
FFW Danmark ApS

Lyngbyvej 2, DK-2100 Copenhagen

Annual Report for 1 January - 31 December 2021

CVR No 28 68 75 40

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
30/6 2022

Sven Müller Holberg
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of FFW Danmark ApS for the financial year 1 January - 31 December 2021.

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

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

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 30 June 2022

Executive Board

Thomas Pedersen
Executive Officer

Board of Directors

Thomas Pedersen
Chairman

Sven Müller Holberg

Michael Koefoed Steensborg
Drejer

Independent Auditor's Report

To the Shareholder of FFW Danmark ApS

Opinion

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

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Independent Auditor's Report

Management's responsibilities for the Financial Statements

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

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

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent Auditor's Report

- 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.

Hellerup, 30 June 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Niels Henrik B. Mikkelsen

statsautoriseret revisor

mne16675

Company Information

The Company

FFW Danmark ApS
Lyngbyvej 2
DK-2100 Copenhagen

CVR No: 28 68 75 40
Financial period: 1 January - 31 December
Municipality of reg. office: Copenhagen

Board of Directors

Thomas Pedersen, Chairman
Sven Müller Holberg
Michael Koefoed Steensborg Drejer

Executive Board

Thomas Pedersen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Financial Statements of FFW Danmark ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The Annual Report has been prepared under the same accounting policies as last year.

Key activities

The company delivers services within digital technology, data, strategy, design and UX, mainly for medium and large enterprises, governmental and NGOs.

Development in the year

The income statement of the Company for 2021 shows a profit of DKK 15,163,335, and at 31 December 2021 the balance sheet of the Company shows equity of DKK 105,838,226.

The group entities FFW Danmark ApS and ProPeople Group ApS merged during the year with accounting effect from 1 January 2021. For further details regarding method of choice, see the accounting principles for description.

Operating risks

The biggest operational risk to FFW Danmark is related to a (however not expected) potential slowdown in the market for digital services, which could be generated by a potential worldwide recession. FFW is mitigating this risk by diversifying its customer base and moving revenue from single-project sales to recurring contracts focusing on maintenance, support, security, and optimization.

Our business model's main resource is without a doubt Human Capital, hence it is an essential part of the business and its revenue stream. Identifying, hiring, and retaining highly skilled and motivated people is key. To strengthen this important field, we have introduced a range of activities and measures including appointing a employee satisfaction manager in the EU, that covers FFW Danmark as well, regular employee surveys, inhouse training academy, providing work location flexibility/support employees to move, regular information and communication by monthly newsletter and video messages.

Foreign exchange risks

The main risk relates to exchange rate: USD/DKK. With a significant part of the revenue being invoiced in USD the effect on revenue is significantly affected by larger fluctuations in the USD/DKK exchange rate. The EBT effect is however limited as large part of the costs are paid in USD as well, which reduces our currency risk overall.

Management's Review

Targets and expectations for the year ahead

For 2022, FFW Danmark expects revenue growth of about 15% compared with 2021. EBITDA-margin is expected to stay slightly below 2021 % levels mainly due to inflation and salary pressures of IT resources around the globe. In 2022 FFW planned to focus its corporate social responsibility efforts on a number of initiatives separated in five main areas:

1. Further improving the work environment for FFW's employees
2. delivering sustainable growth by working together with our clients, partners, and suppliers
3. protecting ours and our clients' assets including intellectual property, confidential information as well as safeguarding personal data we hold
4. working towards a fair and honest marketplace by promoting fair competition, preventing bribery and corruption, and maintaining accurate and correct business and financial information
5. contributing to the global efforts for maintaining sustainable and equal societies by reducing our impact on the environment and actively being involved in the communities where we conduct our business.

