



team.blue Denmark A/S

Højvangen 4
8660 Skanderborg
CVR No. 29412006

Annual report 2022

The Annual General Meeting adopted the
annual report on 14.06.2023

Lasse Lindberg Mortensen
Chairman of the General Meeting

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Entity details

Entity

team.blue Denmark A/S

Højvangen 4

8660 Skanderborg

Business Registration No.: 29412006

Registered office: Skanderborg

Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Stephen Ewart, Chairman

Ole Pallesen Jensen

Daniel Boldsen Gaye

Lotte Bendstrup

Executive Board

Lotte Bendstrup

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of team.blue Denmark A/S for the financial year 01.01.2022 - 31.12.2022.

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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

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.

Skanderborg, 14.06.2023

Executive Board

Lotte Bendstrup

Board of Directors

Stephen Ewart
Chairman

Ole Pallesen Jensen

Daniel Boldsen Gaye

Lotte Bendstrup

Independent auditor's report

To the shareholders of team.blue Denmark A/S

Opinion

We have audited the financial statements of team.blue Denmark A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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.

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 Entity'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 financial statements unless Management either intends to liquidate the Entity 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 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.

Aarhus, 14.06.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Fauerskov

State Authorised Public Accountant
Identification No (MNE) mne35428

Rasmus Villadsen Madsen

State Authorised Public Accountant
Identification No (MNE) mne45822

Management commentary

Financial highlights

	2022	2021	2020	2019	2018
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Revenue	536,120	476,717	416,792	393,039	321,037
Gross profit/loss	312,049	290,560	255,263	241,738	198,845
Operating profit/loss	145,399	135,072	120,061	115,955	88,844
Net financials	5,354	3,196	3,168	1,952	253
Profit/loss for the year	117,090	107,406	95,401	90,800	68,622
Total assets	512,547	506,769	418,251	327,410	262,485
Investments in property, plant and equipment	56,124	46,715	40,036	47,031	34,829
Equity	248,679	281,589	174,183	138,782	50,962
Invested capital incl. goodwill	391,476	424,726	311,485	245,968	118,754
Net interest-bearing debt	57,778	21,107	25,895	9,815	(8,550)
Average number of employees	187	180	176	185	190
Ratios					
Gross margin (%)	58.21	60.95	61.24	61.50	61.94
Net margin (%)	21.84	22.53	22.89	23.10	21.38
Turnover invested capital	1.31	1.3	1.50	2.20	3.50
Return on invested capital incl. goodwill (%)	40.80	42.20	49.50	71.00	115.40
Financial gearing	0.20	0.10	0.20	0.10	(0.30)
Return on equity (%)	44.16	47.13	60.97	95.71	205.80
Solvency ratio (%)	48.52	55.60	41.60	42.40	19.40
Revenue per employee	2,867	2,648	2,368	2,125	1,688

* 2018 comprise UnoEuro Danmark A/S, DanDomain A/S, Surfstown A/S, SmartWeb ApS and ActiveWebs ApS which was merged into team.blue Denmark A/S and the figures from earlier years are therefore not directly comparable.

* 2019 comprise HostNordic A/S which was merged into team.blue Denmark A/S and the figures from earlier years are therefore not directly comparable.

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

Gross margin (%):
$$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$$
Net margin (%):
$$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$$
Turnover invested capital:
$$\frac{\text{Revenue}}{\text{Average invested capital incl. goodwill}}$$
Return invested capital:
$$\frac{\text{EBITA} * 100}{\text{Average invested capital incl. goodwill}}$$
Financial gearing (%):
$$\frac{\text{Net interest-bearing debt} * 100}{\text{Average equity}}$$
Return on equity (%):
$$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$$
Solvency ratio (%):
$$\frac{\text{Equity} * 100}{\text{Total assets}}$$
Revenue per employee:
$$\frac{\text{Revenue}}{\text{Average number of employees}}$$

Primary activities

The Company's primary business area is to offer and deliver hosting and highly standardized solutions to SMEs. Sale and delivery are made either through direct customer relationships or through the partner channel.

The products offered by team.blue can be divided into 4 overall categories; Applications, Hosting, Domains and other. These overall categories can be divided into multiple products below where Applications covers e.g. Marketing tools, Ecommerce, E-mail, Office 365, Sitebuilder, Security Certificates and Premium, and Basic Hosting covers IAAS (InfraStructure As A Service), Virtual Servers, Backup and Security, Shared Hosting and Website Hosting.

Development in activities and finances

Management considers the financial development in 2022 as strong as revenue increased to DKK 536,120k compared to DKK 476,717k the year before, and gross profit increased to DKK 298,411k from DKK 277,019k.

