tamigo

Tamigo ApS

Kristianiagade 8
2100 Copenhagen
Denmark

CVR no. 28 27 76 79

Annual report 2020

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

5 May 2021

Jakob Toftgaard
chairman

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Tamigo ApS for the financial year 1 January – 31 December 2020.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 5 May 2021
Executive Board:

Jakob Toftgaard

Board of Directors:

Eivind Bergsmyr Chairman	Erik Fjellvær Hagen	Jakob Toftgaard

Independent auditor's report

To the shareholders of Tamigo ApS

Opinion

We have audited the financial statements of Tamigo ApS for the financial year 1 January – 31 December 2020 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 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 financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for 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 rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.

Independent auditor's report

— 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 of the Management's review.

Copenhagen, 5 May 2021
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

Management's review

Company details

Tamigo ApS
Kristianiagade 8
2100 Copenhagen
Denmark

CVR no.:	28 27 76 79
Established:	22 November 2004
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Eivind Bergsmyr, Chairman
Erik Fjellvær Hagen
Jakob Toftgaard

Executive Board

Jakob Toftgaard

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
2100 Copenhagen
Denmark
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The Company's main activity is development, sale and service of tamigo, a comprehensive standard cloud solution for Workforce Management.

Customers use the solution to simplify and align operations across their business, to automate administrative processes and to create stronger transparency and engagement. As a trusted solution provider, tamigo provides project implementation and customer support in local languages to ensure maximum benefits for customers using the solution. The solution can be integrated with a long range of other systems to fit directly into any kind of existing solution landscape.

Development in activities and financial position

The Company's income statement for 2020 shows a profit of DKK 439,128 as against DKK 1,286,407 in 2019. Equity in the Company's balance sheet at 31 December 2020 stood at DKK 27,802,174 as against DKK 27,363,046 at 31 December 2019. 2020 showed a two digit growth rate like all previous years.

Events after the balance sheet date

No events have occurred after the balance sheet date that may have a significant influence on the Company's financial statements for 2020.

2021 has started with accelerating growth, showing growth rates higher than before Covid-19. Many enterprise customers across Europe have been speeding up their conversion from on-premise to cloud solutions. These customers need a solution that operates in all their markets and at the same time is sufficiently comprehensive and flexible to add real business value and ensure compliance.

After a year where the Company held back investments a little bit due to the initial uncertainty about the Covid-19 impact, the Company is now planning to increase the number of employees significantly in 2021 to support the current and future growth.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2020	2019
Gross profit		18,062,993	16,179,717
Staff costs	2	-15,108,541	-12,357,988
Depreciation, amortisation and impairment losses		-1,852,400	-1,192,847
Profit before financial income and expenses		1,102,052	2,628,882
Income from equity investments in group entities		-393,406	11,788
Other financial income	3	49,164	31,584
Other financial expenses		-283,022	-167,994
Profit before tax		474,788	2,504,260
Tax on profit for the year	4	-35,660	-1,217,853
Profit for the year		439,128	1,286,407

Proposed profit appropriation

Reserve for development costs		441,359	2,142,841
Reserve for net revaluation under equity method		58,507	11,778
Retained earnings		-60,738	-868,212
		439,128	1,286,407

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2020	2019
ASSETS			
Fixed assets			
Intangible assets	5		
Completed development projects		7,544,879	6,979,034
Property, plant and equipment	6		
Fixtures and fittings, tools and equipment		153,988	0
Leasehold improvements		60,725	0
		214,713	0
Investments	7		
Equity investments in group entities		627,257	469,723
Deposits		783,351	391,290
		1,410,608	861,013
Total fixed assets		9,170,200	7,840,047
Current assets			
Receivables			
Trade receivables		2,807,909	3,838,830
Receivables from group entities		1,290,474	661,761
Other receivables		1,864,938	355,648
Prepayments		805,813	406,806
		6,769,134	5,263,045
Cash at bank and in hand		21,494,511	21,404,706
Total current assets		28,263,645	26,667,751
TOTAL ASSETS		37,433,845	34,507,798

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2020	2019
EQUITY AND LIABILITIES			
Equity			
Contributed capital	8	232,455	232,455
Reserve for net revaluation under equity method		401,512	343,005
Reserve for development costs		5,885,006	5,443,647
Retained earnings		21,283,201	21,343,939
Total equity		27,802,174	27,363,046
Provisions			
Provisions for deferred tax		1,248,738	1,213,078
Other provisions		1,417,369	448,703
Total provisions		2,666,107	1,661,781
Liabilities other than provisions			
Current liabilities other than provisions			
Banks, current liabilities		57,111	37,620
Trade payables		1,568,800	1,402,268
Other payables		3,525,030	1,746,436
Deferred income		1,814,623	2,296,647
		6,965,564	5,482,971
Total liabilities other than provisions		6,965,564	5,482,971
TOTAL EQUITY AND LIABILITIES		37,433,845	34,507,798
Contractual obligations, contingencies, etc.	9		
Mortgages and collateral	10		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Reserve for net revaluation under equity method	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2020	232,455	343,005	5,443,647	21,343,939	27,363,046
Transferred over the profit appropriation	0	58,507	441,359	-60,738	439,128
Equity at 31 December 2020	232,455	401,512	5,885,006	21,283,201	27,802,174

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Tamigo ApS for 2020 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

Omission of consolidated financial statements

Pursuant to section 110(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Foreign currency translation

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

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

Upon recognition of foreign subsidiaries and associates that are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments taken out for the purpose of hedging investments in foreign subsidiaries are recognised directly in equity.

