



## TimeLog A/S

Lindevangs Alle 12, 2.  
2000 Frederiksberg  
CVR No. 25896939

## Annual report 2022

The Annual General Meeting adopted the  
annual report on 25.04.2023

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**Eivind Bergsmyr**

Chairman of the General Meeting

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# Entity details

## Entity

TimeLog A/S

Lindevangs Alle 12, 2.

2000 Frederiksberg

Business Registration No.: 25896939

Registered office: Frederiksberg

Financial year: 01.01.2022 - 31.12.2022

## Board of Directors

Eivind Bergsmyr, chairman

Joo Runge

Ingvild Farstad

Christian Bo Gravgaard Winther Møller

Anne Lise Waal

## Executive Board

Per-Henrik Ole Nielsen, CEO

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of TimeLog A/S for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

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, 11.04.2023

## Executive Board

**Per-Henrik Ole Nielsen**  
CEO

## Board of Directors

**Eivind Bergsmyr**  
chairman

**Joo Runge**

**Ingvild Farstad**

**Christian Bo Gravgaard Winther Møller**

**Anne Lise Waal**

# Independent auditor's report

## To the shareholders of TimeLog A/S

### Opinion

We have audited the financial statements of TimeLog A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 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 financial statements" section of this auditor's report. We are independent of the Entity 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 financial statements

Management is responsible for the preparation of 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 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 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 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 financial statements

Our objectives are to obtain reasonable assurance about 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 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 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 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 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 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 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 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, 11.04.2023

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Henrik Wolff Mikkelsen**

State Authorised Public Accountant  
Identification No (MNE) mne33747

# Management commentary

## Primary activities

TimeLog A/S develops and implements web-based PSA solutions (Professional Services Automation) towards the Northern European market. The company's business model is based on SaaS (Software as a Service) and the majority of the company's income is based on a fixed contractual basis with long-term contracts with a average Life-Time-Value of more than 7 years.

The financial results for the year show a net loss of DKK 12,658 thousand and a total equity of DKK 40,656 thousand. The financial results are in accordance with expectations.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## Treasury shares

	Number	Nominal value DKK	Share of contributed capital %
Timelog A/S	2,144	2,144	0.22
<b>Holding of treasury shares</b>	<b>2,144</b>	<b>2,144</b>	<b>0.22</b>

# Income statement for 2022

	Notes	2022 DKK	2021 DKK
<b>Gross profit/loss</b>		<b>33,762,498</b>	<b>23,838,910</b>
Staff costs	1	(45,180,062)	(35,926,791)
Depreciation, amortisation and impairment losses	2	(534,280)	(910,021)
<b>Operating profit/loss</b>		<b>(11,951,844)</b>	<b>(12,997,902)</b>
Other financial income	3	1,635	677
Other financial expenses	4	(539,898)	(171,032)
<b>Profit/loss before tax</b>		<b>(12,490,107)</b>	<b>(13,168,257)</b>
Tax on profit/loss for the year	5	(168,015)	(646,811)
<b>Profit/loss for the year</b>		<b>(12,658,122)</b>	<b>(13,815,068)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		(12,658,122)	(13,815,068)
<b>Proposed distribution of profit and loss</b>		<b>(12,658,122)</b>	<b>(13,815,068)</b>

# Balance sheet at 31.12.2022

## Assets

	Notes	2022 DKK	2021 DKK
Completed development projects	7	1,464,008	1,610,933
Development projects in progress	7	11,046,125	3,187,370
<b>Intangible assets</b>	6	<b>12,510,133</b>	<b>4,798,303</b>
Other fixtures and fittings, tools and equipment		170,120	292,281
Leasehold improvements		355,651	0
<b>Property, plant and equipment</b>	8	<b>525,771</b>	<b>292,281</b>
Investments in group enterprises		32,770,000	0
Deposits		898,925	331,131
<b>Financial assets</b>	9	<b>33,668,925</b>	<b>331,131</b>
<b>Fixed assets</b>		<b>46,704,829</b>	<b>5,421,715</b>
Trade receivables		1,925,642	5,247,960
Other receivables		541,898	27,136,674
Income tax receivable		0	52,000
Prepayments		830,138	350,841
<b>Receivables</b>		<b>3,297,678</b>	<b>32,787,475</b>
<b>Cash</b>		<b>8,121,770</b>	<b>4,505,778</b>
<b>Current assets</b>		<b>11,419,448</b>	<b>37,293,253</b>
<b>Assets</b>		<b>58,124,277</b>	<b>42,714,968</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2022 DKK</b>	<b>2021 DKK</b>
Contributed capital		909,342	770,852
Reserve for development expenditure		12,510,133	3,742,675
Retained earnings		27,236,362	18,823,241
<b>Equity</b>		<b>40,655,837</b>	<b>23,336,768</b>
Trade payables		1,454,908	4,475,773
Payables to group enterprises		1,693,433	0
Income tax payable		168,015	281,461
Other payables	10	4,671,389	3,530,290
Deferred income		9,480,695	11,090,676
<b>Current liabilities other than provisions</b>		<b>17,468,440</b>	<b>19,378,200</b>
<b>Liabilities other than provisions</b>		<b>17,468,440</b>	<b>19,378,200</b>
<b>Equity and liabilities</b>		<b>58,124,277</b>	<b>42,714,968</b>
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		
Assets charged and collateral	13		

