Annual report

2022

Approved at the Company's annual
general meeting on 14 April 2023

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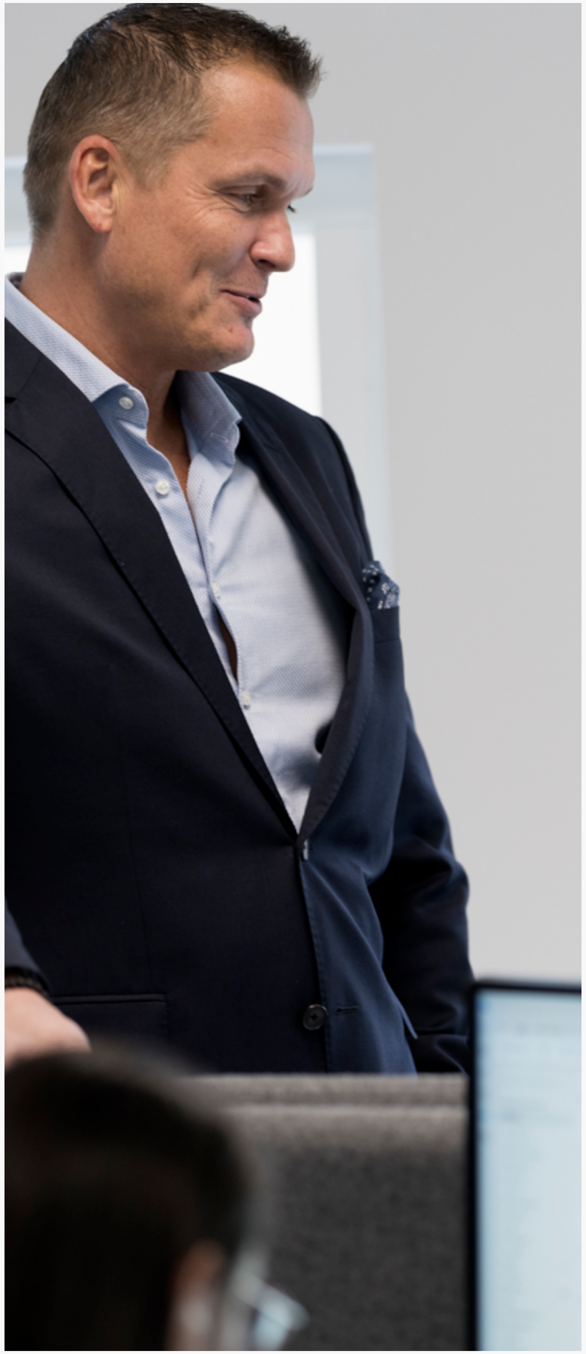
About this report: Annual reporting covers emagine's environmental, social and governance related impact and actions and serves as the statutory statement on corporate social responsibility, the underrepresented gender and data ethics policy in accordance with sections 99a, 99b, and 99d of the Danish Financial Statement Act. Please see the ESG and Governance section.

Our 2022 results have reassured us in our ambition to aim even higher.

A challenger on the move

For emagine, 2022 has been yet another record-breaking year. We have delivered outstanding results, thanks to our dedication to delivering high-quality services to our clients, consultants, and partners. We have further consolidated our business, enhanced our services, changed our brand, acquired new companies, and strengthened our processes and systems, while maintaining a high performance-level and reaching new milestones. We have our eyes on new goals, and we are ready to challenge new territories, markets, and the traditional consultancy-service establishment.



Our unique model allows bespoke high-end services

Regardless of the type of consultancy services you need, whether complex advisory services or more hands-on execution services, the common requirement is the service's value and impact. Driving change and results is all about having the requisite expertise, at the right time and in the right setup. Achieving that is becoming increasingly difficult in a rapidly changing digital landscape, and with a workforce that seeks towards projects rather than employers.

Our unique business model is a direct response to such trends. It's a model that enables us to provide companies with the expertise and the manoeuvrability necessary to be at the forefront of technological trends and workforce movements. With the support of our in-house experts with over 20 years of experience, while matching the ever-increasing market needs with our tens of thousands of validated, independent freelancers, powered by our unrivalled sourcing platform, we offer a unique mix of bespoke, high-end consultancy services, combined with a scalable and flexible team, and staff augmentation services. That unique model has enabled our company to grow four times since 2019, while improving the quality of our delivery. And we'll continue to enhance that model in the coming years.

2022 was fuelled by consolidation and new acquisitions

Our 2022 results have reassured us, with regard to our ambition to aim even higher. This year, we passed the DKK 4 billion mark. The company has grown from a Nordic player to a significant European player, in a short period of time.

Our excellent results are driven by our dedicated staff, which has taken substantial ownership of the merging of two companies (ProData Consult and emagine), and we now stand on common ground, with a shared identity and ambitions.

In the recent year, our acquisition of Aspira and Peak Consulting Group added a new layer of skills and high-end consulting services to our existing offerings, expanding our European footprint, and more importantly, enhancing our offerings to our clients, consultants, and partners. In the limited time we have worked together, we have already seen clear synergies. Our cross-border offerings to enterprise clients have had an even greater impact, and our nearshoring services are in high demand and have vast potential in the Irish market. At the same time, we have welcomed many new colleagues with new perspectives and skills, to fuel our future growth.

We are very optimistic about tackling 2023. There are interesting client projects ahead of us in the pipeline, and we foresee ongoing growth, both organically and through acquisitions, throughout the coming year.

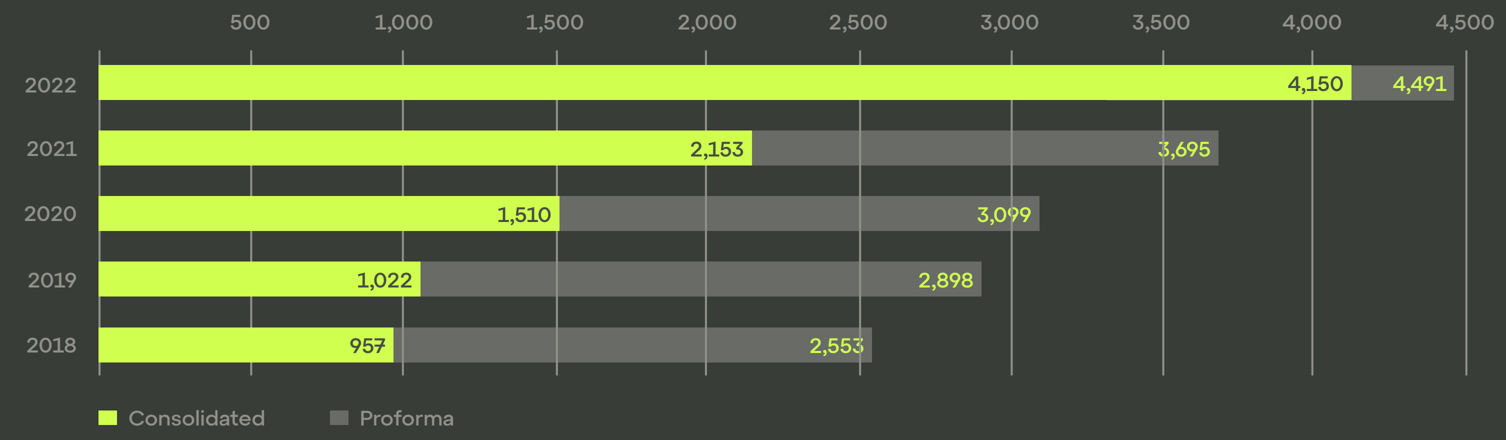
We stand on solid ground to further explore new markets. With our competitive and unique offerings, we are ready to take on the traditional consultancy service establishment.

We are emagine: a challenger on the move.

Anders Gratte,
CEO, emagine

Financial highlights

Revenue (DKKm)

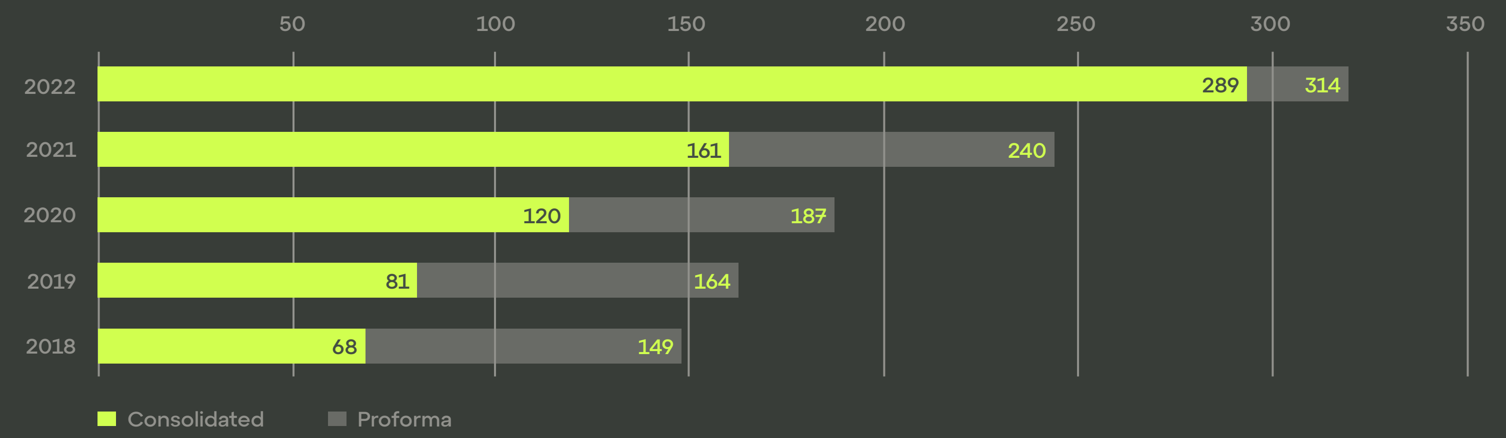


Revenue growth
93%

Proforma revenue growth
22%

Proforma revenue growth (5y avg.)
15%

EBITDA Adjusted (DKKm)



EBITDA growth
79%

Proforma EBITDA growth
30%

Proforma EBITDA growth (5y avg.)
21%

Key events of the year

Q1

New chairman of the board

Marika Fredriksson joined as new chairman of the board early in 2022. She comes directly from her 10-year tenure as CFO of Vestas Wind Systems. As a part of the Danish wind turbine giant, she played a crucial role in building Vestas' strong foundation and market-leader position.

Q2

Strategy summit to Rome

In early June, over 350 colleagues gathered in Rome for a strategy summit. This gathering was an important part of bringing together people from all over Europe, and bridging the transition from being two companies – ProData Consult and emagine – to becoming one company with one culture: emagine.

Q3

New Chief People Officer

Increasing our attractiveness as an employer as well as taking our ESG efforts to the next level is pivotal to the company. For this reason, Jesper Diget was brought on board in August, to spearhead these strategic efforts. Jesper came from Vestas, where he was Senior Vice President.

Q3

Acquiring Aspira

In early August we announced the acquisition of Irish based Aspira. With this acquisition the company added Ireland and Portugal to the existing markets, while gaining a more significant presence in the Netherlands. Furthermore, we added a new catalogue of high-end business and IT consultancy services to the Group offering.

Key events of the year

Q3

New Headquarters

After over a decade in the suburb of Copenhagen, it was time for new headquarters that were more in keeping with the company, its ambitions, and its employees. On 1. September, our headquarters were relocated to brand-new facilities in the centre of Copenhagen.

Q3

Uniting as one brand

In early September, the former ProData Consult and emagine organizations were united as one brand name: emagine. Together, we have redefined our DNA and shared purpose, which has been brought to life through a new visual identity and brand platform.

Q4

Acquiring Peak Consulting Group

The second acquisition of 2022 came with Peak Consulting Group. This further fuelled our position as a market-leading consultancy in Denmark. It also brought new skills to the areas of business transformation, project management, business service management, agile transformation, and training and competence-development.

Financial highlights

In DKK million	2022	2021	2020	2019	2018[1]
Income statement					
Organic	2,698.5	1,903.0	1,185,1	1,022,3	956.7
Acquisition	1,451.7	249.7	324.6	-	-
Revenue by growth, total	**4,150.2**	**2,152.7**	**1,509.7**	**1,022.3**	**956.7**
Denmark	1,268.7	1,074.0	903.2	746.6	747.2
Other markets	2,881.5	1,078.6	606.5	275.7	209.5
Revenue by market, total	**4,150.2**	**2,152.7**	**1,509.7**	**1,022.3**	**956.7**
Revenue	4,150.5	2,152.7	1,509.7	1,022.3	956.7
Gross profit	508.8	244.7	182.8	148.1	127.4
Adjusted EBITDA	**289.0**	**160.7**	**119.6**	**81.2**	**67.6**
Special items	-14.6	-26.3	-20.3	-1.1	-3.6
EBITDA	274.3	134.4	99.3	80.1	64.0
Adjusted EBITA	273.7	145.5	104.4	68.1	65.5
EBITA	259.1	119.2	84.1	67.0	61.9
Profit from ordinary activities	157.6	96.5	69.8	58.8	53.0
Net financials	-30.3	-3.5	-4.2	-3.7	-1.7
Net profit	83.0	69.8	46.2	41.0	37.5

In DKK million	2022	2021	2020	2019	2018[1]
Proforma income statement					
Revenue	4,491.0	3,695.0	3,099.0	2,898.0	2,553.5
Adjusted EBITDA	**314.0**	**240.0**	**187.0**	**164.0**	**148.8**
Revenue growth	21.5%	19.2%	6.9%	13.5%	17.1%
Adjusted EBITDA	7.0%	6.5%	6.0%	5.7%	5.8%

In DKK million	2022	2021	2020	2019	2018[1]
Financial positions					
Investment in tangible assets	13.1	3.1	3.5	3.9	2.7
Total assets	2,282.9	1,437.2	601.8	321.3	307.8
Equity	411.7	248.1	178.5	102.6	64.1
Revenue by growth, total					
Cash flows from operating	74.7	158.3	164.8	66.7	53.1
Cash flow from investing	-251.3	-437.3	-49.9	-10.0	-7.3
Cash flows from financing	130.5	370.8	4.6	-66.9	-21.1
Net cash flows	-46.1	91.7	119.5	-10.3	24.7
Employees					
Average number of full-time	453	199	150	141	118
Financial ratios					
Revenue growth	92.8%	42.6%	47.7%	6.9%	5.1%
Organic revenue growth	25.4%	26.1%	15.9%	6.9%	5.1%
Adjusted EBITDA margin	6.8%	7.5%	7.9%	7.9%	7.1%
EBITDA margin	6.6%	6.2%	6.6%	7.8%	6.7%
Adjusted EBITA margin	6.4%	6.8%	6.9%	6.7%	6.8%
EBITA margin	6.2%	5.5%	5.6%	6.6%	6.5%
Return on equity	25.2%	32.7%	32.9%	49.2%	65.3%
Solvency ratio	18.0%	17.3%	29.7%	31.9%	20.8%

Financial ratios are calculated as presented in the accounting policies.

