

Planday A/S
Kuglegårdsvej 7
1434 København K
Central Business Registration
No 27666248

Annual report 2019

The Annual General Meeting adopted the annual report on 08.07.2020

Chairman of the General Meeting

Name: Stephen Lucas

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Entity details

Entity

Planday A/S
Kuglegårdsvej 7
1434 København K

Central Business Registration No (CVR): 27666248
Registered in: København
Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Johan Brenner, chairman
Christian Brøndum
Anders Kynde Frederiksen
Guillaume-Alexandre Durao
Dr. Patrick Flesner
Victor Carl Simon Lang

Executive Board

Christian Brøndum, CEO
Anders Kynde Frederiksen, CCDO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 København S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Planday A/S for the financial year 01.01.2019 - 31.12.2019.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations and cash flows for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 08.07.2020

Executive Board

Christian Brøndum
CEO

Anders Kynde Frederiksen
CCDO

Board of Directors

Johan Brenner
chairman

Christian Brøndum

Anders Kynde Frederiksen

Guillaume-Alexandre Durao

Dr. Patrick Flesner

Victor Carl Simon Lang

Independent auditor's report

To the shareholders of Planday A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Planday A/S for the financial year 01.01.2019 - 31.12.2019, 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 31.12.2019, and of the results of their operations and the consolidated cash flows for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

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 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 of Accountants' Code of Ethics for Professional Accountants (IESBA Code) 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.

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 Parent'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 Group or 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

Independent auditor's report

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 these 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 Parent'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 Parent'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.

Independent auditor's report

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, 08.07.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Bjørn Winkler Jakobsen
State Authorised Public Accountant
Identification No (MNE) mne32127

Nikolaj Frausing Borch
State Authorised Public Accountant
Identification No (MNE) mne44062

Management commentary

	2019 DKK'000	2018 DKK'000	2017 DKK'000	2016 DKK'000
Financial highlights				
Key figures				
Gross profit	61.550	38.202	29.377	20.457
Operating profit/loss	(45.444)	(52.471)	(28.698)	(15.020)
Net financials	(661)	(1.391)	(1.566)	(891)
Profit/loss for the year	(40.986)	(47.106)	(23.554)	(12.662)
Total assets	235.532	243.204	92.175	82.734
Investments in property, plant and equipment	1.008	875	814	714
Equity	175.326	215.886	76.500	71.245

Ratios

Return on equity (%)	(21,0)	(32,2)	(31,9)	(17,8)
Equity ratio (%)	74,4	88,8	83,0	86,1

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Calculation formula reflects
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity.

Management commentary

Primary activities

The Group and the Parent entity's primary activity is to conduct business with sale and licensing of software and other related activities. Specifically software to allow for smooth and efficient scheduling, communication, time tracking, reporting and staff management.

Development in activities and finances

Net loss of the year stand at DKK 40,986k, equity at DKK 175,326k and total assets at DKK 235,532k.

Profit/loss for the year in relation to expected developments

The net loss for the year of DKK 40.986k was expected by management and should be seen in relation to the growth plan the Group is following. During 2019 the Group has grown its revenue organically and on a level which was expected by management and is considered satisfactory.

Outlook

The Group is also expected to create a loss for 2020, however management expects that the Group will continue to grow its revenue accordingly to the established business plan, which indicates significant revenue growth.

Particular risks

The Group currently has legal entities present in the Danish, UK, USA, German, Vietnam and Norwegian markets. Furthermore, the Group has activities on a larger number of foreign markets. As such, the Group is exposed to risks relating to developments in currency exchange rates.

The Group manages personal information for its customers and users through its cloud based software as a service. As a result, the Group is exposed to risks related to maintaining the privacy of data under management and compliance with data privacy legislation across its markets including the European Union General Data Protection Regulation.

Management is actively monitoring these risks and considering on an on-going basis the need to minimize these risks.

Intellectual capital resources

The Group's primary product is its online platform Planday. A key part of the growth of the Group is to continuously deliver new features etc. to enable the Group's product to be top of the line in the business.

Staff

The Group is specifically dependent on its staff in regards to its development projects and activities. The Group employs developers in the Danish Parent entity.

Environmental performance

The Group has no particular environmental impact.