Subsequent events

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

Income Statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Revenue		164,699,166	110,389,443
Other operating income		20,860	0
Production expenses		-106,080,194	-67,594,199
Other external expenses		-13,343,877	-11,739,297
Gross profit/loss		45,295,955	31,055,947
Staff expenses	1	-21,835,594	-24,184,202
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	-213,200	-240,038
Profit/loss before financial income and expenses		23,247,161	6,631,707
Financial income	3	1,183,141	1,221,953
Financial expenses	4	-4,889,728	-1,586,518
Profit/loss before tax		19,540,574	6,267,142
Tax on profit/loss for the year	5	-4,377,239	-1,378,771
Net profit/loss for the year		15,163,335	4,888,371

Distribution of profit

	2021 DKK	2020 DKK
Proposed distribution of profit		
Proposed dividend for the year	50,000,000	6,800,000
Retained earnings	-34,836,665	-1,911,629
	15,163,335	4,888,371

Balance Sheet 31 December

Assets

	Note	2021 DKK	2020 DKK
Completed development projects		0	0
Intangible assets	6	0	0
Other fixtures and fittings, tools and equipment		420,831	283,816
Leasehold improvements		0	9,456
Property, plant and equipment	7	420,831	293,272
Investments in subsidiaries	8	90,815,045	1,567,390
Deposits		94,143	94,143
Fixed asset investments		90,909,188	1,661,533
Fixed assets		91,330,019	1,954,805
Trade receivables		56,144,285	6,415,181
Contract work in progress		501,312	553,971
Receivables from group enterprises		55,148,493	51,387,758
Other receivables		49,219	0
Deferred tax asset	9	57,722	98,212
Prepayments		2,006,147	1,284,197
Receivables		113,907,178	59,739,319
Cash at bank and in hand		1,553,361	10,615,062
Currents assets		115,460,539	70,354,381
Assets		206,790,558	72,309,186

Balance Sheet 31 December

Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		131,250	131,250
Retained earnings		55,706,976	34,123
Proposed dividend for the year		50,000,000	6,800,000
Equity		105,838,226	6,965,373
Other payables		1,854,523	1,655,939
Long-term debt	10	1,854,523	1,655,939
Credit institutions		16,441,966	0
Prepayments received from customers		5,587,403	1,899,898
Trade payables		53,755,417	1,485,947
Payables to group enterprises		14,169,490	54,312,283
Corporation tax		5,942,948	1,784,819
Other payables	10	3,200,585	4,204,927
Short-term debt		99,097,809	63,687,874
Debt		100,952,332	65,343,813
Liabilities and equity		206,790,558	72,309,186
Contingent assets, liabilities and other financial obligations	11		
Related parties	12		
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Statement of Changes in Equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
2021				
Equity at 1 January	131,250	34,123	6,800,000	6,965,373
Net effect from merger and acquisition under the uniting of interests method	0	1,261,863	0	1,261,863
Adjusted equity at 1 January	131,250	1,295,986	6,800,000	8,227,236
Ordinary dividend paid	0	0	-6,800,000	-6,800,000
Contribution from group	0	89,247,655	0	89,247,655
Net profit/loss for the year	0	-34,836,665	50,000,000	15,163,335
Equity at 31 December	131,250	55,706,976	50,000,000	105,838,226
2020				
Equity 1. januar	131,250	1,945,752	0	2,077,002
Net profit/loss for the year	0	-1,911,629	6,800,000	4,888,371
Equity at 31 December	131,250	34,123	6,800,000	6,965,373

Notes to the Financial Statements

	2021	2020
	DKK	DKK
1 Staff expenses		
Wages and salaries	19,941,745	22,517,640
Pensions	989,037	953,108
Other social security expenses	210,386	159,212
Other staff expenses	694,426	554,242
	21,835,594	24,184,202
Average number of employees	29	29
2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		
Depreciation of property, plant and equipment	213,200	240,038
	213,200	240,038
3 Financial income		
Other financial income	668,565	0
Exchange gains	514,576	1,221,953
	1,183,141	1,221,953
4 Financial expenses		
Other financial expenses	1,663,594	250,815
Exchange loss	3,226,134	1,335,703
	4,889,728	1,586,518
5 Tax on profit/loss for the year		
Current tax for the year	3,986,701	1,396,143
Deferred tax for the year	390,538	-17,372
	4,377,239	1,378,771