[1]The figures do not comprise the effect of the implementation of IFRS 16 and IFRS 15.

A big European footprint

We have offices in:

Denmark

Aalborg
Aarhus
Copenhagen

France

Lyon
Lille
Nice
Niort
Paris

Germany

Berlin
Düsseldorf
Frankfurt
Hamburg
Munich
Stuttgart

India

Bengaluru

Ireland

Cork
Dublin

Netherlands

Den Haag
Utrecht

Norway

Oslo

Poland

Cracow
Łódź
Warsaw

Sweden

Malmö
Stockholm

UK

London

emagine

Our business

Strategy, business model and ambition

Business model

The emagine business model was founded on and developed with the purpose of being able to offer scalable, flexible and, more importantly, high-quality business and IT consulting services while staying agile, in order to manoeuvre and respond to a rapidly-changing business and digital environment.

In recent years, the winning components on which we have built our company have proven to be the correct ingredients for a resilient business model. Even in difficult times, the company has managed to achieve significant and profitable growth, by remaining relevant, attractive and value creating for its clients, partners and stakeholders.

By combining our in-house consultants' knowledge and experience with the expertise of our vast network of freelance experts, we can guarantee in-depth subject matter expertise within business and IT, while offering it at scale. We ensure timely and on-point delivery in a fully compliant setup, driven by high-performing administrative staff and supported by our state-of-the-art IT systems and processes.

High-end business and IT consultancy services

emagine is a high-end business and IT consultancy; backed by our winning components, we power progress, solve challenges, and deliver real results through bespoke consultancy services. We are a full-service business and IT consultancy, capable of facilitating any client on a 360-degree service journey. With a practice-led approach, we deliver everything from local staff and team augmentation, to setting up nearshore and offshore teams, vendor consolidation, managed services, and training and advisory services.

In essence, our approach ensures bespoke services and solutions that provide value to our clients and enable them to stay ahead of the competition, accelerate change and transformation, and achieve the scalability and flexibility to navigate a changing world and digital landscape.

It's time to challenge the norms surrounding how business and IT services are delivered today.

We are emagine.

Our purpose is to challenge and enhance the way businesses leverage high-end expertise

Our fundamental belief is that our business model and ways of delivering services and expertise are the future. We don't believe in taking people off the bench and sending them on assignments. Nor do we believe in pushing consultant CVs from A to B. It's time to challenge the norms surrounding how business and IT services are delivered today.

We believe in providing bespoke consulting services with hand-picked expertise to meet each client' 's unique challenges. And as the gig economy moves the best minds and specialists to have an independent mindset, and while the pace of change increases throughout the digital landscape, there is an increased need for consultancies that allow companies to tap into those trends, while guaranteeing the expertise and value the consultants can bring, not only by building bridges between two parties, but by taking ownership of delivery, value-creation, and results.

We are here to challenge and enhance the ways businesses leverage high-end expertise, based on a winning combination of outstanding in-house experts and a vast network freelance experts, powered by a strong backbone of people and systems.

A winning combination

Freelance consultants
A large network of validated and quality assured high-end consultants

Inhouse experts
Strategically selected senior consultants and subject matter experts building in-house knowledge and expertise

A solid backbone

Dedicated employees
A strong, dedicated administrative staff ensuring high-quality deliverables and service levels

Strong systems and processes
Best practice processes, state-of-the art systems ensuring efficiency, quality, and full compliance

High-end consultancy services

Business and IT consulting services

Advisory & solutions	Training
Manged teams and services	Staff augmentation

Practices - Areas of expertise

Strategy, change & transformation	Agile
Projects & implementation	Cloud & infrastructure
Tech & development	Regulatory, risk & compliance

Delivered with a 'bestshore approach'

Onshore	Nearshore
Offshore	Remote

Enabling companies to:

- Increase their competitiveness and win the digital race
- Accelerate transformation and change
- Achieve scalability and flexibility to navigate a changing digital landscape
- Successfully roll-out new projects, systems and applications
- Access the most sought-after business and IT expertise in the industry

Our strategic objectives

emagine's ambition is to become the preferred business and IT consulting services partner to leading companies throughout Europe. Right now, emagine is on a path to that goal. To progress, grow, and succeed, our strategy is built on four main pillars.

Enhance high-end offerings

Today's companies are not on the lookout for suppliers. They are on the lookout for partners who can adapt to their changing needs, act as true and trusted advisors, and help them to navigate known and unforeseen challenges.

Our client satisfaction rate of 4.1 of 5 is a testament to our ability to deliver high-quality services, impact , and value to our clients. Even so, we are striving to add layers to our high-end offerings. As part of our strategic objectives, we are investing heavily in further enhancing our offerings with new high-end services, so we are at the forefront of industry trends and patterns. We invest in building stronger internal capabilities and expertise, while improving our ability to attract, retain, and challenge the brightest minds in our industry.

Empowering people

People power businesses. People power progress. Building strong and sustainable relationships with the people around us is essential to our current and future success. Nurturing and building stronger bonds with our consultants, clients, and stakeholders is of great strategic importance. As we grow and become an international company in over 10 markets, we insist on maintaining a strong local presence, to be at the same eye level as those around us, ensuring that we are approachable and easy to work with. Furthermore, we are investing heavily in becoming a more attractive company to work for, by creating better career opportunities and a better working environment for our employees.

Strengthening our backbone and operational excellence

Being able to deliver quality services at speed and at scale has been fundamental to the company' 's growth. Our ability to do just that is based on the state-of-the-art IT systems that support the Group's processes and ways of working. Our processes enable us to meet the highest compliance standards, while being efficient and precise. That backbone has enabled our company to grow over five-fold in the past four years.

Our ambition is to further enhance and develop our systems and processes, which are already market leaders. We are convinced this will enable us to continue our growth, while increasing our acquisitions and strengthen those through synergies and best practices.

Strategic M&A

Our ambition relies significantly on our ability to grow through strategically selected acquisitions. Never on the compromise of obtaining healthy organic growth, or more importantly, never on the compromise of being able to deliver high-quality services to our clients and consultants.

Delivering on our strategic objectives will enhance the our ability to sustain profitable organic growth. But it also paves the way for consistent acquisitive growth, enabling us to make strategic acquisitions, and successfully integrate new companies and develop significant synergies that benefit clients, consultants, employees, and other stakeholders.

Our approach to acquisitions

Targets
Companies with strong commercial offerings, similarities and success, and with the potential to scale faster with the correct setup.

↓

Synergies
Developing synergies through consolidation and best practices, systems, and ways of working. Providing the backbone to further scale commercial success.

↓

Enhanced offering
Growing in existing markets and into new ones, providing clients, consultants, and employees with an enlarged array of services by adding new services and broader selection of offerings as part of the acquisition.

Being able to deliver quality services at speed and at scale has been fundamental for the growth of the company.

Services and main activities

emagine is a full-service business and IT consultancy, capable of facilitating any client on a 360-degree service journey. With a practice-led approach, we deliver everything from local staff and team augmentation, to setting up nearshore and offshore teams, vendor consolidation, managed services, and training and advisory services.

emagine specializes and delivers services within six core expertise areas

- Strategy, change & transformation
- Agile
- Projects & implementation
- Cloud & infrastructure
- Tech & development
- Regulatory, risk & compliance

1

Advisory & solutions

Founded on best practices and strong methodologies, emagine offers advisory and solutions within our six core expertise areas. Enabling clients to drive change and, among other things, deliver impactful business transformation, agile transformation, and greater project execution.

2

Training

Bespoke training to enhance organizational and team performance. With a particular focus on leadership, change management, project management, and technology training. This includes relevant courses and certifications.

3

Managed teams & services

Delivery of bespoke managed teams and managed services. Taking full responsibility for team setup, delivery, performance, as well as service ownership, service management, and operation. The service covers Application Development, Application Management Services, and Technical Operational Services.

4

Staff and team augmentation

Delivered on an hourly basis, on-site at the client's location. This remains our core service. With thousands of validated, processed and quality assured senior consultants, emagine can help any client scale up fast and in volume with expert consultants.

5

Nearshoring-as-a-Service

emagine's unique nearshore value proposition helps some of the largest and most technologically advanced companies in Europe to set up flexible, scalable, and agile expert IT teams in three nearshore centres in Poland.

6

Offshoring

emagine services a handful of key clients from its offshore centre in India through a tailored high-end offshore service, ensuring easy integration into client projects and processes.

7

Vendor Consolidation services

Owing to our size, and legacy of digitalizing its services and automating processes, it is natural for emagine to assume the role of consolidator for clients, benchmarking and streamlining the Client consultant vendor portfolio while optimizing and automating procurement processes.

8

Digitalization of consultant administration

An integral part of emaginges services, and a key differentiator, is that we offer clients full digitalization of consultant administration, processes, and financial control as a cloud-based, outof-the-box solution, using our in-housedeveloped 'Client Module'.

emagine is a full-service business and IT consulting company, capable of facilitating any client on a 360-degree service journey.

Continued growth and expansion through strategic acquisitions

One of the main pillars of the company's strategic objectives is growth through carefully selected acquisitions. Over the past three years, this strategy has led to six significant acquisitions in Norway, Sweden, and France. In 2022, emagine successfully acquired Peak Consulting Group and Aspira, adding new markets and services to the Group.

"Peak Consulting Group works with a competitive mix of its own senior consultants and permanently associated specialists. This means we have a great deal of internal professional knowledge and experience. This model also provides great flexibility, so that we can effectively scale up in response to the clients' needs. We look forward to becoming part of emagine's exciting development in Denmark, and the rest of Europe, and we are excited about getting to know new clients and colleagues. Together we are stronger, and occupy a unique position in the market. We become a partner who can offer clients strategic advice, execute strategic projects, and scale specialized skills in a flexible setup. In other words, we can help shape strategic IT projects, execute them, and bring them over the finish line. We are a partner all the way, says Patrick Sorrentino, CEO of Peak Consulting Group."

Patrick Sorrentino,
CEO, Peak Consulting Group

Peak consulting group

Market presence: **Denmark**

Core services: Business transformation, project management, business service management, agile transformation and training, and competence development

2022 revenue:	Established in	Engages more than
DKKm 265	2006	150 experienced IT and management consultants every day

Customer portfolio includes large private companies, ministries and agencies, regions, and municipalities.

A stronger Nordic footprint

Peak Consulting Group has established a strong position in the Danish market, with its very high demand for advisory and consulting services, coupled with the implementation of business-critical IT projects and strategic initiatives. emagine is similar in many ways, and shares the ambition of developing solutions and strategic results together with our clients. At the same time, with the addition of Peak Consulting Group's employees, the company and our clients have access to a broader range of strategic, advisory, management, and competence-development skills and services. Together, we have a stronger footprint in the Nordics.

Market presence: **Ireland, Netherlands, Portugal**

Core services: Advisory, training, resourcing

2022 revenue:	Established in	Engages more than
DKKm 157	2007	160 experienced IT and management consultants every day

Aspira caters to a diverse international client base, including leading players in the IT, financial services, pharma/med devices, healthcare, and energy sectors.

Opening for new territories and services

Aspira's solutions and knowledge of IT consulting complement emagine and augment the advice and solutions we offer our clients in an increasingly complex reality. Together, we will work actively to bring Aspira's skills and experience to our current clientele. At the same time, Aspira opens up new markets – Ireland and Portugal are new territories with vast potential – while we strengthen our position in the market in the Netherlands. Together, we want to take on more strategic projects and tasks for our clients, and we can do that much more extensively with Aspira's experienced forces.

"This creates significant and scalable opportunities for emagine. Aspira has a strong reputation for its professional services in the European market, especially in Ireland and the Netherlands. In addition to shared learning, this will allow us to offer an integrated suite of IT consultancy services to a broader customer base. This partnership marks emagine's entry into the Irish market, and is an exciting new phase for all involved. Our long-standing expertise in professional services and solutions will complement and create new opportunities for our clients, consultants, employees, and partners."

Gillian Whelan,
Managing Director, Aspira Ireland

Becoming a trusted partner and advisor within high-end consultancy services

As we grow and expand our business to new markets and territories, we focus on evolving, adapting, and refining our portfolio of services and offerings to ensure we stay relevant to our clients. As a result, we continue to grow and enhance our high-end offering, adding new layers to our professional services portfolio and increasing the volume of more advanced delivery models.

From supplier to partnerships

Moving forward, we are focusing even more on a fully streamlined commercial model that will enhance our ability to support and serve enterprise organisations. By utilizing our subject matter experts and practice leads, we drive and disrupt how we deliver value and impact for and with our clients. With a practice-led approach, we aim to become a complete sparring partner, advisor, and implementer, rather than a simple supplier.

To achieve that, we recognize the importance of understanding our clients and being closer to them. Truly understanding the nature of their business, industry, and the complex and unique challenges they face daily enables us to offer bespoke solutions. We don't believe in a one-size-fits-all approach but rather in having a challenge-centric approach to drive actions where it matters most.

Enhanced position and digital presence

A high priority is building a brand that stands out and truly resonates in our industry. We acknowledge that buying complex services is multifaceted; therefore, our ability to conquer the digital landscape and simplify this process is extremely important to be able to support our clients on their journey.

Our commitment to excellence is unwavering. We continue to make significant progress toward our long-term goals and remain focused on driving growth, improving our processes, and delivering value to our clients.

