

If IT Services A/S

159 Stamholmen
DK 2650 Hvidovre

CVR no. 26 07 94 89

Annual report 2021

The annual report was presented and approved at the
Company's annual general meeting

On April 11, 2022

Silja Reschke
Chairman of the annual general meeting

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	6
Company details	6
Financial highlights	7
Operating review	8
Financial statements 1 January – 31 December	10
Income statement	10
Balance sheet	11
Statement of changes in equity	13
Notes	14

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 If IT Services A/S for the financial year 1 January – 31 December 2021.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

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

Hvidovre, February 24, 2022

Executive Board:



Digitally signed by Adam
Christian Harhoff
Date: 2022-02-24 13:51:06+01:00

Adam Harhoff

Board of Directors:



Digitally signed by Kjell Rune
Tveita
Date: 2022-02-24 12:30:08+01:00

Kjell Rune Tveita
Chairman



Digitally signed by
DAG REHME
Date: 2022-02-24
12:55:11+01:00

Dag Rehme



Digitally signed by PETRA
SUSANNA KYLLÖNEN
Date: 2022-02-24 14:03:36+02:00

Petra Kyllönen

Independent auditor's report

To the shareholders of If IT Services A/S

Opinion

We have audited the financial statements of If IT Services A/S for the financial year 1 January - 31 December 2021, 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 and of the results of its operations for the financial year 1 January - 31 December 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 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 responsibility 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.

Independent auditor's report - continued

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.

Independent auditor's report - continued

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, 24 February 2022

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Jens Ringbæk Digitally signed by Jens Ringbæk
Date: 2022-02-24
13:54:02+01:00

Jens Ringbæk

State Authorised Public Accountant

Identification No (MNE) mne27735

Anders Simon Houmann Digitally signed by Anders Simon
Houmann
Date: 2022-02-24 20:50:29+01:00

Anders Houmann

State Authorised Public Accountant

Identification No (MNE) mne46265

If IT services A/S
Annual report 2021
CVR no. 26 07 94 89

Management's review

Company details

If IT Services A/S
159 Stamholmen,
DK2650 Hvidovre, Denmark

CVR no.	26 07 94 89
Established:	June 1 2001
Financial year:	1 January – 31 December

Board of Directors

Kjell Rune Tveita, chairman

Dag Rehme

Petra Kyllönen

Executive Board

Adam Harhoff

Auditor

Deloitte
Statsautoriseret Revisionspartnerselskab
6 Weidekampsgade
DK2300 Copenhagen S

Annual general meeting

The annual general meeting will be held on April 11, 2022.

Management's review

Financial highlights

DKKm	2021	2020	2019	2018	2017
Revenue	868.7	836.5	900.5	847.6	844.8
Ordinary operating profit/loss	1.9	8.3	5.1	8.6	13.1
Profit/loss from financial income and ex-penses	2,5	-3.3	0.8	1.4	-1,4
Profit for the year	3.5	3.7	4.5	7.7	9.0
Total assets	187,5	204.0	127.4	124.1	150.0
Investments in equipment	-31,7	-23.8	-28.5	-22.1	-21,9
Equity	42.7	42.9	43.7	46.8	48.0
Gross margin	10.6%	10.7%	9.4%	9.8%	12,9%
Operating margin	0.2%	1.0%	0.6%	1.0%	1.5%
Return on invested capital	1.0%	4.1%	4.0%	6.9%	8.7%
Solvency ratio	22.8%	21.1%	34.3%	37.7%	32.0%
Average number of full-time employees	78	76	73	73	84

Financial ratios are calculated in accordance with the guidelines "Recommendations & Ratios" issued by the Danish Society of Financial Analysts. The financial ratios have been calculated as follows:

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Operating margin	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Operating profit} \times 100}{\text{Total assets at year end}}$
Solvency ratio	$\frac{\text{Equity ex. non-controlling interests year end} \times 100}{\text{Total equity and liabilities at year end}}$

Management's review

Operating review

Principal activities

If IT Services A/S has the purpose of buying and selling IT services. The Company is focused on purchasing, integrating and managing IT services for the If Group.

If IT Services A/S is a wholly owned subsidiary of If P&C Insurance Holding Ltd (publ), Sweden. If IT Services A/S is established with headquarters in Hvidovre and branches in Sweden, Norway and Finland:

- Bergshamra IT Services Branch to If IT Services A/S Denmark, Reg. no. 516403-1287, Barks Väg 15, 106 80 Stockholm Sweden
- If IT Services NUF reg. no. 983 629 040, Drammensveien 264, 0283 Oslo Norway
- If IT Services A/S, Suomen sivuliike, reg. no. 1964479-7, Kalevantie 3, 20520 Turku Finland.

