Grant Thornton

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GP Strategies Nordic A/S

Lersø Parkallé 107, 2100 København Ø

Company reg. no. 27 13 21 54

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 16 September 2020.

Alex Jeremic
Chairman of the meeting

Contents

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of GP Strategies Nordic A/S for the financial year 1 January - 31 December 2019 of GP Strategies Nordic A/S.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities in the financial year 1 January – 31 December 2019.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Copenhagen, 16 September 2020

Managing Director

DocuSigned by:
Mikkel Krogsdal-Wogensen
BEA5EC8E21E94ED...
Mikkel Blumensaat Krogsdal-Wogensen

Board of directors

DocuSigned by:	DocuSigned by:	DocuSigned by:
1D776DF240C2427...	E9CEC47CB5D34B5...	CEEED8EEDB9545B...
Scott Neil Greenberg	Kenneth Lee Crawfold	Adam Henry Stedham

Independent auditor's report

To the shareholders of GP Strategies Nordic A/S

Opinion

We have audited the financial statements of GP Strategies Nordic A/S for the financial year 1 January - 31 December 2019, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the results of the company's activities for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 16 September 2020

Grant Thornton
State Authorised Public Accountants
Company reg. no. 34 20 99 36

Brian Rasmussen
State Authorised Public Accountant
mne30153

Kasper Sone Randrup
State Authorised Public Accountant
mne36175

Company information

The company	GP Strategies Nordic A/S Lersø Parkallé 107 2100 København Ø	
	Company reg. no.	27 13 21 54
	Established:	23 April 2003
	Domicile:	Copenhagen
	Financial year:	1 January 2019 - 31 December 2019
Board of directors	Scott Neil Greenberg Kenneth Lee Crawfold Adam Henry Stedham	
Managing Director	Mikkel Blumensaat Krogsdal-Wogensen	
Auditors	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø	
Parent company	GP Strategies Denmark ApS	

Financial highlights

DKK in thousands.	2019	2018	2017	2016	2015
Income statement:					
Gross profit	32.505	45.297	39.930	35.356	39.152
Profit from ordinary operating activities	1.688	16.189	11.564	9.129	13.094
Net financials	1.867	-143	-900	-540	-142
Net profit or loss for the year	2.772	12.516	8.319	6.560	10.016
Statement of financial position:					
Balance sheet total	72.934	94.954	68.032	51.945	32.528
Investments in property, plant and equipment	596	428	344	91	75
Equity	6.658	38.885	26.369	18.050	11.490
Employees:					
Average number of full-time employees	32	31	31	30	37
Key figures in %:					
Acid test ratio	119,6	203,6	190,6	173,3	190,5
Solvency ratio	9,1	41,0	38,8	34,7	35,3
Return on equity	12,2	38,4	37,5	44,4	-

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Acid test ratio

$$\frac{\text{Current assets x 100}}{\text{Short term liabilities other than provisions}}$$

Solvency ratio

$$\frac{\text{Equity, closing balance x 100}}{\text{Total assets, closing balance}}$$

Return on equity

$$\frac{\text{Net profit or loss for the year x 100}}{\text{Average equity}}$$

Management commentary

The principal activities of the company

GP Strategies Nordic A/S is a provider of human capital management solutions, including sales and support of the full SAP SuccessFactors Business Execution (BizX) Platform, eLearning and blended learning solutions.

Uncertainties about recognition or measurement

Revenue and cost recognition on client contracts requires estimation. If our initial estimates are incorrect, or if unanticipated circumstances arise, we could experience cost overruns, which would result in reduced profits or losses on contracts.

Development in activities and financial matters

The gross profit for the year totals DKK 32.505.000 against DKK 45.297.000 last year. Income from ordinary activities after tax totals DKK 2.772.000 against DKK 12.516.000 last year. Management considers the net profit for the year satisfactory.

In 2019, the company's cash and cash equivalents decreased by DKK 3.926.000, i.e. from DKK 5.206.000 to DKK 1.280.000.

Special risks

The main risk for our business is related to the uncertainty of the general market related to Covid. In addition the company faces the risk of competitive pressure but has built a solid reputation based on providing excellent levels of service. The directors seek to manage this risk by continually improving all areas of its offering and working closely with customers and suppliers to build strong, mutually beneficial trading relationships. Finally the company is exposed to foreign currency risk as it transacts across borders.

Know how resources

Our services are 100% based on services delivered by our employees to our customers, it is key for our business results to keep and extend our talent for future growth.

Expected developments

Despite the Covid-19 situation, the Company expects to be able to grow revenue and profit modestly in 2020 compared with 2019.

Accounting policies

The annual report for GP Strategies Nordic A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

In 2018, the annual report was presented in accordance with the Danish Financial Statements Act on B-class companies. Changes from the Danish Financial Statements Act's provisions on B-class company to a middle-size C-class company, according to the provisions did not affect recognizing and measuring. The annual accounts are presented in Danish kroner (DKK).

