company’s owners have limitly guaranteed part of the Company’s bank debt.

Accounting policies

Reporting class
This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Non-comparability
This is the first accounting year preparing consolidated accounts. Due to this no comparative figures has been included in the financial statements.

Recognition and measurement
Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements
The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Basis of consolidation
The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Income statement

Revenue

Revenue from the sale of consultancy services and services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts.

Revenue from the sale of licences, installation of such licences, support agreements, etc is recognised upon delivery.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses as well as surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years. For other amounts of goodwill, useful life has been determined based on an assessment of whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 5-10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised positive or negative goodwill and plus or minus unrealised intra-group profits or losses.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their
estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Contract work in progress
Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Tax payable or receivable
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Joint taxation contributions payable or receivable
Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Dividend
Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other provisions
Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Other payables included as none-current liabilities comprises long term vacation pay liability.

Prepayments received from customers
Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Joint taxation contributions payable or receivable
Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Deferred income
Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash short term bank loans.