Management commentary

Research and development activities

The Group have capitalized development costs of DKK 32,429k during 2019. The Group's development costs are related to the continuous improvement of its primary product, the Planday platform. The total carrying value of capitalized development projects in the balance sheet amounts to DKK 70,246k at 31 December 2019. For 2020, the Group expects to continue its focus on improving its product, as this is an important part of the Group's business plan and the foundation for future growth.

Events after the balance sheet date

Planday has customers across a number of different industries. Many of our restaurant and entertainment customers are temporarily closed due to Covid-19, and Planday has supported them during this crisis. This has temporarily reduced the number of Planday users and impacted our collections in these sectors. However, during the crisis Planday has also experienced growth in other industries, including health, safety and call centres. Planday's products include planning and communication tools, HR record keeping, payroll integrations and many other features that remain critical to all of our customers' ongoing business operations. As a result of the breadth of our customer base and the depth of features the impact of COVID-19 has been limited and we expect to continue to grow in 2020. Planday will continue to carefully monitor the crisis and the recovery process in each of our markets and verticals.

Planday has ceased its engineering operations in Vietnam and the related Vietnamese entity was closed on May 15, 2020.

Consolidated income statement for 2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK</u>
Gross profit		61.550.415	38.202.097
Staff costs	2	(86.277.310)	(75.137.681)
Depreciation, amortisation and impairment losses	3	(20.717.560)	(15.535.338)
Operating profit/loss		(45.444.455)	(52.470.922)
Other financial income		1.806.447	242.148
Other financial expenses		(2.467.063)	(1.632.926)
Profit/loss before tax		(46.105.071)	(53.861.700)
Tax on profit/loss for the year	4	5.119.419	6.756.051
Profit/loss for the year	5	(40.985.652)	(47.105.649)

Consolidated balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK</u>
Completed development projects		70.245.721	57.679.438
Intangible assets	6	70.245.721	57.679.438
Other fixtures and fittings, tools and equipment		642.512	1.151.541
Leasehold improvements		1.115.829	453.571
Property, plant and equipment	7	1.758.341	1.605.112
Other investments		10.000	10.000
Deposits		4.920.647	1.319.138
Fixed asset investments	8	4.930.647	1.329.138
Fixed assets		76.934.709	60.613.688
Trade receivables		5.767.039	5.606.492
Other receivables		2.247.948	1.600.391
Income tax receivable		5.500.012	5.500.000
Prepayments	9	1.435.173	2.036.768
Receivables		14.950.172	14.743.651
Other investments	10	75.838.604	0
Other investments		75.838.604	0
Cash		67.808.642	167.846.181
Current assets		158.597.418	182.589.832
Assets		235.532.127	243.203.520

Consolidated balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK</u>
Contributed capital		1.391.415	1.386.839
Reserve for development expenditure		54.657.348	40.904.359
Retained earnings		119.277.464	173.594.748
Equity		175.326.227	215.885.946
Other payables	11	4.016.210	4.626.783
Non-current liabilities other than provisions	12	4.016.210	4.626.783
Current portion of long-term liabilities other than provisions	12	2.455.594	2.288.000
Bank loans	13	30.545.954	0
Prepayments received from customers		70.615	0
Trade payables		6.061.310	4.785.182
Income tax payable		381.835	422.177
Other payables		12.556.351	13.120.858
Deferred income	14	4.118.031	2.074.574
Current liabilities other than provisions		56.189.690	22.690.791
Liabilities other than provisions		60.205.900	27.317.574
Equity and liabilities		235.532.127	243.203.520
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	16		
Contingent assets	17		
Assets charged and collateral	18		
Subsidiaries	19		

Consolidated statement of changes in equity for 2019

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1.386.839	40.904.359	173.594.748	215.885.946
Increase of capital	4.576	0	421.357	425.933
Transfer to reserves	0	13.752.989	(13.752.989)	0
Profit/loss for the year	0	0	(40.985.652)	(40.985.652)
Equity end of year	1.391.415	54.657.348	119.277.464	175.326.227