Profit/loss for the year in relation to expected developments

Compared to the expectation for 2022 the profit/loss is slightly below primarily due to increased USD rate affecting part of the cost-base and increased energy prices.

Outlook

Management expects an increase in both revenue and profit in 2023 and is planning to further expand the presence in the Nordic hosting market via further growth. Revenue for 2023 is expected to end in the range between DKK 600m and DKK 610m with a profit before tax in the range between DKK 170m and DKK 180m.

The strong uplift in both revenue and profit is primarily coming from organic growth.

Financial performance in the first months of 2023 supports the outlook for the year, and management is satisfied with the development, both compared to historical periods and the budget.

Knowledge resources

As a knowledge-intensive group, it is crucial for team.blue to have highly skilled employees with an extensive know-how within the business. Future earnings in the group are dependent on the right mix of employees. That is why team.blue Group has an ambition to hire the best people and also continuously train the existing workforce within their specific center of competence.

Environmental performance

team.blue Group has the ambition to run the most energy efficient business. The group is doing so by re-using equipment to the largest extent possible, but having in mind that operations should run on the most energy efficient way. Especially the use of electricity consumption is a key metric for the group, which has also been recognized via several governmental subsidies taking its base in optimization of energy consumption.

Research and development activities

Software is being developed which comprises software, including control panels, payment systems and internal systems developed to create more efficiency and simplified processes and also to sell solutions to customers, altogether to create a better customer experience. Development projects in progress amounts to DKK 3,683k as of 31 December 2022.

Statutory report on corporate social responsibility

In recent years, we, team.blue Denmark, have experienced an explosive growth in employees and customers.

The group we are a part of serve more than 2,500,000 customers and have over 2,000 employees. In the Nordics, 250,000 customers are served, and 188 team members employed. This gives us a great social responsibility of which we are both very proud and very aware.

The IT industry to which we belong is responsible for significant CO2 emissions. For this reason, we as an IT company need to consider how we affect the environment and how we continuously find sustainable ways of operating our business.

To our customers, we wish to be a trusted digital enabler who actively invests in better and more sustainable ways of delivering our solutions – without ever compromising the quality. See also description in section “Primary Activities”.

To our local society, we wish to be an active stakeholder who supports local businesses, organizations and entrepreneurs.

Particular risks

Management is not aware of anything of particular risk to the company's presence in the Danish SME hosting market and nor of any risk that impacts the growth plans for the coming years. All acquired companies have been carefully integrated into the existing platform and framework, and the migration is continuously being monitored and tracked.

Climate and environment

The IT industry is one of the biggest risks regarding CO2 emissions – a fact that we cannot and should not shy away from.

We can and must work towards building a company that is as sustainable as possible. One way is to pay close attention to exactly how energy efficient our data centers are.

Data centers use a substantial amount of energy, which means that by finding and investing in better equipment we can create enormous energy savings.

In recent years, the group that we are a part of have invested heavily in equipment which now enables us, on a group level, to save tons of CO2 annually. As a result of our energy efforts, we have in 2022 succeeded in reducing our CO2 emissions.

Whenever we change IT equipment, both in the offices and in our data centers, we choose energy efficient hardware and make sure that old equipment is either reused or recycled in the safest and most environmentally friendly way possible.

We have already made numerous improvements to team.blue, which all help us setting a greener footprint on the environment. We are not done at all, but we are very well underway.

We have greatly reduced our energy consumption, by converting our electricity into Environmentally Friendly Electricity.

In 2022 we bought Environmentally Friendly Electricity from Nordic hydropower plants. This way we will be doing our part by helping setting focus on the need for sustainable energy.

When we use electricity from renewable energy sources, we make it more attractive to produce sustainable energy.

We received our certification of Environmentally Friendly Electricity purchased from Energi Danmark A/S. Also, it is documented through guarantees of origin, the so-called RECS certificates.

We will continue to focus on this matter and work on our current initiatives in the coming financial year.

Workspace sustainability

As our building is new and most of it built per our request, we have had the opportunity to influence material choice and the overall construction.

We have chosen to have large open offices, as this not only supports our way of working, but also creates a better and more efficient way of heating and cooling the building, resulting in energy saving. For the same reason, we have equipped our windows with sun curtains and solar film.

One of our priorities was to have a lot of windows installed. It may seem simple, but it is an efficient way to lessen the need for artificial lighting. The lighting we do have, however, is intelligent, meaning that it turns on and off by itself as a further measure to conserve energy.

In addition to the energy saving initiatives that we have taken, we are also actively trying to reduce food waste. Our kitchen invests both time and money in creating a menu where leftover food can be reused the next day.