If IT Services A/S is the provider of the majority of If Group's IT-related procurement.

The cost level for procured services has been improved, along with good governance concerning capacity usage, resulting in the financial result for 2021 being at the expected level.

The operational stability has been very good in 2021 both for internal and internet applications.

The Security benchmarking measurements, that were implemented 2019, have shown their value. Benchmark shows If as having the highest security rating among the major Nordic Insurance companies. The Security Reporting has shown its value by creating transparency in the IT Security area, and driven mitigation of vulnerabilities to an all-time low for If.

The support services are Benchmarked and show that the Service Desk is among the top 10% Service Desks globally.

Events after the balance sheet date

No events have occurred after the financial year expiration that has an effect on the current financial statements.

Development in activities and financial position

The Company's revenue in 2021 amounts to DKK 868.7 million (2020: DKK 836.5 million). The income statement for 2021 shows a profit of DKK 3.5 million (2020: DKK 3.7 million), and the Company's balance sheet as of 31 December 2021 shows an equity of DKK 42,7 million (2020: DKK 42.9 million).

In the 2020 annual report, we announced an expectation that profit after financial items and taxes in 2021 would be on the same level as in 2020 DKK 3.7 million.

The result in 2021 on same level as last year. Both revenue and Cost of sales are higher, this mainly due to SEK currency rate difference.

Management's review

Operating review

Outlook

Improvement efforts will continue in 2022, and stability will still be in focus. The focus on IT security to drive improvement actions, hardening the IT environment further will also continue. There will be a continued focus on optimization of procurement, support and IT operating processes. The staffing and yearly result are expected to be on the same level as in 2021.

Currency risks

The Company balances purchase and sales in individual currencies with a main emphasis on SEK. Since vendors are paid in different currencies and all revenues are in SEK, the Company has a currency risk. This is followed closely.

Corporate social responsibility (CSR)

In accordance with section 99a of the Danish Financial Statement Act, the Company has a Sustainability Report covering various CSR matters, i.e. the Company has adopted the parent company's Sustainability Report. Thus, we refer to the parent company's report "If Sustainability Report 2021" covering the entire If group, please see www.if-insurance.com/about-if/sustainability/sustainability-reports for additional information.

Data Ethics Policy

In accordance with section 99d of the Danish Financial Statement Act, currently the Company does not have a data ethics policy in place. However, the management is working on formalizing a data ethics policy and expects to implement such policy during the course of the next accounting year.

Goals and policies for the underrepresented gender

It is the Company's policy to have 50%/50% balance of men and women among the employees, daily managers and the Board. This balance is to be reached over the coming years through among others new recruitments and future replacements. A new policy has been introduced in the If Group with lots of activities aiming for changing the whole group in the direction of more diversity and equality and inclusion – see for example the If Sustainability Report referenced above.

By end of the year the balance of employees is 23 women and 55 men (29% women). For an IT organization employing highly technical specialists – where very few women are among the applicants when recruiting – we believe the share of women is higher than in similar other companies. The share of women managers is 4 of 11 (36%). The ratio of women is expected increased during 2022 through planned expansion of the Company activities.

The Company's Board today consists of 2 men and 1 women member, meaning that the required target for gender balance is achieved.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2021	2020
Revenue	2	868,679	836,502
Cost of sales		-770,841	-740,858
Other external costs		-6,108	-5,774
Gross profit		91,730	89,870
Staff costs	3	-64,312	-59,323
Depreciation on tools and equipment		-25,468	-22,207
Operating profit		1,950	8,340
Other financial income	4	2,868	425
Other financial expenses	5	-320	-3,700
Profit before tax		4,498	5,065
Tax on profit for the year	6	-1,032	-1,351
Profit for the year	7	3,466	3,714