Pursuant to section 86 (4) of the Danish Financial Statements Act, no statement of cash flows for the enterprise has been prepared, as the relevant information is included in the consolidated financial statements of GP Strategies Corporation.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of transaction. Exchange rate differences arising between the rate at the date of transaction and the rate at the date of payment are recognised in the income statement as an item under net financials.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Accounting policies

Fixed assets and other nonmonetary assets acquired in foreign currency and not considered to be investment assets are measured using the exchange rate at the transaction date.

Income statement

Gross profit
Gross profit comprises the revenue, work in progress, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Contract work in progress concerning construction contracts is recognised in the revenue concurrently with the production process. Thus, the revenue corresponds to the selling price of the total yearly production (the production method). The revenue is recognised when the total income and costs of the contract and the stage of completion on the reporting date can be reliably validated and it is deemed probable that the financial benefits will flow to the company.

When the results of a contract cannot be reliably validated, the revenue is recognised solely on a cost basis to the extent that it seems probable that the costs will be recovered.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs
Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment
Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses
Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Accounting policies

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Goodwill

Goodwill is amortised over the estimated useful life, which is determined on the basis of management's experience in the individual business areas. Goodwill is amortised on a straightline basis over the amortisation period, which is set at between 5 and 25 years. The amortisation period is determined on the basis of an expected pay-back period, being the longer for strategical acquirees with a strong market position and an expected longterm earnings profile.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately when the useful lives of each individual components differ.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Accounting policies

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation, respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow derived from the use of the asset or group of assets.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed less invoicing on account and expected losses.

The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual contracts. The stage of completion is calculated as the share of costs incurred proportional to the estimated total costs of the individual contract.

Accounting policies

When the selling price of a contract cannot be reliably determined, it is measured solely as costs incurred, or at the net realisable value, if this is lower.

Contracts are recognised as trade receivables if the selling price of the work performed exceeds the invoicing on account and expected losses. Contracts are recognised as liabilities if the invoicing on account and expected losses exceed the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity. Proposed dividend is recognised as a liability at the time of approval by the annual general meeting (time of declaration).

Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, GP Strategies Nordic A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

Accounting policies

Liabilities other than provisions

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2019	2018
	Gross profit	**32.505.403**	**45.296.891**
1	Staff costs	-30.271.877	-28.837.939
	Depreciation, amortisation, and impairment	-545.356	-270.280
	Operating profit	**1.688.170**	**16.188.672**
	Other financial income from group enterprises	2.399.281	1.027.512
	Other financial costs	-532.233	-1.170.942
	Pre-tax net profit or loss	**3.555.218**	**16.045.242**
2	Tax on net profit or loss for the year	-782.829	-3.528.760
3	**Net profit or loss for the year**	**2.772.389**	**12.516.482**

Statement of financial position at 31 December

All amounts in DKK.

Note	Assets	2019	2018
	Non-current assets		
4	Goodwill	74.075	148.149
	Total intangible assets	74.075	148.149
5	Other fixtures and fittings, tools and equipment	689.675	564.564
	Total property, plant, and equipment	689.675	564.564
	Total non-current assets	**763.750**	**712.713**
	Current assets		
	Trade receivables	23.827.343	20.185.158
6	Contract work in progress	30.925.825	24.419.939
	Receivables from group enterprises	15.457.644	42.675.678
7	Prepayments and accrued income	679.725	1.753.977
	Total receivables	70.890.537	89.034.752
	Cash on hand and demand deposits	1.280.025	5.206.430
	Total current assets	**72.170.562**	**94.241.182**
	Total assets	**72.934.312**	**94.953.895**

Statement of financial position at 31 December

All amounts in DKK.

Note	Equity and liabilities	2019	2018
	Equity		
8	Contributed capital	1.300.000	1.300.000
9	Retained earnings	5.357.643	2.585.254
10	Proposed dividend for the financial year	0	35.000.000
	Total equity	**6.657.643**	**38.885.254**
	Provisions		
11	Provisions for deferred tax	5.939.855	9.790.688
	Total provisions	**5.939.855**	**9.790.688**
	Liabilities other than provisions		
6	Prepayments received from customers for contract work in progress	2.751.652	7.816.339
	Trade payables	2.511.963	1.309.886
	Payables to group enterprises	44.496.595	29.627.205
	Income tax payable	4.633.663	0
	Other payables	5.942.941	7.524.523
	Total short term liabilities other than provisions	60.336.814	46.277.953
	Total liabilities other than provisions	**60.336.814**	**46.277.953**
	Total equity and liabilities	**72.934.312**	**94.953.895**

12 Contingencies

13 Related parties

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2018	1.300.000	25.068.772	0	26.368.772
Retained earnings for the year	0	-22.483.518	35.000.000	12.516.482
Equity 1 January 2019	1.300.000	2.585.254	35.000.000	38.885.254
Distributed dividend	0	0	-35.000.000	-35.000.000
Retained earnings for the year	0	2.772.389	0	2.772.389
	1.300.000	**5.357.643**	**0**	**6.657.643**

Notes

All amounts in DKK.