Martin Hartley,
CCO, emagine

Becoming one brand

Two companies unite under one banner for a shared purpose

ProDataConsult

emagine

emagine

Purpose

Values

Visual identity

In the summer of 2021, the company, at that time called ProData Consult, acquired the French, German, and UK-based emagine Group. The two similar companies joined forces, but maintained separate corporate identities and brands. It was important to offer clients, consultants, and other stakeholders an expanded service offering across borders, but also as an aligned and consistent experience, to fully utilize the two entities' synergies. Therefore, a shared identity was an important milestone to becoming one company with a strong culture that could support the company in its onward journey.

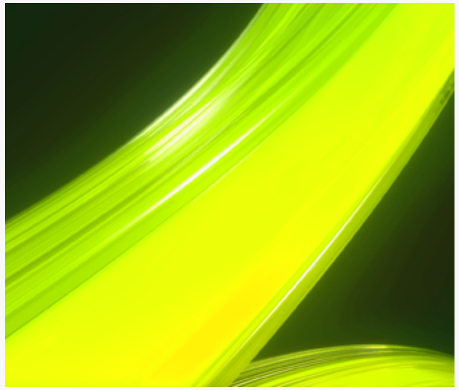
Redefining our purpose, values, and identity

A new brand platform was established as part of uniting ProData and emagine under a shared banner. We redefined the company's purpose and established new core values on which to build our company's future, and around which to shape our company culture.

Crafting a new visual identity

To support the new identity of the company, a new and distinct visual identity was crafted. Based on a unique logo, organic shapes and vibrant colors, we have formed a unique and memorable visual expression, supporting the narrative of the company and driving brand recognition.

emagine



Enhancing our market-leading systems

Improving operational excellence is pivotal to our business, to maintain momentum and fuel further growth. In 2022, we passed several major milestones in our technology landscape and setup. It has positively impacted our business and paved the way for enhanced performance and efficiency.

Strengthening our backbone

In 2022 we had a substantial focus on internal systems. At emagine, we are continuously improving our already robust backbone to support our organic and acquisitive growth. We have further invested in our infrastructure and internal systems to increase efficiency, reduce costs, and improve performance. As part of this, we have moved all our entities and companies to the same infrastructure platform based on Microsoft Azure. It offers numerous benefits, including enhanced security, scalability, and flexibility.

A year of upgrades

2022 has been a year with several significant IT solution and system upgrades. We have launched several new systems and add-ons, which have optimized the way our business operates.

First, we launched a new Customer Relationship Management (CRM) system to establish better sales processes, and build stronger relationships with our clients and stakeholders. Moreover, we launched a workflow- and contract-management system, to ensure a smooth and seamless process from when we close with a deal to when the client signs the contract . Equally importantly, we launched a new sourcing system based on an Artificial Intelligence and Machine Learning component. This new tool is improving our working methods, and may change and enhance how we source new consultants. The new sourcing system has been a major breakthrough for us. By leveraging the power of AI and machine learning, the system enables us to analyse data from several sources, identify patterns, and make predictions about future trends. This enables us to make better decisions when sourcing expert consultants, leading to better outcomes and improved delivery.

Being a technology-driven company is in our nature. And so far, it has proven to be very effective.

Jan Wolff,
COO, emagine

Market outlook

2022 once again demonstrated emagine's robustness and resilience. Despite challenging market conditions in all our markets, the company accelerated its growth both organically and through acquisitions. Several megatrends in the market, all of which were accelerated by the Covid-19 situation, support emagine's core business:

1. Increased focus on investment in digitalization – the macro-economic has moved digitalization further up as a top priority for most companies.

2. Insourcing/co-sourcing/near-sourcing IT systems and digital presence have become strategic for many companies, prioritizing leveraging control of these. They seek access to talent closer to their home markets while still seeking flexibility and agility.

3. Scalability and access to the right (IT) resources in flexible, agile, and scalable models are more important than ever for most companies in an unpredictable and fast-moving market environment with low visibility.

4. There is a scarcity of IT talent, and many companies are finding it increasingly challenging to attract and retain talented IT employees, which is amplified by the fact that the top talent pool increasingly is going freelance, to achieve work flexibility and access to the most interesting projects.

These general market trends will continue to support our business model in 2023 despite current market turmoil which both encompasses potential threats and upsides. The past years has demonstrated the resilience and relevance of emagine's business model and service offerings also in times of crises and challenges.

We have also launched several strategic initiatives to increase client services, revenue, and profitability.

The first three months and pipeline indicate that the Company will continue its double digit growth. Therefore, emagine expects to deliver revenue growth in 2023 in the range of 10-20% and an adjusted EBITDA margin above 6.5%.

We are in dialogue with potential acquisition candidates, and expects to complete acquisitions in 2023. The potential effects of such acquisitions are not included in the estimates above.

Crossing the 5 billion DKK mark in 2023

Thanks to our strong performance in the previous year, we have started 2023 with a promising momentum. We have set an ambitious plan for the upcoming year, and we are committed to sustaining the robust performance and growth rates that the company has demonstrated in the past years. For 2022 we announced expectations of 10-20% organic revenue growth and an adjusted EBITDA margin above 6.5%. These targets were achieved with organic revenue growth of 25.4% and an adjusted EBITDA margin of 6.8%.

In the past year, we made significant investments in strengthening the company's capacity to expand and scale, including the IT platform, organizational structure, compliance, cyber-security, shared service-center, brand recognition, employer branding, and ESG. We plan to continue these investments in 2023, along with increasing the focus on leadership education.

In the years to come, we anticipate reaping benefits from synergies in terms of cross-border and nearshore sales in newly acquired markets. We will also seek further cost-efficiency, streamlining, and automation of processes. We are pleased to report that the first three months of 2023 have already exceeded our expectations, confirming the feasibility of our ambitious growth targets. Despite our size, we are still capable of maintaining double-digit growth, and our pipeline gives us confidence in achieving our plans. Furthermore, we are actively exploring several potential strategic acquisitions to enhance our European reach and positioning.

Backed by our owners Axcel, we have a very strong position and setup from which we can further grow.

Lars Bloch,
CFO, emagine

ESG & Governance

Increased efforts for sustainable business practices

We are proud to say that in 2022, we at emagine significantly expanded our focus on environmental, social, and governance efforts. ESG has assumed a much more prominent position in both our everyday operations and business initiatives, and in organization's overall strategy and policies. The structure of our company is based on Nordic leadership, with a flat hierarchical model and a significant emphasis on empowering each individual employee. This is something we have striven for in the past, and continue to do every day, by applying measures that support this vision. Below, we detail some of our ESG achievements of the past year, and the goals that further support our employees and the company.

*For further description of our business model, please refer to page 12.

We are proud to report that in 2022, our attrition rate fell from 21.2% to 17.0%. By implementing a quarterly pulse survey, we were able to listen to our employees' needs, and act on them more quickly and constructively. Our onboarding process has been extended to three steps: Actimo videos, and both local and group level plans. For example, Senior Group executives conduct monthly online onboarding with all our new employees. Additionally, we improved the management gender balance by 9%, which we will work to further balance in the coming years.

We joined the Science Based Target Initiative (SBTI) and monitored our performance through EcoVadis, where we scored in top 20% industry-wide. Moreover, we put more effort into educating our employees about the importance of cyber-security and we hold regular, mandatory data-privacy courses for all our employees. We renewed our ISAE 3000 GDPR standard, renewed ISO 14001/27001 certification, and obtained a TISAX certificate, to uphold the safety and excellence of our operations.

Today, ESG compliance is increasingly demanded of businesses, and this demand comes not only from clients and external stakeholders, but also from our employees. On their behalf, we are dedicated to being a socially and environmentally responsible organization.

We have ambitious plans for 2023, when we will further reduce our CO2 emissions (scope 1 and 2) by implementing more environmentally-friendly policies, such as introducing sustainable procurement and travel, and a new car policy of using only electric vehicles. In March 2023 we will launch a new training programme for our future leaders. We will train 60 aspiring leaders to improve our company's leadership skills. This project is partly driven by the feedback we received through the pulse surveys. We also intend to provide ESG training for all our employees as part of our onboarding process.

We feel a deep sense of commitment to fostering a more sustainable environment for our employees, our customers, and the society in which we operate. We strive to be at the forefront of these efforts, and our business initiatives and policies are a testament to that.

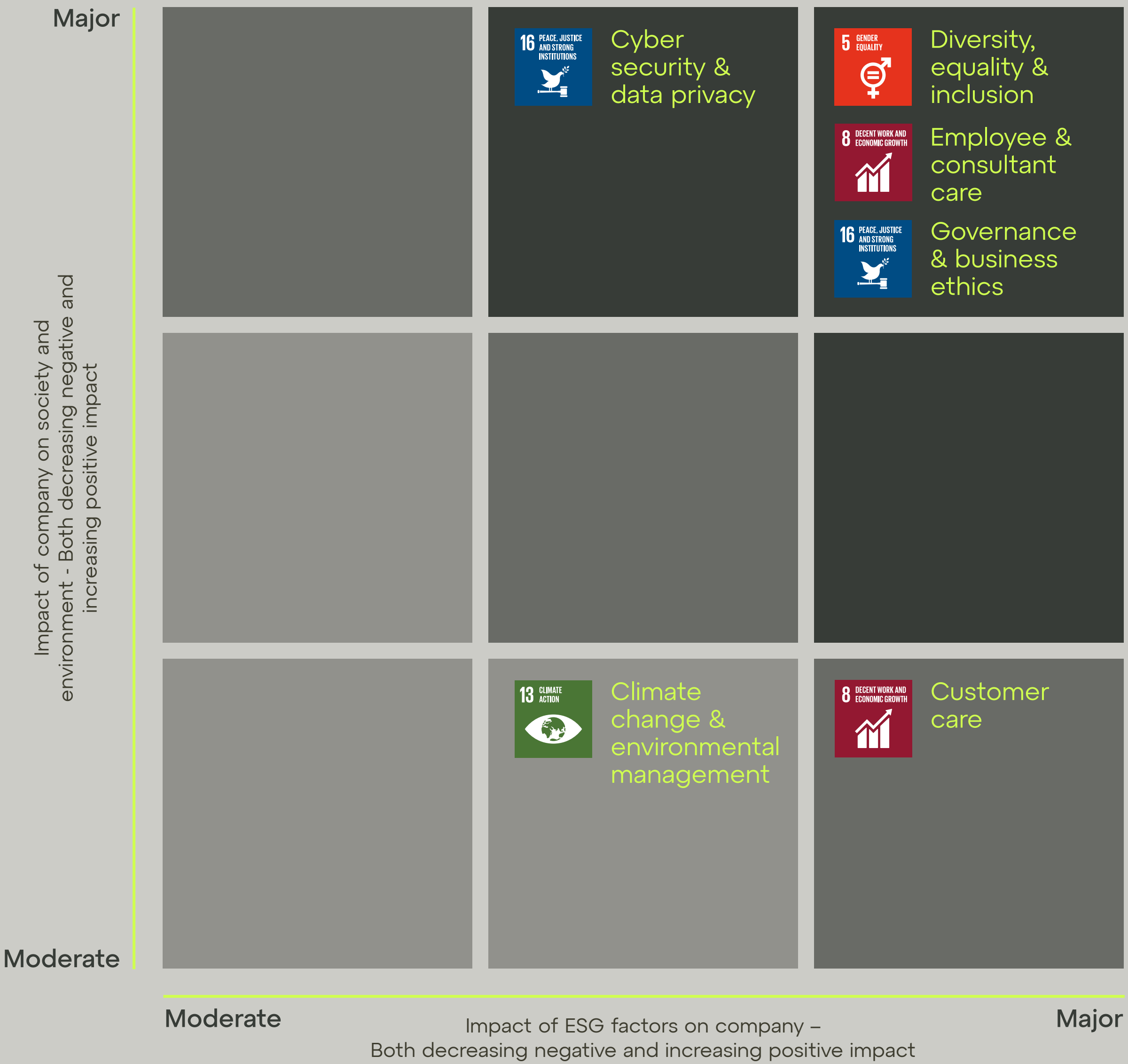
Jesper Diget,
CPO, emagine

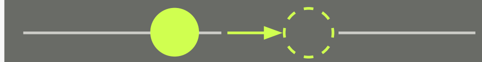
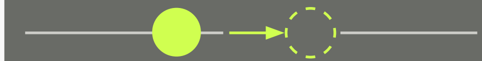
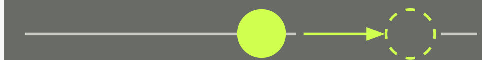
ESG areas of focus

To improve execution and follow-up on our ESG areas of focus, we have grouped all our ESG initiatives and targets into six categories. We track all activities through our Adverse Impact Assessment system, to increase positive impact and limit negative impact.

- Diversity, equality, and inclusion
- Employee and consultant care
- Governance and business ethics
- Cyber-security and data privacy
- Climate change and environmental management
- Customer care

ESG materiality matrix
(based on initial ESG Risk assessment)



Priority topics (SDG´s)	Ambition level Industry laggard · On par with · Above peers · Industry leader	Rationale
13 CLIMATE ACTION **Climate change & Env. Management**		It is a key priority for the company to work on minimizing our negative impact on the environment through emission transparency of our activities.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS **Governance & Business ethics**		A prerequisite to do business (license to operate) especially within the Banking, Insurance and Public sector segments. Performance is continuously being audited and certified by external auditors (ISAE 3402, GDPR 3000, ISO e.g.) to maintain oper. excellence.
8 DECENT WORK AND ECONOMIC GROWTH **Employee & Consultant care**		Limiting risk of impacting our employees negatively is essential to emagine. We primarily focus on maintaining an extraordinary healthy workplace. High employee satisfaction is linked to motivation, empowerment, and better results. Respecting and involving employees in a safe, secure, and healthy working environment is a key priority.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS **Cyber security & Data privacy**		Increasing requirements regarding data handling etc. from customers and regulators.
8 DECENT WORK AND ECONOMIC GROWTH **Customer care**		Transparency in its operational performance. We take pride in having other measure our performance – customer and employee surveys. And we put a lot of work into changing things when feedback is less than perfect.
5 GENDER EQUALITY **Diversity, Equality & Inclusion**		Having a diverse staff and consultant pool is a high priority for emagine (gender, age, nationalities, e.g.) We are actively working on embedding diversity in every aspect of our employment policies and processes (recruiting, promotion, training, compensation, etc.).