Consolidated cash flow statement for 2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK</u>
Operating profit/loss		(45.444.455)	(52.470.922)
Amortisation, depreciation and impairment losses		20.717.560	15.535.338
Working capital changes	15	4.492.764	4.133.091
Cash flow from ordinary operating activities		(20.234.131)	(32.802.493)
Financial income received		1.806.447	242.148
Financial expenses paid		(2.467.063)	(1.632.926)
Income taxes refunded/(paid)		5.077.823	5.643.804
Cash flows from operating activities		(15.816.924)	(28.549.467)
Acquisition etc of intangible assets		(32.428.878)	(27.854.643)
Acquisition etc of property, plant and equipment		(1.008.194)	(874.836)
Acquisition of fixed asset investments		(3.601.509)	(87.890)
Purchase of bonds in repurchase agreement		(75.838.604)	0
Loan in repurchase agreement		29.363.326	0
Cash flows from investing activities		(83.513.859)	(28.817.369)
Loans raised		0	6.914.783
Repayments of loans etc		(2.315.317)	0
Cash increase of capital		425.933	186.491.597
Cash flows from financing activities		(1.889.384)	193.406.380
Increase/decrease in cash and cash equivalents		(101.220.167)	136.039.544
Cash and cash equivalents beginning of year		167.846.181	31.806.637
Cash and cash equivalents end of year		66.626.014	167.846.181
Cash and cash equivalents at year-end are composed of:			
Cash		67.808.642	167.846.181
Short-term debt to banks		(1.182.628)	0
Cash and cash equivalents end of year		66.626.014	167.846.181

Notes to consolidated financial statements

1. Events after the balance sheet date

Planday has customers across a number of different industries. Many of our restaurant and entertainment customers are temporarily closed due to Covid-19, and Planday has supported them during this crisis. This has temporarily reduced the number of Planday users and impacted our collections in these sectors. However, during the crisis Planday has also experienced growth in other industries, including health, safety and call centres. Planday's products include planning and communication tools, HR record keeping, payroll integrations and many other features that remain critical to all of our customers' ongoing business operations. As a result of the breadth of our customer base and the depth of features the impact of COVID-19 has been limited and we expect to continue to grow in 2020. Planday will continue to carefully monitor the crisis and the recovery process in each of our markets and verticals.

Planday has ceased its engineering operations in Vietnam and the related Vietnamese entity was closed on May 15, 2020.

	2019 DKK	2018 DKK
2. Staff costs		
Wages and salaries	95.601.525	83.518.830
Pension costs	4.172.998	5.302.207
Other social security costs	2.976.936	1.267.479
Other staff costs	3.889.525	4.861.522
Staff costs classified as assets	(20.363.674)	(19.812.357)
	86.277.310	75.137.681
Average number of employees	184	171
	Remunera- tion of manage- ment 2019 DKK	Remunera- tion of manage- ment 2018 DKK
Executive Board	2.388.214	3.440.627
	2.388.214	3.440.627
	2019 DKK	2018 DKK
3. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	19.862.595	14.757.451
Depreciation of property, plant and equipment	854.965	777.887
	20.717.560	15.535.338

Notes to consolidated financial statements

	2019 DKK	2018 DKK
4. Tax on profit/loss for the year		
Current tax	(5.119.419)	(5.608.061)
Change in deferred tax	0	(1.147.990)
	(5.119.419)	(6.756.051)
	2019 DKK	2018 DKK
5. Proposed distribution of profit/loss		
Retained earnings	(40.985.652)	(47.105.649)
	(40.985.652)	(47.105.649)
		Completed develop- ment projects DKK
6. Intangible assets		
Cost beginning of year		92.044.920
Additions		32.428.878
Cost end of year		124.473.798
Amortisation and impairment losses beginning of year		(34.365.482)
Amortisation for the year		(19.862.595)
Amortisation and impairment losses end of year		(54.228.077)
Carrying amount end of year		70.245.721
	Other fixtures and fittings, tools and equipment DKK	Leasehold improve- ments DKK
7. Property, plant and equipment		
Cost beginning of year	3.613.779	858.698
Additions	134.407	873.787
Cost end of year	3.748.186	1.732.485
Depreciation and impairment losses beginning of year	(2.462.238)	(405.127)
Depreciation for the year	(643.436)	(211.529)
Depreciation and impairment losses end of year	(3.105.674)	(616.656)
Carrying amount end of year	642.512	1.115.829

Notes to consolidated financial statements

	Other investments DKK	Deposits DKK
8. Fixed asset investments		
Cost beginning of year	10.000	1.319.138
Additions	0	3.601.509
Cost end of year	10.000	4.920.647
Carrying amount end of year	10.000	4.920.647

9. Prepayments

Prepayments relate to prepaid rent, insurance, software subscriptions etc.