Notes to the Financial Statements

6 Intangible assets

	Completed development projects
	DKK
Cost at 1 January	4,611,105
Cost at 31 December	4,611,105
Impairment losses and amortisation at 1 January	4,611,105
Impairment losses and amortisation at 31 December	4,611,105
Carrying amount at 31 December	0

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	1,588,641	463,000
Additions for the year	346,380	0
Disposals for the year	-9,868	0
Cost at 31 December	1,925,153	463,000
Impairment losses and depreciation at 1 January	1,300,578	453,544
Depreciation for the year	203,744	9,456
Impairment losses and depreciation at 31 December	1,504,322	463,000
Carrying amount at 31 December	420,831	0

8 Investments in subsidiaries

	2021	2020
	DKK	DKK
Cost at 1 January	1,567,390	1,567,390
Additions for the year	89,247,655	0
Carrying amount at 31 December	90,815,045	1,567,390

Notes to the Financial Statements

8 Investments in subsidiaries (continued)

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
FFW Bulgaria EOOD	Sofia, BG	19,097	100%
FFW Deutschland GmbH	Berlin, DE	186,090	100%
Cellular GmbH	Hamburg, DE	186,090	100%

9 Deferred tax asset

The recognised tax asset comprises only from differences between the accounting value and the tax value from assets. There is no tax loss. The recognised tax assets therefore expects to be utilised within the next years.

10 Long-term debt

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

The debt falls due for payment as specified below:

	2021 DKK	2020 DKK
Other payables		
Between 1 and 5 years	1,854,523	1,655,939
Long-term part	1,854,523	1,655,939
Other short-term payables	3,200,585	4,204,927
	5,055,108	5,860,866

Notes to the Financial Statements

	2021 DKK	2020 DKK
11 Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	567,572	543,377
	567,572	543,377

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

12 Related parties

The company is a part of the Group Annual Report for the parent company

Name	Place of registered office
FFW Group ApS	Lyngbyvej 2, 2100 Copenhagen

Notes to the Financial Statements

13 Accounting Policies

The Annual Report of FFW Danmark ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year. During the year, there has been a merger with ProPeople Group ApS. Please see section below, Business Combinations, for details regarding method of choice.

The Financial Statements for 2021 are presented in DKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of FFW Group ApS, the Company has not prepared consolidated financial statements.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of FFW Group ApS, the Company has not prepared a cash flow statement.

Recognition and measurement

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

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

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

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

Business combinations

Uniting of interests

Intragroup business combinations are accounted for under the uniting-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in

Notes to the Financial Statements

13 Accounting Policies (continued)

equity. The uniting-of-interests method is applied at the date of acquisition, and comparative figures have not been restated.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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

Income Statement

Revenue

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

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

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

Production expenses

Production expenses comprise purchase of external services and consumables used to achieve net revenue for the year.

Notes to the Financial Statements

13 Accounting Policies (continued)

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

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

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company.

Financial income and expenses

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

Tax on profit/loss for the year

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

The Company is jointly taxed with majority owned Danish subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Development costs and costs of internally generated software products are measured at the lower of cost less accumulated amortisation and recoverable amount. The software product is amortised on a straight-line basis over its useful life, which has been determined at 5 years.

Notes to the Financial Statements

13 Accounting Policies (continued)

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

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

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

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

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 30,700 are expensed in the year of acquisition.

Impairment of fixed assets

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

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

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Receivables

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

Notes to the Financial Statements

13 Accounting Policies (continued)

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Prepayments

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

Deferred tax assets and liabilities

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

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

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

Current tax receivables and liabilities

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

Financial debts

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

Deferred income

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