Ambition indicator: Current performance · Target performance

We have created an internal matrix to visualize the impact of these various categories and how we prioritize them. Our employees are our greatest asset, which we wish to nurture and respect. Therefore, diversity, equality, and business ethics are at the forefront of our efforts as a service-based company.

ESG is an increasingly large part of our overall business strategy. To continue this journey, we have ambitious plans. To develop an overview of our ambitions, we have visualized our present status (as-is) and what we wish to achieve.

emagine is on a par with its industry peers in every ESG category we have listed. We have the ambition to become an industry leader in sustainable business efforts, and intend to focus on the following topics.

Diversity, equality, and inclusion: A diverse staff and consultant pool is a high priority for emagine. We believe that ultimately, gathering people from various backgrounds, nationalities, and walks of life powers progress, because different perspectives are valuable drivers of change. At emagine we are actively working on embedding diversity in every aspect of our company: in employment policies and processes, in recruitment and promotions, in learning and development, and much more. In the last years we have been working to get a more equal gender representation - both at board level with 40.0% female representation as well as at manager level 1-3 where we have succeeded in 2022 to raise the proportion of female managers from 25.0% to 31.1%, and we expect to improve to 33.0% in 2023.

Governance and business ethics: Great governance and business ethics is a prerequisite to doing business (license to operate), especially in the Banking, Insurance and Public sector segments. Our performance is continuously being audited and certified by external auditors (Operations, GDPR, IT Security, etc.), to maintain operational excellence.

Employee and consultant care: Maintaining an exceptional workplace is essential. High levels of employee involvement are linked to motivation, empowerment, and ultimately, better results. Respecting employees and providing them with a safe, secure, and healthy working environment is a key concern for emagine.

Cyber-security and data privacy: Increasing requirements related to data handling from customers and regulators lead us to continuously reassess and re-evaluate our protective measures.

Climate change and environmental management: Our company strives to minimize its negative impact on the

Priority topics (SDG´s)	Achievements 2022	Goals 2023
13 CLIMATE ACTION Climate change & Env. Management	• Adverse Impact Assessments revisit • Reported on all scopes 1-3 (both market and location based) • GHG emissions audited by external partner • Reduced scope 1+2 emissions by 27.0%	• Improve sustainable procurement • Adverse Impact Assessment • Reduce scope Co2 emissions (in accordance with SBTI) by 5.0% • Implement employee ESG education
16 PEACE, JUSTICE AND STRONG INSTITUTIONS Governance & Business ethics	• ISO 14001 (and 50001 compliant) all countries • New employee Code of Conduct • Science Based Target initiative joined • EcoVadis score 83 percentile in industry	• The Science Based Target initiative • Prepare for CSRD directive • Revisit EcoVadis and improve score to top 10.0% in industry • Improve governance – Whistleblower, security, gift log
8 DECENT WORK AND ECONOMIC GROWTH Employee & Consultant care	• Attrition rate improved from 21.2% to 17.2% • Employee Survey score improved from 75.0% to 81.0% • Quarterly pulse survey implemented	• Improve attrition rate from 17.2% to 16.5% • Improve employee satisfaction score from 81.0% to 82.0% • Improve consultant redeployment rate • Implement Group leadership Academy
16 PEACE, JUSTICE AND STRONG INSTITUTIONS Cyber security & Data privacy	• Number of data breaches and GDPR incidents = 0 • ISAE 3000 GDPR and 3402 oper. renewed • ISO 27001 + TISAX implemented • Cyber defence benchmark implemented	• Number of data breaches and GDPR incidents = 0 • Defend ISAE 3000/3402 and ISO 14001/27001 • Extend compliance certification to acquired companies • Prepare for NIS2 compliance
8 DECENT WORK AND ECONOMIC GROWTH Customer care	• Customer satisfaction = +80.0% ('very good') • Business Relations Code of Conduct	• Customer satisfaction = +80% ('very good') • Revisit Business Relations Code of Conduct • PR & involvement – focus on sustainable projects
5 GENDER EQUALITY Diversity, Equality & Inclusion	• Male gender balance improved from 39.0% to 41.0 % • Female manager gender balance improved from 25.0% to 31.1%	• Improve male gender balance from 41.0% to 42.0% • Improve female manager gender balance from 31.1% to 33.0%

environment. This goal may be achieved through emission transparency related to all our activities.

Customer care: We take pride in having our performance measured through customer and employee surveys, and in putting a lot of work into changing conditions when feedback indicates they are less than optimal.

We have gathered our most important projects and initiatives in each of the six topic categories, and below we describe both the achievements of 2022 and what we plan to achieve in 2023. We have outlined the five most important projects, and included further descriptions.

ESG priorities

1. The Science Based Target Initiative

The SBTi is a collaboration between the CDP (Carbon Disclosure Project), the United Nations Global Compact, World Resources Institute, and Worldwide Fund for Nature. Over 1,000 companies have joined this initiative since its founding in 2015, and as members, we are committed to uploading and disclosing all our data, and to setting targets to reduce greenhouse gas emissions.

2. Sustainable Procurement

One of our main priorities is to prepare a sustainable purchasing policy. Guidelines should include clear explanations to the companies with which we work, both as buyers and as service providers. We wish to make an impact and push our business, and our business partners, towards more sustainable practices.

3. Governance

As a member of the United Nations Global Compact, we support the Ten Principles in the areas of human rights, labour, environment, and anti-corruption. This commitment is integrated into our strategy, business operations, and policies.

We are dedicated to improving staff, customer, and vendor awareness of sustainable business conduct. We openly promote our Whistleblower Reporting System, which is a quick and efficient way to report concerns about misconduct.

4. ESG Education

emagine plans to increase ESG awareness among all our employees. We wish to make sure that each employee knows how to act with regard to all matters concerning the ESG universe, from the code of conduct to policies and operational guidelines.

We will conduct mandatory ESG training for all new employees, implemented through short videos available on our onboarding platform, Actimo, and the intranet, which show that ethical attitudes are part of the employee education plan.

5. PR and Involvement

We wish to channel ESG into becoming a true business lever , both internally and externally. Our sustainable efforts will become part of the marketing strategy, and frequently communicate to the industry and stakeholders. In that same vein, we intend to facilitate employee involvement in communications as part of our initiative to improve employee satisfaction.

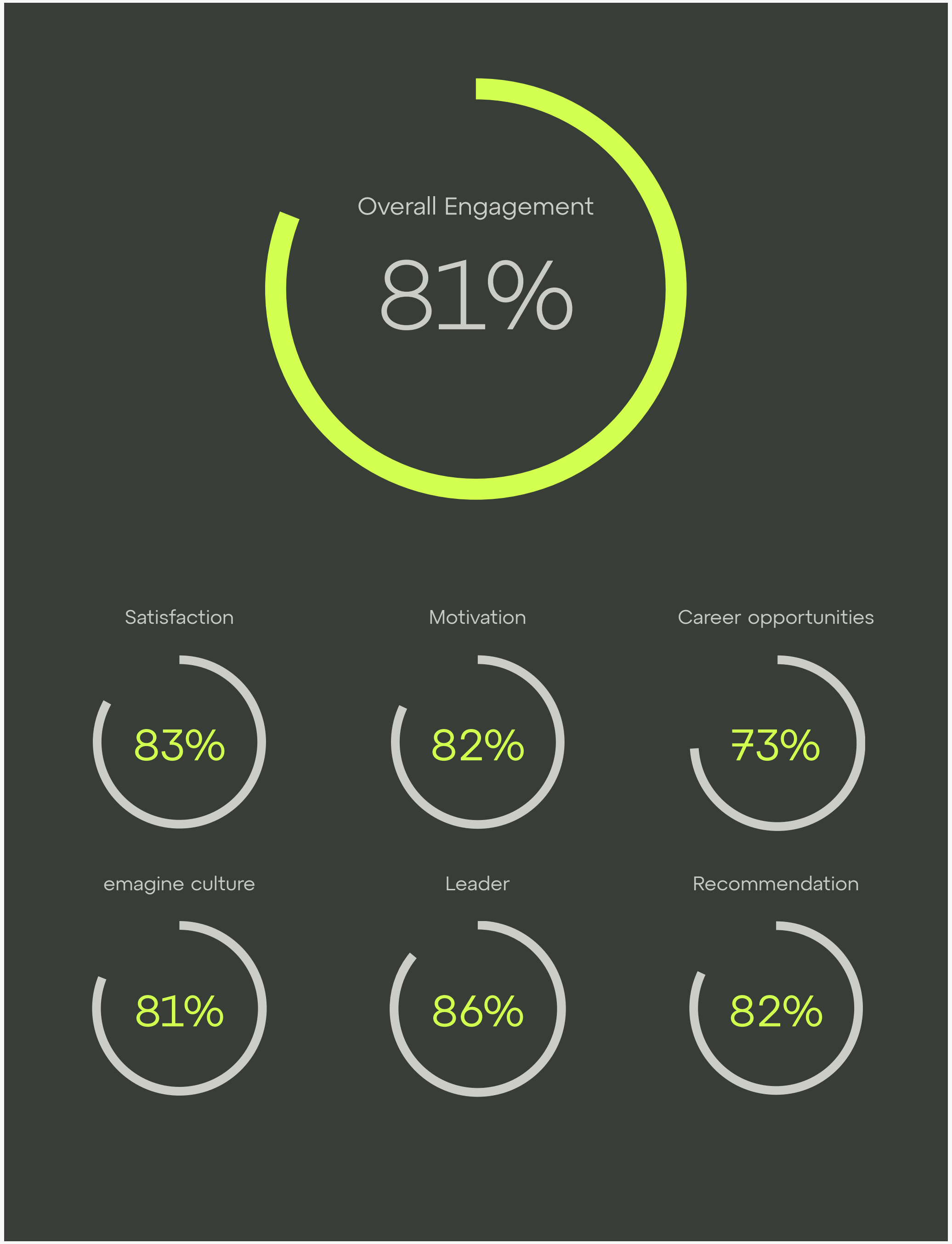
Impact Risk Assessment

In 2022 we revisited our Impact Risk Assessment in all our countries (UNGPs/ OECDs Guiding Principles). We assessed 92 different areas finding potential negative impacts in 25 of them: 19 within human rights and labour rights, 2 in environmental and 4 in anticorruption. The potential negative impacts include avariety of different topics as: "Use Of Energy", "Offering And Accepting Gifts", "Cronyism And Nepotism", "Healthy Workplace" and "The Right To Equal Pay For Equal Work".

In all the areas we have set up mitigating actions in order to either remove or minimize the potential impact. For the environmental impact er have focused on Energy/Co2 Emissions, where a Group Energy Audit (following ISO 50001) including energy saving actions have been performed. And a new Car Policy changing from fossildriven company cars. These activities have decreased our Scope 1+2 emissions by more than 25%. To mitigate human rights and corruption risks we have implemented a group wide Compliance Program including Code of Conduct and Compliance training program as part of our International Onboarding. Lastly in relation to labour rights and employees we have changed our Annual Employee Survey Program to quarterly Pulse Surveys to get faster and more frequent feedback (see next pages for a deeper description).

Focus of 2023

In 2023 we will be focusing highly on our supply chain for IT products. And from very different angles – our use of energy is highly related to IT, but also the manufacturing and resource extraction is in focus. It mainly takes place in high-risk countries. This creates challenges when it comes to seeking full control of sustainability issues, such as environmental considerations and ensuring ethically-sound working conditions. As an example, responsible sourcing of minerals remains one of the key challenges for the IT industry as increasing global demand, coupled with poor governance, poverty and sometimes outright conflict in the regions where minerals are extracted, exacerbate the potential for human rights abuses.



Pulse survey: Open and honest feedback is a valuable driver of change

Open and honest feedback is a valuable driver of change and improvement at emagine, which is why we launched the pulse survey.

The survey covers six domains – satisfaction, motivation, development, leadership, culture, and Net Promoter Score – and a comments field. The purpose of these regular surveys is to understand how employees feel and to get a sense of the 'temperature' of our organization.

A pulse survey is one of the best ways to measure employee involvement. This short survey comprises six questions and is dispatched to our employees on a quarterly basis. All questions are easy to answer and forwarded frequently, so they help us to collect more feedback and measure trends over time. The immediate results of the pulse surveys offer an incomparable way to spot challenges and areas for improvement, so we can act on them faster. The ability to spot trends offers us valuable insights and helps management to make strategic decisions.

With these periodically sent pulse surveys, employees can develop the positive habit of completing their survey as soon as they see it. This instant response provides accurate data, offers employees an easy way to be heard, and helps them to stay involved.

Feedback, both positive and negative, is at the heart of emagine. There is always room for improvement, and the pulse survey is one of the ways of getting valuable information, which ultimately helps us to shape emagine for the better. Based on this feedback, we have initiated key actions, both at group level and in various countries. Implementing our new Leadership@emagine is a direct consequence of the feedback we received. This means that all leaders, from C-level officers to team leaders, go through a carefully tailored leadership programme, to develop our leaders and prepare emagine for future growth.

Attrition: we aspire to be the employer of choice in our industry

At emagine, we aspire to be the employer of choice in our industry. We are constantly looking for new initiatives to improve the work–life balance, and make our workplace attractive to both our current and future employees.

In 2022, one of our initiatives involved going through our various benefits, and, based on feedback, increasing the choices our employees can make, based on the stage at which they are in their lives. We also became better at facilitating remote work throughout the group, and we pride ourselves on having a flexible model that works for both the organization and our employees. Welcoming new emagineers is critical to our future success, and we have implemented a 3-step onboarding approach.

Step 1: We have introduced Actimo as our onboarding, survey, and learning platform. We have created multiple onboarding videos on this platform, which newcomers can access from day one. These videos show who we are and what differentiates us as a company.

Step 2: Our international onboarding. Once a month our CEO, CCO, and CPO hold a webinar with all new employees from various countries, where they go through who we are, our purpose, what we do, and how we expect our new colleagues to live up to our values and code of conduct.

Step 3: Our in-depth, local onboarding introduces emagineers to their daily tasks, and provides training that acquaints them with all our systems. An increased focus on our onboarding efforts and the constant attention to our employees' needs has decreased our attrition rate by over 4%.