10. Other investments

Other investments relate to investments in listed bonds. In order to optimize cash management, the Parent company has entered into a repurchase agreement with Nordea. As part of the agreement, Planday has purchased listed bonds. With short notice, Planday can sell the bonds to Nordea, with a obligation to repurchase the bonds at a future date. The bond coupon is incorporated into the forward price. As Planday maintains all material risks and benefits related to the bonds, the bonds and the related debt at 31 December 2019 has been presented as gross values. At 31 December 2019, DKK 29,363,326 of the amount recognized as bank loans under current liabilities, relates to the repurchase agreement.

	2019 DKK	2018 DKK
11. Other long-term payables		
Holiday pay obligation	1.872.338	0
Other costs payable	2.143.872	4.626.783
	4.016.210	4.626.783

	Due within 12 months 2019 DKK	Due within 12 months 2018 DKK	Due after more than 12 months 2019 DKK
12. Liabilities other than provisions			
Other payables	2.455.594	2.288.000	4.016.210
	2.455.594	2.288.000	4.016.210

13. Short-term bank loans

The Parent company has entered into a repurchase agreement with Nordea. See the description in note 10 for further details.

14. Short-term deferred income

Deferred income is composed of subscription based revenue already invoiced, relating to 2020.

Notes to consolidated financial statements

	2019	2018
	DKK	DKK
15. Change in working capital		
Increase/decrease in receivables	(206.509)	(1.320.969)
Increase/decrease in trade payables etc	4.699.273	5.454.060
	4.492.764	4.133.091

	2019	2018
	DKK	DKK
16. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	32.313.000	1.357.800

17. Contingent assets

The Group has an unrecognised deferred tax asset of DKK 8.393k.

18. Assets charged and collateral

A floating charge of nominally DKK 10,5 million, have been posted for Kreos Capital Limited. The floating charge provides security in intangible assets, property, plant and equipment and trade receivables. The total carrying amount of these assets is DKK 75,184,776 (Prior year: DKK 63,033k).

	Registered in	Corpo- rate form	Equity inte- rest %	Equity DKK	Profit/loss DKK
19. Subsidiaries					
Planday AS	Norway	AS	100,0	1.402.754	857.085
Planday Inc	USA	Inc	100,0	(296.232)	98.652
Planday Ltd.	UK	Ltd.	100,0	1.355.486	218.722
Planday Vietnam	Vietnam	Ltd.	100,0	1.926	60.635
Planday GmbH	Germany	GmbH	100,0	326.243	18.679

Parent income statement for 2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK</u>
Gross profit		15.793.582	2.176.019
Staff costs	2	(42.878.723)	(41.046.376)
Depreciation, amortisation and impairment losses	3	(20.594.215)	(15.495.709)
Operating profit/loss		(47.679.356)	(54.366.066)
Other financial income		1.779.490	245.328
Other financial expenses		(1.530.786)	(1.516.296)
Profit/loss before tax		(47.430.652)	(55.637.034)
Tax on profit/loss for the year	4	5.500.000	7.178.228
Profit/loss for the year	5	(41.930.652)	(48.458.806)

Parent balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK</u>
Completed development projects		70.245.721	57.679.438
Intangible assets	6	<u>70.245.721</u>	<u>57.679.438</u>
Other fixtures and fittings, tools and equipment		522.909	1.019.110
Leasehold improvements		929.650	453.570
Property, plant and equipment	7	<u>1.452.559</u>	<u>1.472.680</u>
Investments in group enterprises		52.106	52.106
Other investments		10.000	10.000
Deposits		3.345.415	878.615
Fixed asset investments	8	<u>3.407.521</u>	<u>940.721</u>
Fixed assets		<u>75.105.801</u>	<u>60.092.839</u>
Trade receivables		3.486.496	3.880.440
Receivables from group enterprises		3.345.903	25.876.314
Other receivables		1.882.152	220.296
Income tax receivable		5.500.012	5.500.000
Prepayments	9	924.547	1.619.570
Receivables		<u>15.139.110</u>	<u>37.096.620</u>
Other investments	10	75.838.604	0
Other investments		<u>75.838.604</u>	<u>0</u>
Cash		<u>63.668.229</u>	<u>137.907.285</u>
Current assets		<u>154.645.943</u>	<u>175.003.905</u>
Assets		<u>229.751.744</u>	<u>235.096.744</u>