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

Income statement

Gross profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Revenue

Income from the sale of goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

Cost of sales

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

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees.

Income from equity investments in group entities

The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Company's income statement after full elimination of intra-group gains/losses and amortisation of goodwill.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

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1 **Accounting policies (continued)**

Balance sheet

Intangible assets

Development projects can be defined and identifiable, when the technical utilization rate adequate resources and a potential future market or development opportunity in the company is traceable, also when it's intended to manufacture, market or use the product or process, the asset can be recognized as an intangible assets. In case there is sufficient assurance for the capital value of the future earning can cover the production, sales and administrative costs as well as the total development costs.

Development projects are depreciated over 5 years.

Other development costs are recognized as costs in the income statement as they occure.

Development costs makes up the direct incurred costs.

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

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

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

Fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5-10 years

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

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

Equity investments in group entities

Equity investments in group entities are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Equity investments in group entities with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised as provisions.

Net revaluation of equity investments in group entities is tied as a net revaluation reserve under equity according to the equity method to the extent that the carrying amount exceeds cost. Dividends from group entities expected to be adopted in the group entities prior to the approval of the Company's annual report, are not tied up in the revaluation reserve.

Other financial fixes assets

Deposits are measured at cost price.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and deposits is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

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

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

Receivables

Receivables are measured at amortised cost.

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

Corporation tax and deferred tax

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

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

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

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

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

Prepayments

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

Cash at bank and in hand

Cash and cash equivalents comprise cash.

Equity

Equity includes the share capital and a number of other eqiity balances, which may be statuory or stipulated in the articles of association.

Net revaluation reserve according to the equity method

Net revaluation reserve according to the equity method comprises net revaluation of equity investments in subsidiaries and associates in proportion to cost.

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividends, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

Provisions

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

Provisions expected to be maintained for more than one year from the balance sheet date are discounted at a rate reflecting risk and the due date for payment.

Liabilities other than provisions

Other liabilities are measured at net realisable value.

Deferred income

Deferred income comprises advance invoicing regarding income in subsequent years.

Financial statements 1 January – 31 December

Notes

DKK	2020	2019

2 Staff costs

Wages and salaries	17,467,368	15,367,121
Pensions	637,610	574,053
Other social security costs	243,563	145,433
Transfer to development projects	-3,240,000	-3,728,619
	15,108,541	12,357,988
Average number of full-time employees	35	31

3 Other financial income

Interest income from group entities	0	1,432
Other financial income	1,126	0
Other adjustments of financial income	48,038	30,152
	49,164	31,584

4 Tax on profit for the year

Deferred tax for the year	35,660	929,295
Adjustment of tax concerning previous years	0	288,558
	35,660	1,217,853

5 Intangible assets

DKK	Completed development projects
Cost at 1 January 2020	16,002,138
Additions for the year	2,399,750
Cost at 31 December 2020	18,401,888
Amortisation and impairment losses at 1 January 2020	-9,023,104
Amortisation for the year	-1,833,905
Amortisation and impairment losses at 31 December 2020	-10,857,009
Carrying amount at 31 December 2020	7,544,879

Financial statements 1 January – 31 December

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6 Property, plant and equipment

DKK	Fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2020	0	0	0
Additions for the year	171,454	61,754	233,208
Cost at 31 December 2020	171,454	61,754	233,208
Depreciation for the year	-17,466	-1,029	-18,495
Depreciation and impairment losses at 31 December 2020	-17,466	-1,029	-18,495
Carrying amount at 31 December 2020	153,988	60,725	214,713

7 Investments

DKK	Equity investments in group entities	Deposits	Total
Cost at 1 January 2020	126,718	391,290	518,008
Additions for the year	0	392,061	392,061
Disposals for the year	-99,027	0	-99,027
Cost at 31 December 2020	27,691	783,351	811,042
Revaluations at 1 January 2020	343,005	0	343,005
Net profit/loss for the year	256,561	0	256,561
Revaluations 31 December 2020	599,566	0	599,566
Carrying amount at 31 December 2020	627,257	783,351	1,410,608

Name	Registered office	Voting rights and ownership interest
Tamigo Inc.	USA	100%
Tamigo AB	Sweden	100%
Tamigo D.O.O	Slovenia	100%
Tamigo Hong Kong Limited	Hong Kong	100%

8 Equity

The contributed capital consists of 232,455 shares of a nominal value of DKK 1 each as of 31 December 2020

Financial statements 1 January – 31 December

Notes

9 Contractual obligations, contingencies, etc.

Contingent liabilities

The company is jointly taxed with other companies in the concern and is jointly and severally liable for the taxes relating to the joint taxation. The total amount is shown in the annual report of Tamigo Holding ApS, which is the management company of the joint taxation.

10 Mortgages and collateral

The company has provided collateral for bank debt worth DKK 2,000 thousand.