Diversity

Women comprise 59% of our workforce, and 33.1% of our managers are women. We wish to have an inclusive and diverse workforce, where we can offer equal opportunities for all emagineers. Regardless of background, age, race, religion or other differences, we believe that the most qualified person should get the job.

From recruitment consultant to Sourcing and Talent Manager

Malwina Gacyk-Dytkiewicz is a Sourcing and Talent Manager at emagine's Warsaw office. With a master's degree in andragogy and a background in several coordination and recruitment positions, Malwina provides considerable support in all aspects of emagine's Polish division, in both onshore and nearshore activities.

– I began working at emagine in February 2018, when it was still called ProData Consult. I was hired as a Recruitment Consultant for the nearshore team in Poland, working primarily with one large client, but also supporting several other recruitment projects on the side.

– Working with people who are experienced and trained in the field of IT is always a challenge for a person who has only theoretical knowledge of this area. For this reason, I have always tried to expand my knowledge by participating in webinars, reading thematic articles, and delving into sometimes completely foreign topics. Communication is the key to success, so when conversing with consultants, I was not afraid to say that I did not know or understand something – it enabled me to gain knowledge and build relationships based on honesty and trust.

Professional circumstances enable progress

In 2019 Malwina began facilitating a training programme dedicated to emagine recruiters who were collaborating with other colleagues. Later that year, she received her first promotion.

– This was my own idea, which management welcomed and wanted to realize. I was to oversee the entire project, from finding the right people to organizing the training modules.

– In October 2019 I was promoted to Senior Recruitment Consultant. Among the other responsibilities this role entailed, I began scouting for IT specialists whose projects I could oversee, and while working with them I encouraged them to write industry-related articles to share their expertise.

Our recruitment specialist reflects on emagine's open-minded and professional organizational culture, which is still a company in a male-dominated industry. She emphasizes that she never feels out of place as a woman working in IT.

– The IT industry is still male-dominated, but throughout my career, I have never felt as though I was out of place. I believe that this was, and still is possible thanks to the professionalism of my emagine colleagues, who make every effort to ensure that we are a strong partner to all our consultants, clients, and suppliers.

– Personally, I have always tried to ensure the highest possible quality of services provided. Thanks to this approach, the meaning of the gender we represent is blurred.

Recognizing talent creates new opportunities

Eight months after giving birth to her son, while on maternity leave, she received an unexpected call from emagine – she was offered a promotion.

– When I got the call from work, my thoughts immediately went to the worst-case scenario. Will I have to start looking for a new job? But the opposite happened. I was offered the position of Sourcing and Talent Manager.

– I have filled this role since February 2022. I admit that initially I felt uncertain about this offer; uncertain about how I could manage motherhood and all the responsibilities that came with the new management position. Both were first-time experiences for me. At first, I returned to work on a part-time contract, as I began managing two new teams.

– It is difficult to build relationships with your team if you are not there most of the time. I was worried about how this new step in my career would turn out, and whether my endeavours would be successful.

Malwina's managers did not share those concerns, and to this day she continues to demonstrate why she was the right candidate for promotion. Over the past year, she has not only managed two teams in our Polish sourcing department, but has also successfully set up and coordinated emagine's Recruitment Academy from scratch. This training programme consists of 40 courses for recruiters, which provide optimal support to future onshore and nearshore activities at emagine.

– My work has been appreciated, and thanks to the trust and faith in my skills displayed by Mariusz Grajewski, CEO of emagine Poland, I rapidly transitioned from recruiter to manager. A year ago, I took the position of Sourcing and Talent Manager. It was a great honour for me, and I am still very grateful. It is wonderful to work in an open and supportive organization, where personal learning and development are key.

ESG in the core of our business

Rapid growth characterized 2022. emagine Group acquired Aspira and Peak Consulting, adding more companies and countries to the group. To keep up with our overall strategy, growth, and an increasingly international company, we increased our focus on ESG and defined a group-unified approach to the way we work with each of the three ESG pillars and areas of focus.

In 2022 we revisited our Impact Assessment for all countries, to ensure that our ESG impact, risks, and opportunities (IRO + materiality) were determined, described, and prioritized, and a double materiality assessment was performed.

We have created a governance structure where ESG strategy and plans are presented (and revisited) by the Group CPO to the board twice a year, and determined and prioritized in this forum.

An ESG Work Group has been selected, which comprises an ESG Group Responsible, Group ESG specialists, and country HR managers to ensure that strategy and plans are operationalized and ready to be implemented in all countries.

The ESG Work Group is responsible for:

- CSRD requirements being fully implemented in 2025
- Developing ESG targets and action plans
- Securing local ownership in all our markets, ensuring the implementation of local initiatives.
- A consistent approach to implementing ESG practices, ensuring that we operate as one company and, unless otherwise specified, all activities and initiatives described in this report refer to the entire Group mentioned as ‘The Company’.
- Performance measurement of ESG targets and action plans; running monthly, quarterly, and annual reporting cycles.

Corporate governance

emagine strives for good corporate governance to ensure accountability and transparency with respect to our employees, shareholders, and other stakeholders.

Corporate governance structure
emagine's management is structured in accordance with the Danish Companies Act by having an established Board of Directors and Executive Management (consisting of the CEO, CFO, CPO, COO, CCO and CGO). emagine's corporate governance structure comprises the General Meeting, the Board of Directors, the Risk & Audit Committee, the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Executive Management Team, and the Senior Management Team.

The Board of Directors
The Board of Directors is responsible for overall and strategic management and the proper organization of emagine's business and operations. In this regard, the Board of Directors supervises emagine activities, ensures that emagine is properly operated, and observes the Articles of Association, general policies, guidelines, and other applicable rules and regulations. The Board of Directors is comprised of 5 members.

Risk & Audit Committee
The Risk & Audit Committee is a supervisory body established by the Board of Directors to provide insight into and expertise on matters related to financial reporting and internal controls. The committee monitors emagine's financial reporting process and internal controls.

Data Ethics
emagine's Data Ethics Policy was developed and approved by the Board of Directors in 2021 and covers the following areas:

- Purpose and usage: Human interests prevail over commercial interests. The data that we are legally required to store are held for the benefit of the individual.
- Individual data control: Individuals should have primary control over the usage of their own data.
- Transparency: We strive to be transparent when we communicate purposes and interests of data usage to individuals via privacy notices and policies.
- Accountability and governance: Efforts are made to reduce the risks to individuals and to mitigate undesirable social and ethical implications.

emagine holds an externally audited ISAE3000 GDPR declaration in support of these efforts.

The Board of Directors has established the Risk & Audit Committee. This committee is responsible for preparing decisions for consideration and approval of the Board of Directors. The Executive Management Team is responsible for the daya-to-day management.The Country Management Team undertakes leadership of the day-to-day operations of the business areas and global functions.

Internal Control Measures

The Board of Directors is responsible for the existence of adequate internal control measures. In emagine, the internal and external control measures consist of the following layers

	Measure	Responsible
External Control	External Financial Audits External Compliance Audits	General Assembly appoints Financial Auditors CGO appoints Compliance Auditors
Internal & External Control	Whistleblower paradigm	Ethics Committee & Board of Directors
Internal Control	ESG/CSRD Reporting Financial Controlling Compliance domains • Legal (legislation, sanctions etc.) • Finance • Security • Data Processing Internal Audits Employee Satisfaction surveys	Chief Financial Officer - CFO Chief People Office - CPO Chief Governance Officer - CGO Chief Operations Officer - COO
Internal Support, Rules & guidelines	Code Of Conduct Policies & Procedures ISMS Governance GDPR Governance Financial Budgeting	Country Managers and Extended Management Team

Board of Directors

Marika Fredriksson
Chairman

Nationality: Swedish
Board function: Non-executive, independent director

Non-executive functions:
Board member:
A.P. Møller Mærsk A/S
Aktiebolaget Industrivärden
Ecolean AB
KONE corporation
Sandvik AB
Saxo Bank A/S

Christian Bamberger Bro
Vice Chairman

Nationality: Danish
Board function: Non-executive, non-independent director

Profession: Partner, Axcel Management A/S

Vice chairman:
AX VI itm8 Holding ApS*
BullWall Group ApS*
SuperOffice Group AS*
Capture One A/S*
Phase One Group ApS*
Loopia Aktiebolag*

Board:
Axcel Management Holding ApS
NTI Group ApS*

*and group related companies

Board of Directors

Christoffer Arthur Müller
Board member

Nationality: Danish

Board function:
Non-executive, non-independent director

Profession: Partner, Axcel Management A/S

Non-executive functions:
Vice chairman:

Init Group ApS*
Mountain Top Group ApS*

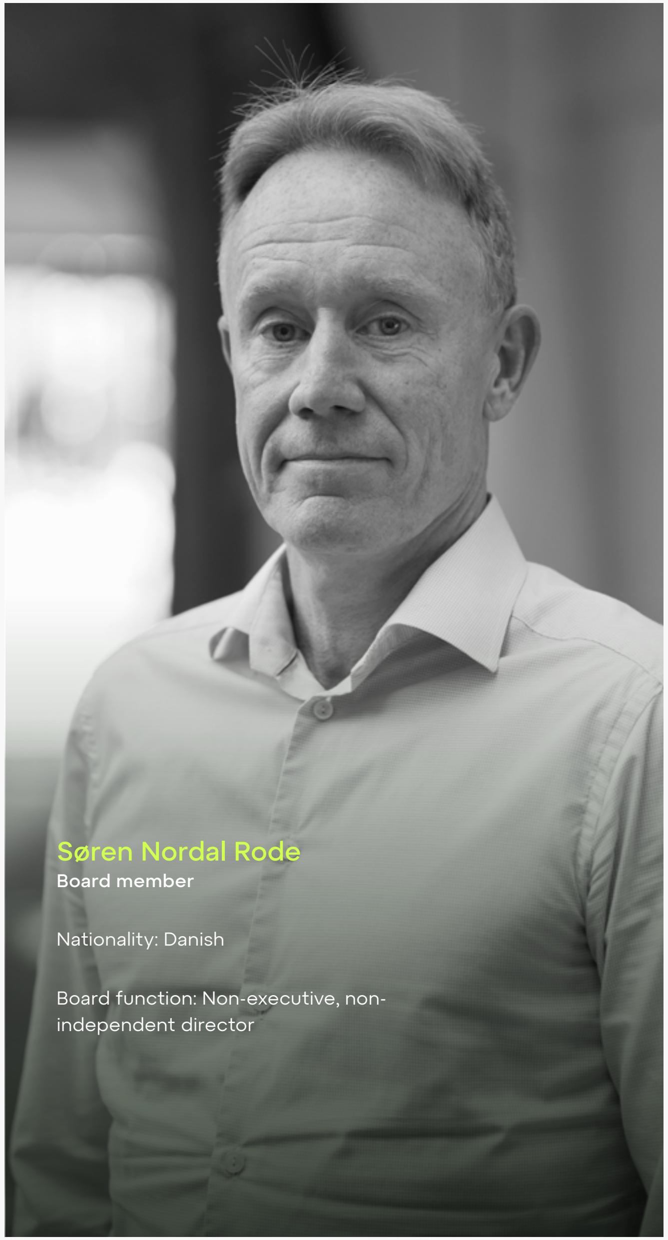
Board:
Brødr. Müller Holding A/S*
BullWall Group ApS*

*and group related companies

Petra Jenner
Board member

Nationality: German
Board function: Non-executive, non-independent director

Profession: General Manager & SVP, Europe, Middle East & Africa, Splunk



Søren Nordal Rode
Board member

Nationality: Danish

Board function: Non-executive, non-independent director

Risk management

emagine carefully monitors and assesses potential risks to the company on an ongoing basis. Our aim is to understand and regularly report on relevant risks, mitigate risks where feasible, and create a general risk awareness.

Our risk management approach

As a European company, we are exposed to a variety of risks that are inherent to our business. Managing these risks is an integral part of our management activities.

emagine's risk management structure is rooted in processes for early risk identification, followed by risk analysis, risk assessment, and risk mitigation planning. This structure provides a detailed and bi-annually-updated overview of the key short- and long-term risks. Bi-annually the Chief Executive Management Team presents the updated key risks to the Board of Directors, and recommends the necessary risk-mitigating activities and action plans for approval. The Risk & Audit Committee ensures that the Chief Executive Management Team has established a risk management process that can address all relevant risks.

Our risk management structure

The Board of Directors approves the overall risk framework. The Board of Directors also monitors the development of the total strategic risk exposure and the individual risk factors, and verifies compliance with the overarching risk policy.

The Executive Management Team determines risk management policies and strategies for the individual risks, and implements risk-mitigation. The Executive Management Team also ensures consistency between the risk management framework and the business objectives, monitors the development of key risks, and makes risk management resources available, for efficient risk management.

Local risk owners identify, assess, quantify, and record risks, which are reported regularly to the Executive Management Team. The local risk owners make suggestions about how to address risks and monitor launched risk management activities.

Compliance highlights

The Company successfully renewed ISO9001 and ISO14001, with ISO50001 energy Management included. ISAE3000 GDPR external audits were completed, as was the renewal of the ISAE3402 Operations audit of the Company's Nearshore service hubs in Poland. Furthermore, The Company successfully achieved a TISAX certification, required for operations in the German automotive industry.

In progress and planned for 2023, The Company will expand the scope of all ISO9001, ISO14001, and GDPR audits to Group Level, and initiate preparations for NIS2 compliance.

Our risk assessment in 2022

In 2022, the identified risks and risk mitigation plans were reviewed and assessed by the Executive Management Team. The key risks were presented to the Board of Directors and the Risk & Audit Committee. The Executive Management Team investigated how to best implement the necessary risk-mitigating measures with a focus on ensuring the optimum realization of emagine's strategic objectives.

Compliance

In 2022, compliance was also a top priority for the emagine organization, as an integrated element of the operational excellence framework. Substantial efforts were committed to successfully re-confirming operational compliance with ISO27001, ISO14001, ISO9001, and ISO50001, while also documenting that operational standards are high, through ISAE3000 GDPR and ISAE3402 Operations declarations. In addition to these achievements, a TISAX certification was awarded in 2022, in support of emagine involvement in the German Automotive Industry.