Parent balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK</u>
Contributed capital	11	1.391.415	1.386.839
Reserve for development expenditure		54.657.348	40.904.359
Retained earnings		117.056.294	172.318.578
Equity		173.105.057	214.609.776
Other payables		4.016.210	4.626.783
Non-current liabilities other than provisions	12	4.016.210	4.626.783
Current portion of long-term liabilities other than provisions	12	2.455.594	2.288.000
Bank loans	13	30.545.954	0
Trade payables		5.637.588	3.357.794
Payables to group enterprises		5.885.218	0
Other payables		6.406.868	9.311.659
Deferred income	14	1.699.255	902.732
Current liabilities other than provisions		52.630.477	15.860.185
Liabilities other than provisions		56.646.687	20.486.968
Equity and liabilities		229.751.744	235.096.744
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	15		
Contingent assets	16		
Assets charged and collateral	17		

Parent statement of changes in equity for 2019

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1.386.839	40.904.359	172.318.578	214.609.776
Increase of capital	4.576	0	421.357	425.933
Transfer to reserves	0	13.752.989	(13.752.989)	0
Profit/loss for the year	0	0	(41.930.652)	(41.930.652)
Equity end of year	1.391.415	54.657.348	117.056.294	173.105.057

Notes to parent financial statements

1. Events after the balance sheet date

Planday has customers across a number of different industries. Many of our restaurant and entertainment customers are temporarily closed due to Covid-19, and Planday has supported them during this crisis. This has temporarily reduced the number of Planday users and impacted our collections in these sectors. However, during the crisis Planday has also experienced growth in other industries, including health, safety and call centres. Planday's products include planning and communication tools, HR record keeping, payroll integrations and many other features that remain critical to all of our customers' ongoing business operations. As a result of the breadth of our customer base and the depth of features the impact of COVID-19 has been limited and we expect to continue to grow in 2020. Planday will continue to carefully monitor the crisis and the recovery process in each of our markets and verticals.

Planday has ceased its engineering operations in Vietnam and the related Vietnamese entity was closed on May 15, 2020.

	2019 DKK	2018 DKK
2. Staff costs		
Wages and salaries	53.986.713	52.313.687
Pension costs	3.632.915	3.682.432
Other social security costs	1.312.277	1.129.920
Other staff costs	4.310.492	3.732.694
Staff costs classified as assets	(20.363.674)	(19.812.357)
	42.878.723	41.046.376
Average number of employees	95	83
	Remunera- tion of manage- ment 2019 DKK	Remunera- tion of manage- ment 2018 DKK
Executive Board	2.388.214	3.440.627
	2.388.214	3.440.627

Notes to parent financial statements

	2019 DKK	2018 DKK
3. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	19.862.595	14.757.451
Depreciation of property, plant and equipment	731.620	738.258
	20.594.215	15.495.709
	2019 DKK	2018 DKK
4. Tax on profit/loss for the year		
Current tax	(5.500.000)	(6.030.238)
Change in deferred tax	0	(1.147.990)
	(5.500.000)	(7.178.228)
	2019 DKK	2018 DKK
5. Proposed distribution of profit/loss		
Retained earnings	(41.930.652)	(48.458.806)
	(41.930.652)	(48.458.806)
		Completed develop- ment projects DKK
6. Intangible assets		
Cost beginning of year		92.044.920
Additions		32.428.878
Cost end of year		124.473.798
Amortisation and impairment losses beginning of year		(34.365.482)
Amortisation for the year		(19.862.595)
Amortisation and impairment losses end of year		(54.228.077)
Carrying amount end of year		70.245.721