# Statement of changes in equity for 2022

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	770,852	0	3,742,675	18,823,241	23,336,768
Increase of capital	138,490	29,952,922	0	0	30,091,412
Transferred from share premium	0	(29,952,922)	0	29,952,922	0
Costs related to equity transactions	0	0	0	(114,221)	(114,221)
Transfer to reserves	0	0	8,767,458	(8,767,458)	0
Profit/loss for the year	0	0	0	(12,658,122)	(12,658,122)
<b>Equity end of year</b>	<b>909,342</b>	<b>0</b>	<b>12,510,133</b>	<b>27,236,362</b>	<b>40,655,837</b>

# Notes

## 1 Staff costs

	2022 DKK	2021 DKK
Wages and salaries	36,108,730	28,271,452
Pension costs	2,971,468	2,136,851
Other social security costs	472,049	361,026
Other staff costs	5,627,815	5,157,462
	<b>45,180,062</b>	<b>35,926,791</b>
Average number of full-time employees	56	46

## 2 Depreciation, amortisation and impairment losses

	2022 DKK	2021 DKK
Amortisation of intangible assets	348,036	769,662
Depreciation of property, plant and equipment	186,244	140,359
	<b>534,280</b>	<b>910,021</b>

## 3 Other financial income

	2022 DKK	2021 DKK
Other interest income	1,635	677
	<b>1,635</b>	<b>677</b>

## 4 Other financial expenses

	2022 DKK	2021 DKK
Other interest expenses	96,207	64,827
Exchange rate adjustments	443,691	106,205
	<b>539,898</b>	<b>171,032</b>

## 5 Tax on profit/loss for the year

	2022 DKK	2021 DKK
Current tax	168,015	0
Change in deferred tax	0	639,802
Adjustment concerning previous years	0	7,009
	<b>168,015</b>	<b>646,811</b>

## 6 Intangible assets

	Completed development projects DKK	Development projects in progress DKK
Cost beginning of year	1,737,660	3,187,370
Transfers	201,111	(201,111)
Additions	0	8,059,866
<b>Cost end of year</b>	<b>1,938,771</b>	<b>11,046,125</b>
Amortisation and impairment losses beginning of year	(126,727)	0
Amortisation for the year	(348,036)	0
<b>Amortisation and impairment losses end of year</b>	<b>(474,763)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>1,464,008</b>	<b>11,046,125</b>

## 7 Development projects

The development projects relate to the development of new functionality or new modules that increase the use of existing customers and the desire of new customers to use TimeLog. The projects are expected to be completed in 2023. The projects proceed as planned using the resources that the management has set aside for development. Based on customer demand, projects are expected to contribute positively to future earnings.

## 8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	445,715	133,344
Additions	34,934	384,800
Disposals	0	(133,344)
<b>Cost end of year</b>	<b>480,649</b>	<b>384,800</b>
Depreciation and impairment losses beginning of year	(153,434)	(133,344)
Depreciation for the year	(157,095)	(29,149)
Reversal regarding disposals	0	133,344
<b>Depreciation and impairment losses end of year</b>	<b>(310,529)</b>	<b>(29,149)</b>
<b>Carrying amount end of year</b>	<b>170,120</b>	<b>355,651</b>

## 9 Financial assets

	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	0	331,131
Additions	32,770,000	898,925
Disposals	0	(331,131)
<b>Cost end of year</b>	<b>32,770,000</b>	<b>898,925</b>
<b>Carrying amount end of year</b>	<b>32,770,000</b>	<b>898,925</b>

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
AutoPilot ApS	Denmark	ApS	100.00
CodeCreator ApS	Denmark	ApS	100.00
AutoPilot Plus Ltd.	United Kingdom	Ltd.	100.00

## 10 Other payables

	2022 DKK	2021 DKK
VAT and duties	1,380,552	629,685
Wages and salaries, personal income taxes, social security costs, etc. payable	2,065,027	1,628,638
Holiday pay obligation	1,223,595	1,271,967
Other costs payable	2,215	0
	<b>4,671,389</b>	<b>3,530,290</b>

## 11 Unrecognised rental and lease commitments

	2022 DKK	2021 DKK
Liabilities under rental or lease agreements until maturity in total	5,960,010	324,000

## 12 Contingent liabilities

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

## 13 Assets charged and collateral

There are no assets charged and collateral.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

Some reclassifications have been made in the comparative figures for staff costs. The reclassifications has no effect on the net loss for the year, equity or other items in the balance sheet.

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

## Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

## 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.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

### Revenue

Revenue from the sale of goods and services, which includes the rental of software, the sale of licenses and consultancy services is recognized in the incomstatement when delivery is made to the buyer.

Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in

cost for proprietary intangible assets.

**Other operating income**

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

**Cost of sales**

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

**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 and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

**Other financial income**

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax 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.

**Balance sheet****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 of 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 5 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 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.

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:

	<b>Useful life</b>
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 measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

### **Receivables**

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

**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.

**Prepayments**

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

**Cash**

Cash comprises cash in hand and bank deposits.

**Treasury shares**

Acquisition and selling prices and dividends for treasury shares are classified directly as equity in retained earnings. Gains and losses on sale are not recognised in the income statement. Capital reduction by cancellation of treasury shares reduces the contributed capital by an amount corresponding to the nominal value.

**Other financial liabilities**

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

**Deferred income**

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