Market

When monitoring overall market risks in 2022, several specific risk factors were tracked, to allow for early intervention and mitigation measures. General market risk resilience is built of the many initiatives in the Compliance, Tech, and Operations Excellence domains, including targeted M&A activities.

Tech

Cybersecurity risks remain a focus area for emagine, and in 2022 several substantial investments were made to strengthen detection and prevention mechanisms, while also continuously monitoring and investing in the capacity to recover from any direct attacks, operational disturbances, and advanced types of phishing, malware and ransomware attacks. Throughout 2023, Cybersecurity will remain a priority to support existing and future ambitious compliance targets, such as NIS2.

Operations/Excellence

The ability to attract and retain competent employees was also a focused area of risk in 2022. In 2022, with dedicated support from Executive Management, several major initiatives that enhance emagine's operational excellence were completed in the domain of Employer Branding, including the roll-out of a Learning Management platform, enhanced ESG reporting, and a standardized Group onboarding process.

With dedicated support from Executive Management several large initiatives enhancing emagine operational excellence in 2022 were completed

Finances

Although emagine has continuously exhibited a strong financial performance, several risk factors have been monitored by the Risk & Audit committee to ensure continued excellence. Investments have been made to further enhance and strengthen financial governance and controlling.

Currency risks

The Company is exposed to currency fluctuations, mainly from the GBP, PLN, SEK, and NOK. The combined risk is currently at a level where hedging is not deemed financially viable. Exchange rate fluctuations related to the translation of the result and intercompany balance of foreign subsidiaries at the balance sheet date constitute a risk. The Company does not hedge this type of risk.

Interest rate risks

The Company's senior debt (in emagine Holding) and credit lines are based on floating interest rates. To mitigate potential increases, the Company has entered into an agreement that caps the interest rate related to approximately 71% of the senior debt for the period up to December 2024.

Credit risks

The Company's credit risks related to trade receivables are included in the balance sheet.

ESG figures

	Units	2023 (targets)	2022*	2021
Environment				
Co2e, scope 1+2 (location based)	Tons	967,7	1 009,3	1 387,2
Co2e, scope 1+2+3 (location based)	Tons	45 027,6	40 928,8	22 944,0
Co2e, scope 1+2 renewable	%	35,0	25,0	64,0
tCO2e/mil. revenue	Tons	9,1	9,3	7,0
tCO2e/FTE	Tons	78,7	91,0	125,0
Governance, Risk and Compliance				
# Issues (service affected - still running)	Number	0	2	1
# Disruptions (service down)	Number	0	0	0
# Downtime in days	Days	0	0	0
Professional integrity incidents	Number	0	0	0
Human capital, health and well-being				
Number of employees 31.12	FTE	560	443	346
Attrition rate - annually**	%	19,2%	17,2%	21,2%
Employees who have left the group	FTE	110	90	90
– Voluntary resignation	FTE	78	63	72
– Redundancy	FTE	30	27	17
– Retirement	FTE	2	0	1
Recruited employees (incl. M&A)	FTE	211	190	106
Work related accidents	Number	0	0	0
Sickness ratio	%/FTE	3,0%	3,1%	3,4%
Employee satisfaction	%	82,0%	81,0%	79,0%
Gender split employees (female)	%	58,0%	59,7%	58,5%
Nationality - Danish	%	93	62	65
Nationality – non-Danish	%	480	380	281
Nationality – non-Danish	%	85,7%	85,8%	81,1%

	Units	2023 (targets)	2022*	2021
Customers				
Number of customers	Number	500	489	458
Customer satisfaction	%	82,2%	82,2%	80,2%
Group managers* **				
Members	Number	65	59	48
Female	Number	23	21	12
Male	Number	41	39	36
Gender split (female)	%	33,0%	31,1%	25,0%
Nationality - Danish	Number	20	19	15
Nationality – non-Danish	Number	45	40	33
Board of directors				
Members	Number	5	5	5
Female	Number	2	2	2
Male	Number	3	3	3
Gender split (female)	%	40,0%	40,0%	40,0%
Nationality - Danish	Number	3	3	3
Nationality – non-Danish	Number	2	2	2

*Excluding acquired companies in 2022

** "Attrition Rate" means
(a) the number of employees with emagine Consulting A/S, CVR-no. 26 24 96 27 ("emagine") and its Subsidiaries who leave the organization voluntarily or due to dismissal, retirement, or death in service between 1 January and 31 December in the relevant financial year calculated as a percentage of
(b) the aggregate number of employees with emagine and its Subsidiaries as of 31 December in the relevant financial year including those employees who leave the organization voluntarily or due to dismissal, retirement, or death in service between 1 January and 31 December in the relevant financial year.

*** "Group Managers" means:
(a) the chief executive officer of the relevant entity;
(b) any persons which (i) are reporting directly to any persons referred to in paragraph (a) above and (ii) have at least one person reporting directly to it; and
(c) any persons which (i) are reporting directly to any persons referred to in paragraph (b) above and (ii) have at least one person reporting directly to it.

Annual report

Consolidated financial statements

and parent company financial statements

Income statement

		Group		Parent	
Note	DKK'000	2022	2021	2022	2021
2	Revenue	4,150,188	2,152,666	1,268,741	1,074,020
21	Cost of sales	-3,571,794	-1,858,024	-1,117,148	-941,750
21	Other Income	27,304	-	27,304	-
21	Other external expenses	-96,883	-49,932	-56,455	-33,500
	Gross profit	508,815	244,710	122,442	98,770
3, 21	Staff costs	-234,488	-110,260	-46,306	-51,079
	Operating profit	274,327	134,450	76,136	47,691
	Depreciation and amortisation	-116,721	-37,971	-42,979	-11,784
	Profit before net financials	157,606	96,479	33,157	35,907
5	Income from equity investments in group entities	-	-	85,540	42,990
6	Financial income	61	2,175	3,307	4,479
7	Financial expenses	-30,325	-5,688	-26,150	-3,689
	Profit before tax	**127,342**	**92,966**	**95,854**	**79,687**
8	Tax on profit for the year	-44,343	-23,153	-12,855	-9,874
	Profit for the year	82,999	69,813	82,999	69,813
9	Attributable to:				
	Owners of emagine Consulting A/S	82,999	69,813		
	Total	**82,999**	**69,813**		

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We are pleased to report that the first three months of 2023 have already exceeded our expectations, confirming the feasibility of our ambitious growth targets.

Balance sheet

Note	DKK'000	Group 2022	Group 2021	Parent 2022	Parent 2021
	ASSETS				
	Non-current assets				
10	**Intangible assets**				
	Goodwill	692,970	298,977	255,593	20,527
	Customer relationship	300,268	163,589	66,099	-
	Brands	63,533	70,661	-	-
	Development projects	42,313	22,875	42,313	22,875
	Acquired rights	14,655	13,474	3,055	138
	Total	**1,113,739**	**569,576**	**367,060**	**43,540**
11	**Property, plant and equipment**				
	Right-of-use assets	69,948	53,328	13,573	2,735
	Leasehold improvements	5,803	1,180	3,081	219
	Fixtures and fittings, plant and equipment	8,665	5,304	1,443	1,373
	Total	**84,416**	**59,812**	**18,097**	**4,327**
	Other non-current assets				
12	Equity investments in subsidiaries	-	-	946,472	603,940
	Other securities and investments	296	312	-	-
13	Deposits	3,372	2,640	218	930
	Total	**3,668**	**2,952**	**946,690**	**604,870**
	Total non-current assets	**1,201,823**	**632,340**	**1,331,847**	**652,738**
	Current assets				
	Trade receivables	756,571	533,858	176,549	107,701
	Receivables from group entities	-	-	71,805	91,135
16	Deferred tax	5,010	2,598	1,572	-
	Other receivables	125,411	31,974	2,083	4,871
14	Prepayments	4,206	449	1,431	495
	Cash	189,848	235,993	20,789	30,431
	Total current assets	**1,081,046**	**804,872**	**274,229**	**234,633**
	Total assets	**2,282,869**	**1,437,212**	**1,606,076**	**887,370**

Note	DKK'000	Group 2022	Group 2021	Parent 2022	Parent 2021
	EQUITY AND LIABILITIES				
	Equity				
15	Share capital	540	540	540	540
	Reserve for capitalized development costs	-	-	26,179	17,842
	Currency translation reserve	-8,071	-2,028	-8,071	-2,028
	Retained earnings	419,214	249,560	393,035	231,714
	Total equity	**411,683**	**248,068**	**411,683**	**248,068**
	Liabilities				
	Non-current liabilities				
17	Lease liabilities	49,770	37,260	10,379	1,000
17	Loans	228,445	-	228,445	-
16	Deferred tax	91,267	55,199	25,490	3,560
	Other payables	6,022	2,943	-	-
	Payables to group entities	567,371	402,826	575,186	402,826
	Total non-current liabilities	**942,875**	**498,228**	**839,500**	**407,386**
	Current liabilities				
17	Short-term portion of lease liabilities	22,227	17,319	3,309	1,304
	Trade payables	711,581	559,607	192,597	167,341
17	Loans	3,600	-	3,600	-
	Payables to group entities	-	-	95,622	27,566
	Income taxes	30,514	8,242	9,859	-
	Other payables	155,760	90,689	41,075	23,174
	Deferred income	4,629	15,059	8,831	12,531
	Total current liabilities	**928,311**	**690,916**	**354,893**	**231,916**
	Total liabilities	**1,871,186**	**1,189,144**	**1,194,393**	**639,302**
	TOTAL EQUITY AND LIABILITIES	**2,282,869**	**1,437,212**	**1,606,076**	**887,370**

1 Accounting policies
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19 Related parties
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Statement of changes in equity

	Group			
	Share capital	Currency translation reserve	Retained earnings	Total equity
Equity at 1 January 2021	540	-1,828	179,743	178,455
Foreign exchange adjustments	-	-200	-	-200
Appropriation of profit/loss	-	-	69,813	69,813
Equity at 1 January 2022	**540**	**-2,028**	**249,556**	**248,068**
Foreign exchange adjustments	-	-6,043	-	-6,043
Appropriation of profit/loss	-	-	82,999	82,999
Merge with holding companies	-	-	86,659	86,659
Equity at 31 December 2022	**540**	**8,071**	**419,214**	**411,683**

	Parent				
DKK'000	Share capital	Currency translation reserve	Reserve for capitalized development costs	Retained earnings	Total equity
Equity at 1 January 2021	540	-1,828	11,794	167,949	178,455
Foreign exchange adjustments, foreign subsidiaries	-	-200	-	-	-200
Appropriation of profit/loss	-	-	6,048	63,765	69,813
Equity at 1 January 2022	**540**	**-2,028**	**17,842**	**231,714**	**248,068**
Foreign exchange adjustments, foreign subsidiary	-	-6,043	-	-	-6,043
Appropriation of profit/loss	-	-	8,337	74,662	82,999
Merge with holding companies	-	-	-	86,659	86,659
Equity at 31 December 2022	**540**	**-8,071**	**26,179**	**393,035**	**411,683**

Cash flow statement

		Group	
Note	DKK'000	2022	2021
	Profit for the year	82,999	69,813
20	Adjustments	185,285	64,642
		268,284	134,455
	Changes in working capital:		
	Receivables	-228,849	27,092
	Trade payables	96,964	81,803
	Other payables	-4,010	-46,570
	Cash generated from operations	**132,389**	**196,780**
	Interest received	61	2,175
	Interest paid	-28,085	-4,205
	Interest paid on lease liabilities	-2,072	-1,328
	Income taxes paid	-27,556	-35,172
	Cash flows from operating activities	**74,737**	**158,250**
	Acquisition of business	-217,073	-424,306
	Investment in financial assets	-88	-244
	Acquisition of intangible assets	-9,366	-447
	Disposal, financial assets	941	319
	Capitalised development cost	-13,588	-9,759
	Acquisition of property, plant and equipment	-13,113	-3,131
	Disposal of property, plant and equipment	951	239
	Cash flows from investing activities	**-251,336**	**-437,329**
	Loan financing:		
	Proceeds from loans and borrowings	232,137	-
	Repayment of lease liabilities	-23,206	-13,628
	Repayment and proceeds from intercompany loans	-78,477	384,401
	Cash flows from financing activities	**130,454**	**370,773**
	Net cash flows	-46,145	91,694
	Cash and cash equivalents, beginning of year	235,993	144,299
	Cash and cash equivalents, year-end	**189,848**	**235,993**

1. Accounting policies

The annual report of emagine Consulting A/S for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

All numbers in the annual report are presented in DKK thousands, unless otherwise stated.

In general, rounding will occur and cause variances in sums and percentages in the consolidated and parent company financial statements.

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

Consolidated financial statements

Control
The consolidated financial statements comprise the Parent Company emagine Consulting A/S and subsidiaries controlled by emagine Consulting A/S.

Control means the power to exercise decisive influence over a subsidiary's financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

In assessing if the Parent Company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity may become empowered to exercise decisive influence over another entity's financial and operating decisions.

Preparation of consolidated financial statements
The consolidated financial statements have been prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised losses are eliminated in the same way as unrealised gains unless they do not reflect impairment.

The subsidiaries' financial statement items are included 100% in the consolidated financial statements. Noncontrolling interests' share of the profit/loss for the year and of the equity of subsidiaries that are not wholly-owned are included in the Group's profit/loss and equity, respectively, but are presented separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Business combinations (external)
Newly acquired entities are recognised in the consolidated financial statements from the acquisition date. Entities sold or otherwise disposed of are recognised in the consolidated financial statements up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The acquisition date is the date when the Group actually obtains control of the acquiree.

The purchase method is applied to acquisitions of new businesses over which the Group obtains control. The acquired businesses' identified assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax on revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill in intangible assets. Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Upon acquisition, goodwill is allocated to the cashgenerating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the Group's presentation currency are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The purchase consideration for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the purchase consideration is contingent on future events or compliance with agreed terms, such part of the purchase consideration is recognised at fair value at the acquisition date. Subsequent adjustments of contingent purchase considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

If uncertainties regarding the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the purchase consideration exist at the acquisition date, initial recognition will take place on the basis of provisional values. If it turns out subsequently that the identification or measurement of the purchase consideration, acquired assets, liabilities or contingent any adjustments are recognised as errors.