Notes to parent financial statements

	Other fixtures and fittings, tools and equipment DKK	Leasehold improve- ments DKK	
7. Property, plant and equipment			
Cost beginning of year	3.441.719	858.697	
Additions	100.737	610.762	
Cost end of year	3.542.456	1.469.459	
Depreciation and impairment losses beginning of year	(2.422.609)	(405.127)	
Depreciation for the year	(596.938)	(134.682)	
Depreciation and impairment losses end of year	(3.019.547)	(539.809)	
Carrying amount end of year	522.909	929.650	
	Invest- ments in group enterprises DKK	Other investments DKK	Deposits DKK
8. Fixed asset investments			
Cost beginning of year	52.106	10.000	878.615
Additions	0	0	2.466.800
Cost end of year	52.106	10.000	3.345.415
Carrying amount end of year	52.106	10.000	3.345.415

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

9. Prepayments

Prepayments relate to prepaid rent, insurance, software subscriptions etc.

10. Other investments

Other investments relate to investments in listed bonds. In order to optimize cash management, the company has entered into a repurchase agreement with Nordea. As part of the agreement, Planday has purchased listed bonds. With short notice, Planday can sell the bonds to Nordea, with a obligation to repurchase the bonds at a future date. The bond coupon is incorporated into the forward price. As Planday maintains all material risks and benefits related to the bonds, the bonds and the related debt at 31 December 2019 has been presented as gross values. At 31 December 2019, DKK 29,363,326 of the amount recognized as bank loans under current liabilities, relates to the repurchase agreement.

Notes to parent financial statements

	<u>Number</u>	<u>Par value DKK</u>	<u>Nominal value DKK</u>
11. Contributed capital			
A-shares	185.058	1	185.058
B1-shares	347.942	1	347.942
B2-shares	127.802	1	127.802
C-shares	298.329	1	298.329
V-shares	20	1	20
W-shares	4.776	1	4.776
Common shares	427.488	1	427.488
	<u>1.391.415</u>		<u>1.391.415</u>

Contributed capital for the financial year 2019 amounts to 4.576 nominally.

The Entity has established a warrant program. Total issued warrants amount to 107,978 with an additional 11,992 warrants available to be issued. The warrants allow certain employees the option to purchase shares at a fixed price. The warrants can be exercised earliest 1 year from issuance and latest 5 years from issuance, and in a window 4 weeks from publication of the annual report in the Danish Business Authority. The strike varies between DKK 102,70 or DKK 200 per share.

	<u>Due within 12 months 2019 DKK</u>	<u>Due within 12 months 2018 DKK</u>	<u>Due after more than 12 months 2019 DKK</u>
12. Liabilities other than provisions			
Other payables	2.455.594	2.288.000	4.016.210
	<u>2.455.594</u>	<u>2.288.000</u>	<u>4.016.210</u>

13. Bank loans

The company has entered into a repurchase agreement with Nordea. See the description in note 10 for further details.

14. Deferred income

Deferred income is composed of subscription based revenue already invoiced, relating to 2019.

	<u>2019 DKK</u>	<u>2018 DKK</u>
15. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	<u>24.769.000</u>	<u>712.000</u>

16. Contingent assets

The Entity has an unrecognised deferred tax asset of DKK 8.393k.

Notes to parent financial statements

17. Assets charged and collateral

A floating charge of nominally DKK 10,5 million, have been posted for Kreos Capital Limited. The floating charge provides security in intangible assets, property, plant and equipment and trade receivables. The total carrying amount of these assets is DKK 75,184,776 (Prior year: DKK 63,033k).

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

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

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Accounting policies

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income and other external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises cost directly related to revenue.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Accounting policies

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum amortisation period is the remaining duration of the relevant rights.

The amortisation period used are 5 years.

Property, plant and equipment

Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

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

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Accounting policies

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Other investments

Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date and unlisted investments measured at the lower of cost and net realisable value.

Receivables

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

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Prepayments

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

Other investments

Other current asset investments comprise listed securities measured at fair value (market price) at the balance sheet date and unlisted investments measured at the lower of cost and net realisable value.

Cash

Cash comprises bank deposits.

Other financial liabilities

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

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Deferred income

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

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Accounting policies

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.