
GSG Group Danmark A/S

Vojensvej 11, st. tv., DK-2610 Rødovre

Annual Report for 2021

CVR No. 27 04 75 99

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 20/6 2022

Morten Berntsen
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of GSGroup Danmark A/S for the financial year 1 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Rødovre, 20 June 2022

Executive Board

Espen Ranvik
Manager

Board of Directors

Morten Berntsen
Chairman

Espen Ranvik

Independent Auditor's report

To the shareholders of GSGroup Danmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of GSGroup Danmark A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

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

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

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

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

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

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

Esbjerg, 20 June 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jannick Kjersgaard

State Authorised Public Accountant

mne29440

Company information

The Company	GSGroup Danmark A/S Vojensvej 11, st. tv. DK-2610 Rødovre CVR No: 27 04 75 99 Financial period: 1 January - 31 December Incorporated: 26 February 2003 Financial year: 19th financial year Municipality of reg. office: Hvidovre
Board of Directors	Morten Berntsen, Chairman Espen Ranvik
Executive board	Espen Ranvik
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Esbjerg Brygge 28, 2. 6700 Esbjerg

Management's review

Key activities

The company's purpose is development, sales etc. of software solutions and related business.

Development in the year

The income statement of the Company for 2021 shows a profit of DKK 6,443,360, and at 31 December 2021 the balance sheet of the Company shows positive equity of DKK 12,431,442.

Management consider the financial results for 2021 satisfactory.

Management expects a positive result for 2022.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Gross profit	1	13,049,983	12,187,773
Staff expenses	2	-7,392,132	-6,911,126
Depreciation and impairment losses of property, plant and equipment	3	-69,436	-60,923
Profit/loss before financial income and expenses		5,588,415	5,215,724
Financial income	4	42,501	286,125
Financial expenses	5	-131,661	-264,789
Profit/loss before tax		5,499,255	5,237,060
Tax on profit/loss for the year	6	944,105	0
Net profit/loss for the year		6,443,360	5,237,060

Distribution of profit

	2021 DKK	2020 DKK
Proposed distribution of profit		
Retained earnings	6,443,360	5,237,060
	6,443,360	5,237,060

Balance sheet 31 December

Assets

	Note	2021 DKK	2020 DKK
Other fixtures and fittings, tools and equipment		71,735	139,546
Property, plant and equipment		71,735	139,546
Deposits		222,861	149,154
Fixed asset investments		222,861	149,154
Fixed assets		294,596	288,700
Finished goods and goods for resale		232,860	266,772
Inventories		232,860	266,772
Trade receivables		2,776,601	6,807,343
Receivables from group enterprises		11,733,389	11,249,825
Deferred tax asset	7	2,544,105	1,600,000
Prepayments		104,431	62,515
Receivables		17,158,526	19,719,683
Cash at bank and in hand		6,411	0
Current assets		17,397,797	19,986,455
Assets		17,692,393	20,275,155

Balance sheet 31 December

Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		500,000	500,000
Retained earnings		11,931,442	5,488,081
Equity		12,431,442	5,988,081
Other payables		701,495	769,793
Long-term debt	8	701,495	769,793
Trade payables		268,961	167,425
Payables to group enterprises		18,593	408,660
Other payables	8	1,056,304	4,983,280
Deferred income		3,215,598	7,957,916
Short-term debt		4,559,456	13,517,281
Debt		5,260,951	14,287,074
Liabilities and equity		17,692,393	20,275,155
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Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	500,000	5,488,082	5,988,082
Net profit/loss for the year	0	6,443,360	6,443,360
Equity at 31 December	500,000	11,931,442	12,431,442

Notes to the Financial Statements

	2021	2020
	DKK	DKK
1. Special items		
Other operating income consists of government grants related to COVID-19 and is included in gross profit	0	585,326
	<u>0</u>	<u>585,326</u>

	2021	2020
	DKK	DKK
2. Staff Expenses		
Wages and salaries	6,716,930	6,267,562
Pensions	555,827	508,852
Other social security expenses	110,103	134,712
Other staff expenses	9,272	0
	<u>7,392,132</u>	<u>6,911,126</u>
Average number of employees	<u>12</u>	<u>11</u>

	2021	2020
	DKK	DKK
3. Depreciation and impairment losses of property, plant and equipment		
Depreciation of property, plant and equipment	74,706	60,923
Gain and loss on disposal	-5,270	0
	<u>69,436</u>	<u>60,923</u>

	2021	2020
	DKK	DKK
4. Financial income		
Other financial income	0	15
Exchange gains	42,501	286,110
	<u>42,501</u>	<u>286,125</u>

Notes to the Financial Statements

	2021	2020
	DKK	DKK
5. Financial expenses		
Other financial expenses	67,918	47,058
Exchange loss	63,743	217,731
	<u>131,661</u>	<u>264,789</u>

	2021	2020
	DKK	DKK
6. Income tax expense		
Deferred tax for the year	-944,105	0
	<u>-944,105</u>	<u>0</u>

	2021	2020
	DKK	DKK
7. Deferred tax asset		
Deferred tax asset at 1 January	1,600,000	1,600,000
Amounts recognised in the income statement for the year	944,105	0
Deferred tax asset at 31 December	<u>2,544,105</u>	<u>1,600,000</u>

The recognised tax asset comprises tax loss carry-forwards expected to be utilised within the next two to three years.

8. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2021	2020
	DKK	DKK
Other payables		
After 5 years	0	0
Between 1 and 5 years	701,495	769,793
Long-term part	701,495	769,793
Within 1 year	0	0
Other short-term payables	1,056,304	4,983,280
	<u>1,757,799</u>	<u>5,753,073</u>

Notes to the Financial Statements

	2021	2020
	DKK	DKK

9. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	102,381	36,864
Between 1 and 5 years	31,800	0
	<u>134,181</u>	<u>36,864</u>

Rent obligations, non terminability	122,400	163,200
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Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of GSGroup Esbjerg ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

10. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
GSGroup AS	Norway

The group report of GSGroup AS can be obtained at the following address:

Nordre Kullerød 5B, 3241 Sandefjord

Notes to the Financial Statements

11. Accounting policies

The Annual Report of GSGroup Danmark A/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Net sales

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Notes to the Financial Statements

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant and equipment.

Government grants

Government grants, such as economic stimulus packages, are recognised when it is reasonably certain that the Company complies with the conditions for receiving the grant, and it is reasonably certain that the Company will receive the grant. The grant is systematically recognised in the income statement over the period to which it relates, or immediately if the grant is not conditional upon incurrence of future costs or investments. Government grants are recognised as other operating income, or in the balance sheet if the purpose of the grant is investment in an asset.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Flextrack ApS and GSGroup DK ApS. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Property, plant and equipment

Plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Notes to the Financial Statements

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

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

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

Other fixed asset investments

Fixed asset investments consist of rent deposits.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Notes to the Financial Statements

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.