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2021	2020
ASSETS			
Fixed assets			
Property, plant and equipment			
Tools and equipment	8	54,696	48,266
Total fixed assets		<u>54,696</u>	<u>48,266</u>
Current assets			
Receivables			
Receivables from group entities		53,291	65,212
Deferred tax asset	9	4,890	4,985
Other receivables		3,673	3,351
Prepayments	10	70,708	81,972
		<u>132,562</u>	<u>155,520</u>
Cash at bank and in hand		<u>238</u>	<u>234</u>
Total current assets		<u>132,800</u>	<u>155,754</u>
TOTAL ASSETS		<u><u>187,496</u></u>	<u><u>204,020</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2021	2020
EQUITY AND LIABILITIES			
Equity			
Share capital	11	501	501
Retained earnings		38,815	38,749
Proposed dividends for the financial year	7	3,400	3,700
Total equity		<u>42,716</u>	<u>42,950</u>
Provisions			
Other provisions		<u>2,902</u>	<u>2,670</u>
Total provisions		<u>2,902</u>	<u>2,670</u>
Current liabilities other than provisions			
Trade payables		60,990	62,092
Payables to group entities		61,910	77,334
Other payables		<u>18,978</u>	<u>18,974</u>
Total liabilities other than provisions		<u>141,878</u>	<u>158,400</u>
TOTAL EQUITY AND LIABILITIES		<u><u>187,496</u></u>	<u><u>204,020</u></u>
Contractual obligations, contingencies, etc.	12		
Related party disclosures	13		
Group connections	14		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Con- tributed capital	Re- tained earn- ings	Proposed dividend	Total equity
Equity at 1 January 2020	501	38,735	4,500	43,736
Distributed dividend	0	0	-4,500	-4,500
Transferred over the profit appropriation	0	14	3,700	3,714
Equity at 1 January 2021	501	38,749	3,700	42,950
Distributed dividend	0	0	-3,700	-3,700
Transferred over the profit appropriation	0	66	3,400	3,466
Equity at 31 December 2021	501	38,815	3,400	42,716

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of If IT Services A/S for 2021 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The annual report has been prepared in Danish kroner (DKK).

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flow is included in the cash flow statement in the consolidated financial statement of the ultimate parent.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the average exchange rate for the month. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognized in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognized in the latest financial statements is recognized in the income statement as financial income or financial expenses.

Upon recognition of foreign subsidiaries which are integrated entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the date of acquisition or the date of subsequent revaluations of the asset. Income statement items are translated at the exchange rates at the transaction date, whereas items derived from non-monetary items are translated at historical exchange rates for the non-monetary item.

Income statement

Revenue

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are deducted from revenue.

Revenue from the sale of services is recognized on a straight-line basis in the income statement as the services are provided.

Services based on time spent are recognized in revenue as the work is performed.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and charges to inventory of goods for resale.

Other external costs

Other external costs comprise costs for distribution and sales costs, cost for advertising, administrative expenses, cost of premises, bad debts, operating leases, etc.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Staff costs

Staff costs comprise wages and salaries, including holiday allowances, pension and other social security costs, excluding reimbursements from public authorities.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on payables and transactions denominated in foreign currencies, amortization of financial assets and liabilities, etc.

Tax on profit for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognized in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

The assets consist of IT hardware. It is 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 on which the asset is available for use.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment: 48 months

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognized prospectively.

Depreciation is recognized in the income statement as Depreciation cost.

Gains and losses on the disposal of assets are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognized in the income statement.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Impairment of fixed assets

The carrying amount of tools and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortization.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognized write-downs are reversed when the basis for the write-down no longer exists.

Receivables

Receivables are measured at amortized cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realizable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments and deferred income

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Equity

Dividends

The expected dividend payment for the year is disclosed as a separate item under equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payable and receivable is recognized in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognized on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognized at the expected value of their utilization within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realizable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax. Changes in deferred tax as a result of changes in tax rates are recognized in the income statement or equity, respectively.

Provisions

Provisions are recognized when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at value in use.

Liabilities other than provisions

Liabilities are measured at amortized cost, which usually corresponds to nominal value.

Prepayments and deferred income

Deferred income comprises payments received regarding income in subsequent years.

Financial statements 1 January – 31 December

Notes

2 Segment information

Revenue on service areas

DKKm	Platform Operations	Workplace Operations	Provided IT		Total
			Consul- tancy	Provided Licenses	
2021	240.2	199.8	286.2	142.5	868.7
2020	205.9	215.2	285.7	129.7	836.5

Revenue on countries

DKKm	Denmark	Norway	Sweden	Finland	Total
2021	81.1	216.9	317.4	253.3	868.7
2020	74.2	210.6	290.0	261.7	836.5

	DKK'000	2021	2020
3 Staff costs and incentive programmes			
Wages and salaries		41,060	37,889
Pensions		6,382	7,384
Other social security costs		6,276	4,806
Other staff costs		10,594	9,244
		<u>64,312</u>	<u>59,323</u>
Average number of full-time employees		<u>78</u>	<u>76</u>

The managing director is remunerated by the Company, but the members of Board of Directors have not received any specific director's fee as all members are employed in the If Group. Neither has a separate director's fee been charged from their respective employers. However, the service provided is included in the allocation of cost that has been charged to the Company. Total cost for the managing director and the Board of Directors has been calculated to DKK 2,111 thousand (2020: DKK 2,048).