Gains or losses from divestment or winding-up of subsidiaries that implies that control is no longer maintained are calculated as the difference between, on the one hand, the net selling price and, on the other hand, the proportionate share of the carrying amount of net assets. If the Parent Company still holds equity investments in the divested entity, the remaining proportionate share of the carrying amount forms the basis for the measurement of equity investments in associates or securities and equity investments.

Non-controlling interests
On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' proportionate share of the fair value of the acquired entity's identifiable assets, liabilities and contingent liabilities. Goodwill relating to the noncontrolling interests' share is not recognised.

Business combinations (inter-group)
The modified uniting-of-interests method is applied to reverse vertical mergers in which the participating entities are subject to the Parent's control. Under this method, assets and liabilities of the participating entities are recognised at the amounts at which they are recognised in the consolidated financial statements of the parent forming part of the merger. Vertical mergers are recognised at the merger date without restatement of comparative figures.

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

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

Foreign subsidiaries are considered separate entities. Items in such entities' income statements are translated at average exchange rates for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign entities to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity. Foreign exchange adjustments of balances with separate foreign subsidiaries which are considered part of the total investment in the subsidiary are taken directly to equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

Income statement

Revenue
The Company has chosen IFRS 15 as interpretation for revenue recognition. Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Revenue from the sale of services
Income from the sale of services, which comprise consultancy services, is recognised as the control over the individual identifiable performance obligation is transferred to the customer. Sale of consultancy services typically comprise one performance obligation, which is recognised in revenue over the period in which the services are provided.

Cost of sales
Cost of sales comprise costs incurred in generating the year's revenue and relates primarily to costs regarding external consultancy services as well as internal consultants.

Other external expenses
Other external expenses comprise costs including expenses related to administration, sale, advertising, bad debts, office expenses etc.

Staff costs
Staff costs comprise wages and salaries, including compensated absence and pension to the Group and Parent Company's administrative employees, as well as other social security contributions, etc.

Special items
Special Items are presented in a separate note. Special items consist of non-recurring income and expenses in connection with acquisitions, restructuring and other non-recurring income/cost.

Profit/loss from equity investments in subsidiaries
A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses
Financial income and expenses comprise interest income and expenses, exchange gains and losses on transactions denominated in foreign currencies,

amortisation of financial assets and liabilities, including lease commitments as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year
The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The ultimate Danish Parent Company emagine Holding III ApS acts as administrative company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

The tax expense for the year, which comprises the year's current tax charge, joint taxation contributions and changes in the deferred tax charge – including changes arising from changes in tax rates – is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Goodwill and other intangible assets
Goodwill, brand and customer relationship are amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 10-20 years. Brands and customer relationship is amortised on a straight-line basis over the amortisation period, which is 10 years. The amortisation period for goodwill is fixed on the basis of the expected repayment horizon, longest for strategically acquired business enterprises with strong market positions and long-term earnings profiles.

Development projects
Development projects comprise internally developed software. Development costs comprise expenses and salaries directly attributable to development activities. Development projects that are clearly defined and identifiable and where the technical feasibility, sufficient resources and a potential future market or development potential are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is 10 years.

Tangible assets
Leasehold improvements, fixtures and fittings and plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

- Leasehold improvements 2-4 years
- Fixtures and fittings, plant and equipment 5 years

The basis of depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the amortisation charges is recognised prospectively as a change in accounting estimates.

Gains and losses on the disposal of items of property, plant and equipment are calculated as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Leases
The Group and the Company has chosen IFRS 16 as interpretation for classification and recognition of leases.

Right-of-use assets and lease liabilities are recognised in the balance sheet when the right-of-use asset

under a lease entered into regarding a specific identifiable asset is made available to the Group and/or the Parent Company in the lease term, and when the Group and/or the Parent Company obtains the right to almost all economic benefits from the use of the identified asset and the right to control the use of the identified asset.

On initial recognition, lease commitments are measured at the present value of the future lease payments discounted by an incremental borrowing rate. The following lease payments are recognised as part of the lease commitment:

Fixed payments.

Variable payments that change concurrently with changes to an index and an interest rate based on said index or interest rate.

Payments overdue subject to a residual value guarantee.

Payments subject to an extension option that it is highly probable that the Group will exercise.

Penalty related to a termination option unless it is highly probable that the Group will not exercise the option.

The lease commitment is measured at amortised cost according to the effective interest method. The lease commitment is recalculated when the underlying contractual cash flows change due to changes in an index or an interest rate if the Group's estimate of a residual value guarantee changes or if the Group changes its assessment of whether call options, extension options or terminationoptions can reasonably be expected to be exercised.

On initial recognition, the right-of-use asset is measured at cost, corresponding to the value of the lease commitment adjusted for prepaid lease payments plus directly related costs and estimated costs for demolition, repairs or the like and less discounts or other types of incentive payments received from the lessor.

Subsequently, the asset is measured at cost less accumulated depreciation and impairment losses.

The right-of-use asset is depreciated over the shorter of the lease term and the useful life of the right-ofuse asset. Depreciation charges are recognised on a straight-line basis in the income statement.

The right-of-use asset is adjusted for changes to the lease commitment due to changes to the terms of the lease or changes to the cash flows of the lease concurrently with changes to an index or an interest rate.

Right-of-use assets are depreciated on a straight-line basis over the expected lease term, which is:

- Operating equipment 5 years
- Sale and administration properties 4-5 years

The Group and the Parent Company presents the right-of-use asset and the lease commitment separately in the balance sheet.

Equity investments in subsidiaries in the parent company's financial statements
Equity investments in subsidiaries are measured according to the equity method in the parent company financial statements. The Parent Company has chosen to consider the equity method a consolidation method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding the consolidated financial statements above.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies in the consolidated financial statements.

Negative goodwill is recognised in the income statement. Dividend received is deducted from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Other securities and investments
Other securities and investments consisting in shares are measured at cost at the balance sheet date.

Impairment of non-current assets
The carrying amount of intangible assets, property, plant and equipment and equity investments in subsidiaries is tested for impairment when an objective indication of impairment exist. Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. Assets are written down to the lower of the carrying amount and the recoverable amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the net present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables
Receivables are measured at amortised cost.

Receivables are considered sold when the credit risk is transferred to the buyer. Invoices sold as part of a non-recourse factoring agreement are derecognised, as the contractual rights to the underlying cash flows are transferred to the factoring company.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are assessed for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the country of domicile and credit ratings of the debtors in accordance with the Group's credit risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the net present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments
Prepayments recognised under "Current assets" comprise costs incurred concerning subsequent financial years.

Equity
Reserve for net revaluation according to the equity method.

Net revaluation of equity investments in subsidiaries is recognised at cost in the reserve for net revaluation according to the equity method. The reserve can be eliminated in case of losses, realisation of equity investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Reserve for development costs
The reserve for development costs comprises capitalized development costs less amortisation and tax. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Dividend
Dividend proposed for the year is recognised as a liability at the date when it is adopted at the general meeting (declaration date). Dividend expected to be distributed for the year is disclosed as a separate item under equity.

Income tax and deferred tax
Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on prior-year taxable income and tax paid on account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Joint taxation receivable" or "Joint taxation payable".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes or on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting neither the profit/loss for the year nor the taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised at the expected value of their utilisation; 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 and jurisdiction. Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities
Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Deferred income
Deferred income recognised under "Current liabilities" comprise received payments regarding revenue concerning subsequent financial years.

Cash flow statement
The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The Company has chosen to apply the exemption in §86(4) of the Danish Financial Statements Act and has not prepared a separate cash flow statement for the Parent Company.

The cash flow effect of acquisitions and disposals of entities is shown separately in cash flows from investing activities. Cash flows from corporate acquisitions are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Cash flows from operating activities
Cash flows from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital, interest received and paid, including the interest element related to recognised lease commitments and income taxes paid.

Cash flows from investing activities
Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and financial assets.

Cash flows from financing activities
Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt, repayment of lease commitments and payment of dividend to shareholders. Cash flows from assets held under leases are recognised as payment of interest and repayment of debt.

Cash and cash equivalents
Cash and cash equivalents comprise cash and shortterm marketable securities with a term of three months or less which are subject to only minor risks of changes in value.

Segment information
Information is disclosed by activity and geographical market. Segment information follows the Group's accounting policies, risks and internal financial management.

Financial ratios
The financial ratios stated under "Financial highlights" have been calculated as follows:

Organic revenue	=	Revenue not classified as nonorganic revenue
Non-organic revenue	=	Revenue from acquired businesses the first 12 months after acquisition
Organic growth	=	Organic revenue current year x 100 / Revenue last year
EBITDA margin	=	Operating profit (EBITDA) / Revenue
Adjusted EBITDA margin	=	Operating profit (EBITDA) + special items / Revenue
EBITA margin	=	Operating profit (EBITDA) + depreciation / Revenue
Adjusted EBITA	=	Operating profit (EBITDA) + special items + depreciation / Revenue
Solvency ratio	=	Equity / Total assets
Return on equity	=	Profit for the year / Average equity

Notes

2 **Revenue**

Information about the distribution of revenue by activities and geographical markets is provided below The segment information is prepared in accordance with the Company's accounting policies.

Revenue comprises the following activities:

	Group		Parent	
DKK'000	2022	2021	2022	2021
IT consultancy services	4,150,188	2,152,666	1,268,741	1,074,020
Revenue comprises the following geographical markets:				
Denmark	1,268,741	1,074,020	1,268,741	1,074,020
Other countries	2,881,447	1,078,646	-	-
Total	**4,150,188**	**2,152,666**	**1,268,741**	**1,074,020**

3 **Staff costs**

	Group 2022	Group 2021	Parent 2022	Parent 2021
Wages and salaries	187,945	92,925	36,999	43,508
Pensions	10,387	7,277	5,856	5,952
Other social security costs	26,863	7,163	664	693
Other staff costs	9,293	2,895	2,787	926
Total	**234,488**	**110,260**	**46,306**	**51,079**
Average number of employees during the year	453	199	61	73
Remuneration to the Executive Board and Board of Directors	5,283	4,441	5,283	2,182

Total staff costs for the Group amount to DKK 258,539 thousand (2021: DKK 132,735 thousand). Wages and salaries for agency and project staff consultants of DKK 24,051 thousand (2021: DKK 22,475 thousand) is included in cost of sales. Development cost capitalized amounts to DKK thousand (2021: DKK 8,155 thousand)

4 **Fees to auditors appointed at the annual general meeting**

	Group 2022	Group 2021	Parent 2022	Parent 2021
Fee for statutory audit	1,113	945	760	635
Other assurance engagements	81	-	72	-
Fees for tax advisory services	335	55	325	30
Other assistance	3,988	20	3,952	5
Total	**5,517**	**1,020**	**5,109**	**670**

	Group		Parent	
DKK'000	2022	2021	2022	2021
5 **Income from equity investments in group entities**				
Share of net profit/loss in equity investments			119,138	53,262
Goodwill and customer relationship amortisations, net of deferred tax			-33,598	-10,272
Total			**85,540**	**42,990**
6 **Financial income**				
Interest income from group entities	-	-	3,306	2,105
Other interest income	61	285	1	284
Foreign exchange income	-	1,890	-	2,090
Total	**61**	**2,175**	**3,307**	**4,479**
7 **Financial expenses**				
Interest expenses from group entities	6,408	354	6,627	833
Interest expenses regarding leasing	2,074	1,328	218	106
Other interest expenses	13,281	2,777	12,073	1,430
Foreign exchange losses	5,752	-	5,140	377
Other financial expenses	2,810	1,229	2,092	943
Total	**30,325**	**5,688**	**26,150**	**3,689**
8 **Tax for the year**				
Current tax for the year	47,889	24,897	11,628	9,875
Deferred tax adjustment for the year	-1,673	-1,744	3,100	-
Adjustments to tax in prior years	-1,873	-	-1,873	-
Total	**44,343**	**23,153**	**12,855**	**9,875**
9 **Distribution of net profit**				
Capitalized development costs	-	-	8,337	6,048
Retained earnings	82,999	69,813	74,662	63,765
Total	**82,999**	**69,813**	**82,999**	**69,813**

Notes

10 **Intangible assets**	Group					
DKK'000	**Acquired rights**	**Development projects**	**Goodwill**	**Customer Relationship**	**Brand**	**Total**
Cost at 1 January 2022	28,847	26,023	354,783	171,875	71,255	652,783
Exchange rate adjustments	-965	-	-1,938	-442	-	-3,345
Additions on acquisition of subsidiary	-	-	-	5,000	-	5,000
Additions from mergers of holding companies	-	15,448	300,219	116,703	-	432,370
Additions during year	9,366	13,588	177,082	85,149	-	285,185
Disposals during year	-16,583	-	-	-	-	-16,583
Cost at 31 December 2022	**20,665**	**55,059**	**830,146**	**378,285**	**71,255**	**1,355,410**
Amortisation and impairment losses at 1 January 2022	-15,374	-3,148	-55,806	-8,286	-594	-83,208
Exchange rate adjustments	746	-	57	18	-	821
Amortisation and impairment losses during year	-3,055	-4,445	-37,416	-30,816	-7,128	-82,860
Amortisation and impairment losses from mergers	-	-5,153	-44,011	-38,933	-	-88,097
Disposals during the year	11,673	-	-	-	-	11,673
Amortisation and impairment losses at 31 december 2022	-6,010	-12,746	-137,176	-78,017	-7,722	-241,671
Carrying amount at 31 December 2022	**14,655**	**42,313**	**692,970**	**300,268**	**63,533**	**1,113,739**

	Parent				
DKK'000	**Acquired rights**	**Development projects**	**Goodwill**	**Customer relationships**	**Total**
Cost at 1 January 2022	4,573	26,023	57,547	-	88,143
Additions during year	3,172	13,588	-	-	16,760
Additions from mergers of holding companies	-	15,448	300,219	116,703	432,370
Cost at 31 December 2022	**7,745**	**55,059**	**357,766**	**116,703**	**537,273**
Amortisation and impairment losses at 1 January 2022	-4,435	-3,147	-37,020	-	-44,602
Amortisation and impairment losses during year	-255	-4,445	-21,143	-11,670	-37,513
Amortisation and impairment losses during from mergers	-	-5,155	-44,010	-38,934	-88,099
Amortisation and impairment losses at 31 december 2022	-4,690	-12,746	-102,173	-50,604	-170,213
Carrying amount at 31 December 2022	**3,055**	**42,313**	**255,593**	**66,099**	**367,060**