		2019	2018
1.	**Staff costs**		
	Salaries and wages	28.140.215	26.179.781
	Pension costs	2.055.989	1.987.252
	Other costs for social security	75.673	71.728
	Other staff costs	0	599.178
		30.271.877	**28.837.939**
	Average number of employees	32	31

The Board of Directors receive no remuneration, and there is only one director, information is omitted, cf. ÅRL §98 b.3.

		2019	2018
2.	**Tax on net profit or loss for the year**		
	Tax on net profit or loss for the year	4.633.662	0
	Adjustment of deferred tax for the year	-3.850.833	3.528.760
		782.829	**3.528.760**
3.	**Proposed appropriation of net profit**		
	Dividend for the financial year	0	35.000.000
	Transferred to retained earnings	2.772.389	0
	Allocated from retained earnings	0	-22.483.518
	Total allocations and transfers	**2.772.389**	**12.516.482**
4.	**Goodwill**		
	Cost 1 January 2019	1.000.000	1.000.000
	Cost 31 December 2019	**1.000.000**	**1.000.000**
	Amortisation and writedown 1 January 2019	-851.851	-777.777
	Amortisation and depreciation for the year	-74.074	-74.074
	Amortisation and writedown 31 December 2019	**-925.925**	**-851.851**
	Carrying amount, 31 December 2019	**74.075**	**148.149**

Notes

All amounts in DKK.

		31/12 2019	31/12 2018
5.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January 2019	1.580.536	1.152.864
	Additions during the year	596.393	427.672
	Cost 31 December 2019	**2.176.929**	**1.580.536**
	Depreciation and writedown 1 January 2019	-1.015.972	-820.612
	Amortisation and depreciation for the year	-471.282	-195.360
	Depreciation and writedown 31 December 2019	**-1.487.254**	**-1.015.972**
	Carrying amount, 31 December 2019	**689.675**	**564.564**
6.	**Contract work in progress**		
	Selling price of the production for the period	71.094.488	78.374.758
	Payments received on account	-42.920.315	-61.771.158
	Contract work in progress, net	**28.174.173**	**16.603.600**
	The following is recognised:		
	Contract work in progress (current assets)	30.925.825	24.419.939
	Contract work in progress (prepayments received on account)	-2.751.652	-7.816.339
		28.174.173	**16.603.600**

7. Prepayments and accrued income

Accrued income and deferred expenses consists of prepaid expenses.

8.	**Contributed capital**		
	Contributed capital 1 January 2019	1.300.000	1.300.000
		1.300.000	**1.300.000**

Notes

All amounts in DKK.

		31/12 2019	31/12 2018
9.	**Retained earnings**		
	Retained earnings 1 January 2019	2.585.254	25.068.772
	Retained earnings for the year	2.772.389	-22.483.518
		5.357.643	**2.585.254**
10.	**Proposed dividend for the financial year**		
	Dividend 1 January 2019	35.000.000	0
	Distributed dividend	-35.000.000	0
	Dividend for the financial year	0	35.000.000
		0	**35.000.000**
11.	**Provisions for deferred tax**		
	Provisions for deferred tax 1 January 2019	9.790.688	6.261.928
	Deferred tax relating to the net profit or loss for the year	-3.850.833	3.528.760
		5.939.855	**9.790.688**

Provisions for deferred tax relate to intangible fixed assets, tangible fixed assets, work in progress and prepaid expenses.

12. Contingencies

Contingent liabilities

	DKK in thousands
Lease liabilities	1.401
Total contingent liabilities	**1.401**

Joint taxation

With GP Strategies Denmark ApS, company reg. no 34704112 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Notes

All amounts in DKK.

12. Contingencies (continued)

Joint taxation (continued)

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

13. Related parties

Controlling interest

GP Strategies Corporation, 70 Corporate Center, 11000 Broken Land Parkway, Sui Columbia, MD 21044 United States	Majority shareholder
General Physics (UK) Ltd., 21 Holborn Viaduct London, EC1A 2DY United Kingdom	Majority shareholder
GP Strategies Holdings Ltd., 3rd Floor, 1 Ashley Road Altrincham, Cheshire, WA14 2DT United Kingdom	Majority shareholder
GP Strategies Denmark ApS, Marielundvej 43B, 2 th., 2730 Herlev, Danmark	Majority shareholder

Transactions

All transactions are made on market terms.

Consolidated financial statements

The ultimate parent company is GP Strategies Corporation, in which GP Strategies Nordic is included in the consolidated annual accounts. The consolidated annual accounts for GP Strategies Corporation, can be obtained on https://www.gpstrategies.com/wp-content/uploads/2020/03/GPX-2019.12.31-10K-FINAL-without-Exhibits.pdf.