Other staff costs include DKK 9,235 thousand (2020: DKK 8,332 thousand) paid to other group companies for administrative services.

Financial statements 1 January – 31 December

Notes

DKK'000	2021	2020
4 Financial income		
Interest income from group entities	2	24
Foreign exchange gains	2,866	400
Other interest income	0	1
	<u>2,868</u>	<u>425</u>
5 Financial expenses		
Interest expense to group entities	40	70
Foreign exchange losses	233	3,576
Other interest expense	47	54
	<u>320</u>	<u>3,700</u>
6 Tax on profit for the year		
Current tax for the year	928	1,745
Adjustment tax, previous year	-8	127
Deferred tax adjustment for the year	112	-521
	<u>1,032</u>	<u>1,351</u>
7 Proposed profit appropriation		
Proposed dividend for the financial year	3,400	3,700
Retained earnings	66	14
	<u>3,466</u>	<u>3,714</u>

Financial statements 1 January – 31 December

Notes

8 Property, plant and equipment

DKK'000	Fixtures and fittings, tools and equipment
Cost at 1 January 2021	118,663
Foreign exchange adjustments in foreign entities	498
Additions	31,679
Disposals	-23,513
Cost at 31 December 2021	127,327
Depreciation and impairment losses at 1 January 2021	70,397
Foreign exchange adjustments in foreign entities	279
Impairment losses	0
Depreciation	25,468
Depreciation on disposals	-23,513
Depreciation and impairment losses at 31 December 2021	72,631
Carrying amount at 31 December 2021	54,696

Financial statements 1 January – 31 December

Notes

DKK'000	2021	2020
9 Deferred tax		
Deferred tax at 1 January	4,985	4,490
Deferred tax adjustment for the year in the income statement	-112	521
Currency adjustment	17	-26
	<u>4,890</u>	<u>4,985</u>
Provisions for deferred tax relate to:		
Property, plant and equipment	4,890	4,985
Receivables	0	0
	<u>4,890</u>	<u>4,985</u>
Deferred tax is recognized in the balance as such:		
Deferred tax assets	<u>4,890</u>	<u>4,985</u>
	<u>4,890</u>	<u>4,985</u>

10 Prepayments

Prepayments mainly consist of prepaid licenses cost and volume cost.

11 Contributed capital

The contributed capital consists of:

501 shares of nom. DKK 1,000

The share capital has been unchanged for more than 5 years.

All shares rank equally.

Financial statements 1 January – 31 December

Notes

12 Contractual obligations, contingencies, etc.

The Company has entered into operating contracts with a remaining term of up to 41 months on Consultancy Contracts, Sourcing Contracts, Licenses Contracts and Other Contracts. The total obligations as at 31 December 2021 are estimated to DKK 414 million (2020 DKK 405 million).

The Company is jointly tax liable with the Danish enterprises in the If and Sampo Group and administrator of the joint taxation. The Company is liable jointly and severally with other enterprises in the joint taxation of Danish company tax, withholdings taxes on dividends, interests and royalties in the joint taxation. The joint tax obligation represents nominal net payables of DKK 0,3 million as at 31 December 2021.

13 Related party disclosures

The related parties comprise the following:

If P&C Insurance Holding Ltd (publ) Sweden holds the majority of the contributed capital in the Company.

If IT Services A/S is included in the consolidated accounts for If P&C Insurance Holding Ltd (publ) as a subsidiary.

Related party transactions

If IT Service A/S has had the following transactions with related parties:

DKK'000	2021	2020
Sales of IT services (If Group and Sampo Group)	868,679	836,502
Purchased administrative services (If Group)	9,592	8,674
Interest income from group entities	2	24
Interest expenses to group entities	40	70

14 Group connections

The financial statements for If IT Services A/S are included in the consolidated financial statements for If P&C Insurance Holding Ltd (publ), Stockholm, Sweden, as the lowest group and in the consolidated financial statements for Sampo PLC, Helsinki, Finland, as the highest group.