Notes

11 **Tangible assets**	Group			
DKK'000	**Leasehold improvements**	**Other tangibles**	**Right of use**	**Total**
Cost at 1 January 2022	1,364	25,552	87,806	114,722
Exchange rate adjustments	-24	-974	-871	-1,869
Additions on acquisition of subsidiary	2,424	2,241	-	4,665
Additions during year	5,042	8,071	39,700	52,813
Remeasurement during year	-	-	925	925
Disposals during year	-462	-7,745	-	-8,207
Cost at 31 December 2022	**8,344**	**27,145**	**127,560**	**163,049**
Depreciations at 1 January 2022	-184	-20,247	-34,478	-54,909
Exchange rate adjustments	2	922	308	1,232
Depre. on acquisition of subsidiary	-2,122	-1,305	-	-3,427
Depreciations during year	-514	-4,606	-23,442	-28,562
Disposals during year	277	6,756	-	7,033
Depreciations at 31 December 2022	-2,541	-18,480	-57,612	-78,633
Carrying amount at 31 December 2022	**5,803**	**8,665**	**69,948**	**84,416**

	Parent			
DKK'000	**Leasehold improvements**	**Other tangibles**	**Right of use**	**Total**
Cost at 1 January 2022	257	5,309	8,766	14,332
Additions during year	3,309	1,479	14,107	18,895
Remeasurement during year	-	-	342	342
Disposals during year	-257	-1,738	-	-1,995
Cost at 31 December 2022	**3,309**	**5,050**	**23,215**	**31,574**
Depreciations at 1 January 2022	-38	-3,937	-6,031	-10,006
Depreciations during year	-270	-1,408	-3,611	-5,289
Disposals during year	80	1,738	-	1,818
Depreciations at 31 December 2022	-228	-3,607	-9,642	-13,477
Carrying amount at 31 December 2022	**3,081**	**1,443**	**13,573**	**18,097**

Notes

12 **Equity investments in subsidiaries**	Parent	
	2022	2021
DKK'000		
Cost at 1 january	564,762	160,774
Additions	284,887	403,988
Cost at 31 december	**849,649**	**564,762**
Value adjustments at 1 january	58,973	6,224
Exchange rate adjustments	-5,740	-495
Profit/loss for the year	132,547	53,262
Other movements	-30,782	-
Value adjustments at 31 december	**154,998**	**58,973**
Depreciation and impairment losses at 1 January	-24,595	-14,322
Amortisation of goodwill, brands and Customer Relationship, net of deferred tax	-33,580	-10,273
Depreciation and impairment losses at 31 December	**-58,175**	**-24,595**
Set-off against receivables from group entities	-	4,782
Carrying amount at 31 December	**946,472**	**603,940**
Hereof goodwill, Customer Relationship and Brand	646,487	420,374

Name and registered office	Voting rights and ownership	
	2022	2021
ProData Consult International AB, Sweden	100%	100%
emagine GmbH, Germany	100%	100%
emagine Sp. Z.o.o., Poland	100%	100%
emagine Consulting B.V., The Netherlands	100%	100%
emagine Consulting AB, Sweden	100%	100%
emagine AS, Norway	100%	100%
emagine Group SAS, France	100%	100%
emagine Consulting Limited, UK	100%	100%
emagine Infotech Ireland Limited, Ireland	100%	100%
emagine Flexwork GmbH, Germany	100%	100%
emagine Consulting SARL, France	100%	100%
otherwise Portage SARL Portage SARL France	100%	100%
emagine Infotech Software Pvt Ltd, India	100%	100%
AspiraCon Limited, Ireland	100%	-
Aspira B.V., The Netherlands	100%	-
Peak Consulting Group A/S, Denmark	100%	-
Peak Consulting Group AS, Norway	100%	-

Notes

13 Other financial assets (deposits)	Group	
	2022	2021
DKK'000		
Cost at 1 January	2,640	1,098
Exchange rate adjustments	-12	8
Additions on acquisition of subsidiary	1,597	1,608
Additions during year	88	244
Disposals during year	-941	-318
Cost at 31 December	**3,372**	**2,640**

	Parent	
	2022	2021
DKK'000		
Cost at 1 January	930	743
Additions during year	30	243
Disposals during year	-742	-56
Cost at 31 December	**218**	**930**

	Group		Parent	
DKK'000	2022	2021	2022	2021
14 **Prepayments**				
Insurance premiums	765	221	226	-
Other	3,441	228	1,205	495
Total	**4,206**	**449**	**1,431**	**495**

15 **Share capital**

The share capital comprises: 53,993,197 shares of DKK 0.01 each.

	Group		Parent	
DKK'000	2022	2021	2022	2021
16 **Deferred tax**				
Deferred tax at 1 January	-52,601	-10,077	-3,560	-3,560
Acquisition of subsidiary	-18,071	-44,268	-	-
Merger with holding companies	-17,258	-	-17,258	-
Deferred tax recognised in the income statement	1,673	1,744	-3,100	-
Deferred tax at 31 December	**-86,257**	**-52,601**	**-23,918**	**-3,560**
Deferred tax is recognised in the balance sheet as follows:				
Deferred tax asset	5,010	2,598	1,572	-
Deferred tax liability	-91,267	-55,199	-25,490	-3,560
Deferred tax at 31 December	**-86,257**	**-52,601**	**-23,918**	**-3,560**

Deferred tax assets primarily relate to temporary differences. Management considers it likely that there will be future taxable income which tax deductions can be offset.

	Group		Parent	
DKK'000	2022	2021	2022	2021
17 **Interest-bearing loans and borrowings**				
Non-current	278,215	37,260	238,824	1,000
Current	25,827	17,319	6,909	1,304
Interest-bearing loans and borrowings at 31 December	**304,042**	**54,579**	**245,733**	**2,304**
Interest-bearing loans and borrowings are expected to mature within:				
0-1 years	25,827	17,319	6,909	1,304
1-5 years	49,770	37,260	10,379	1,000
> 5 years	228,445	-	228,445	-
	304,042	**54,579**	**245,733**	**2,304**

Notes

18 **Contingent liabilities**

Pledges and guarantee commitments

The shares in emagine Consulting A/S as well as certain subsidiaries in Poland, Sweden and emagine Group have been pledged as security for the senior facility agreement entered into by the parent company emagine Holding ApS. Further, a floating charge of DKK 25 million in the assets of emagine Consulting A/S, and EUR 20 thousand in the assets of the subsidiary in the Netherlands has been provided. The Polish subsidiary has provided payment guarantees for a total of PLN 0.25 million and EUR 1,1 million. The emagine companies in Denmark, Norway, Sweden and Poland are part of a cash pool agreement with a credit limit of DKK 75 million. The emagine companies in Denmark, Sweden, Poland and emagine Group have made a guarantee on a jointly basis towards the credit institution. emagine Holding ApS and emagine Consulting A/S and its subsidiaries jointly guarantee as obligor for any amounts due under the senior facility agreement.

Other contingent liabilities

The Company is taxed jointly with the other Danish companies in the Group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income.

19 **Related parties**

emagine Holding ApS, Copenhagen holds 100% of the share capital in the entity.

Related party transactions include:

Remuneration for Management is specified in note 3 "Staff costs". Payables to parent companies and payables to owners of capital are disclosed in the balance sheet, interest income and expenses are disclosed in note 7 and 6. The parent company applies an exemption provision in section 98c (1) of the Danish Financial. Statements Act. 3, concerning transactions with related parties, that have been made with wholly owned subsidiaries.

The company is included in the group report for the group parent company emagine Holding III ApS, Denmark.

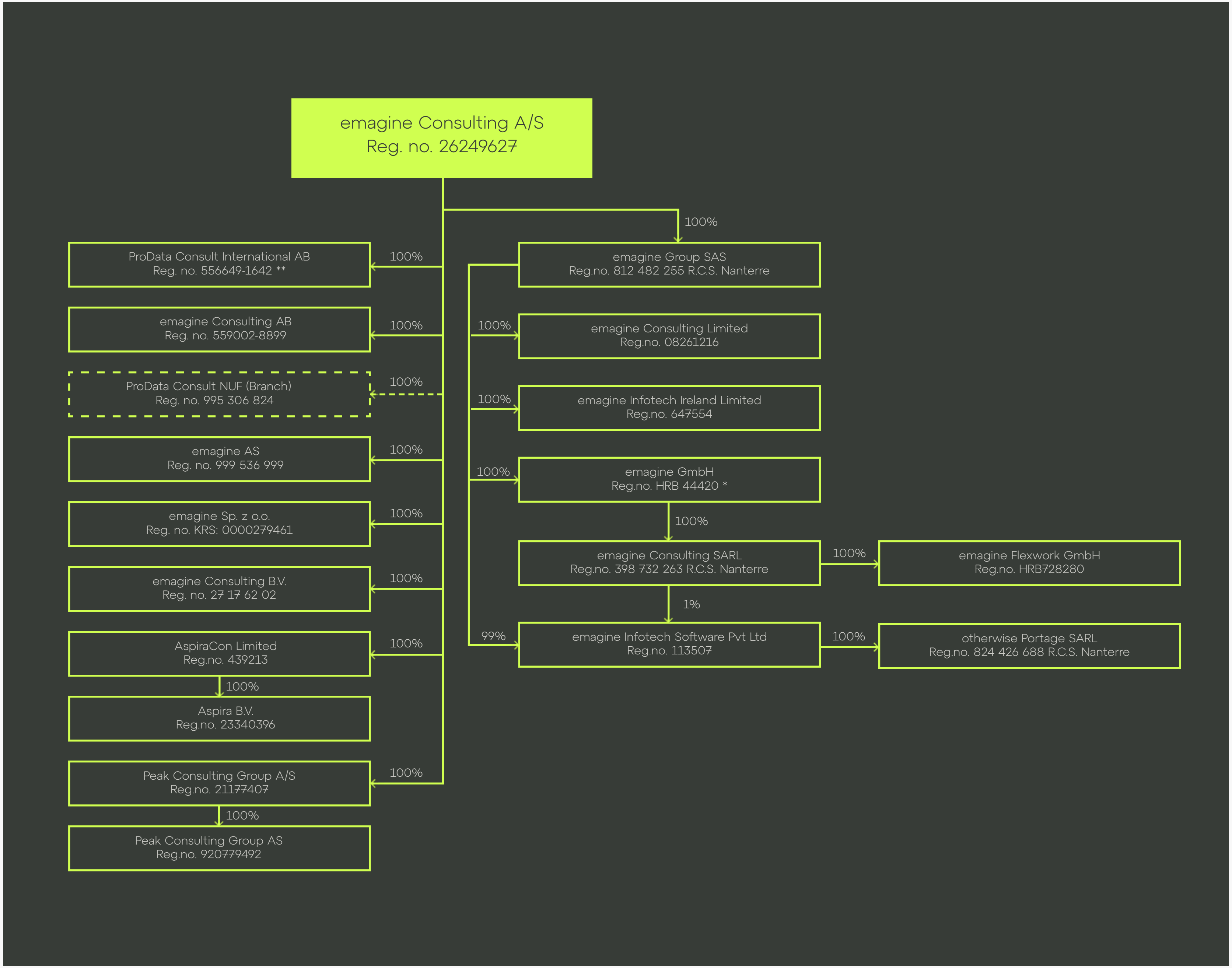
		Group	
	DKK'000	2022	2021
20	**Adjustments for the cash flow statement**		
	Depreciation, amortisation, impairment losses and write-downs	116,721	37,971
	Financial income	-61	-2,175
	Financial expenses	30,325	5,688
	Tax on profit or loss for the year	44,343	23,153
	Other adjustments	-6,043	5
	Total	**185,285**	**64,642**

		Group		Parent	
	DKK'000	2022	2021	2022	2021
21	**Special items**				
	Other income relating to adjustment of earn-out	27,303	-	27,303	-
	Cost related to restuctering and merge of business areas	-4,025	-2,446	-1,649	-2,357
	Cost related to M&A	-32,403	-18,436	-19,049	-17,590
	Cost related to non-recurring severance pay	-3,378	-1,655	-2,647	-88
	Cost related to new structure / ownership	-	-2,613	-	-2,613
	Write-down of debtors due to bankruptcy	-2,122	-1,094	-485	-1,095
	Total	**-14,625**	**-26,244**	**3,473**	**-23,743**
	Special items are recognised in the below line items				
	Other income	27,303	-	27,303	-
	Other external expenses	-38,359	-23,630	-20,990	-22,696
	Staff costs	-3,569	-2,614	-2,840	-1,047
	Total	**-14,625**	**-26,244**	**3,473**	**-23,743**

22 **Subsequent events**

No events significantly impacting the Company's and the Group's financial statements have occurred subsequent to the financial year-end.

Structure chart of emagine group



Independent auditor's report

To the shareholders of emagine Consulting A/S

Opinion
We have audited the consolidated financial statements and the parent financial statements of emagine Consulting 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, 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 31.12.2022 and of the results of their operations and the consolidated cash flows 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 wit 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, 14 April 2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bill Haudal Pedersen

State Authorised Public Accountant
Identification No (MNE) mne30131

Brian Schmit Jensen

State Authorised Public Accountant
Identification No (MNE) mne40050

*2022 has been a tremendous year, and our ambitions are clear. We want to become a **leading European player** within our segment.*

Statement by Management

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

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

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

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

Copenhagen, 14 April 2023

Executive Board:

Anders Gratte

Board of Directors:

Marika Fredriksson, Chairman

Christian Bamberger Bro, Vice Chairman

Christoffer Arthur Müller

Petra Jenner

Søren Rode

Annual report 2022

Name	emagine Consulting A/S
Address	Sydhavnsgade 16, 2nd floor, DK-2450 Copenhagen Denmark
Business registration number	26 24 96 27
Established	21 September 2001
Registered office	Copenhagen SV
Financial year	1 January – 31 December
Website	www.emagine.org
Board of Directors	Marika Fredriksson Christian Bamberger Bro Christoffer Arthur Müller Petra Jenner Søren Rode
Executive Board	Anders Gratte