We prioritize buying local and ecological food products whenever possible. Furthermore, the kitchen provides an inexpensive dinner solution with the leftover food they have by creating portion sized dinner boxes for our employees to take home.

Physical well-being

Our employees are our most valuable assets.

As an employer, we wish to retain our employees and ensure that they are happy, healthy and educated. A risk in regard to our employees is that they do not thrive when being part of team.blue.

We believe that education is an important part of our employees' development and that it should be an integral part of their work lives. For this reason, we offer our employees a range of different supplementary training whilst working for team.blue Denmark.

As an employer, we also have a responsibility for helping our employees fulfill their social needs and aspirations for a healthy lifestyle. Among other things, we provide a healthy breakfast and lunch, health insurance and free access to our in-house gym.

At least once a year, we arrange a "health initiative" – typically in the form of a competition which helps our employees become more aware of their eating habits, exercise habits and/or their health in general.

We will continue to focus on this matter and work on our current initiatives in the coming financial year.

Employee care

We believe that the physical environment is fundamental to the well-being of our employees, which is why we tailor their workspaces to their exact wants and needs. We provide our employees with the IT equipment of their choice, and we offer height adjustable tables and chairs that are customizable to the needs of the individual.

We try to facilitate a work environment where the individual has his or her own project that he or she can manage however they see fit. We strive to also meet individual demands from our employees, to enhance their work experience and their general well-being.

We adhere to relevant collective agreements regarding pay, meaning that all team.blue Denmark employees receive a salary and benefit package that is competitive in relation to the market standard.

We provide a range of benefits which include, but are not limited to, physiotherapy, carwash whilst at work, massage and much more.

To better the balance between work life and family life, we provide the possibility of working from home if needed in most of our departments. Furthermore, we include our employees' families on festive occasions when relevant and possible.

We will continue to focus on this matter and work on our current initiatives in the coming financial year.

Societal and local responsibility

As one of Europe's leading digital enablers, we have a strong responsibility for developing the Danish IT industry.

For this reason, we cooperate with several research and educational institutions such as Aarhus University and Business Academy Aarhus.

By cooperating with schools, academies, and universities, we believe that we can play an important part in promoting the development of the IT industry. In return, we get a unique opportunity to meet students who provide us with input and ideas which we can implement in our company.

In addition to cooperating with schools, we frequently hire interns and if possible, offer apprenticeships.

Also, we wish to contribute to the development of the local business and startup environment. For this reason, we regularly sponsor local initiatives and organizations and host local events.

Specific initiatives

We enjoy being an active part of our local society and strive to participate in the development of the Danish IT scene. We also do whatever we can to help keep our employees happy and healthy.

Below is a list of some of our initiatives supporting these causes:

- Local sponsorships
- Sponsor for Skanderborg Culture Center
- Main sponsor for FC Skanderborg
- Coding Class for young students
- Continuous education of our employees
- Several health initiatives

Continuous development

Once a year, we review our policies and initiatives and discuss whether they suffice to reach our ambitious goals, which are based on the United Nations' 17 Sustainable Development Goals:

1. No Poverty
2. Zero Hunger
3. Good Health and Well-Being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation and Infrastructure
10. Reduced Inequalities
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace, Justice and Strong Institutions
17. Partnerships

We continuously discuss how our competences can create the biggest positive difference, and once a year, we review and prioritize our CSR action plan.

Anti-bribery

team.blue always strives to act and do business in an ethical, responsible, transparent, and honest manner. team.blue does not accept or solicit corruption or bribery in any kind and has a zero tolerance in relation to corruption and bribery.

In all business relationships we are obliged to act in a professional way, which entails that we do not accept presents, bribery and extortion that can have an influence on decisions made by team.blue.

team.blue in Denmark has an anti-bribery policy at a local level specifying local standards. The work to create the group wide governance model has been started, and the anti-bribery procedures specifically will be formalized in writing. So far, the anti-bribery activities have been discussed verbally, and the required information has also been shared verbally. team.blue as a Group is fully aware of the need to create and maintain written procedures and is working closely together with Group functions to implement the procedures as fast as possible. The plan is to finalize the Group wide procedures during 2023. Currently, the regional and local governance models still stand and will still apply but will fall under an overarching governance framework steered from team.blue HQ. This governance framework will entail an ethical code addressing, among other things, anti-bribery and anti-fraud procedures, a governance charter, a delegation of authority and whistleblower policy. The latter was already introduced in the end 2021. The governance charter is planned for the first half of 2023, and the ethical code is planned for the end of 2023.

With that said, we believe that the risk in relation to anti-bribery has been minimized with this informal communication of our values etc., and team.blue has not received any reports in 2022 concerning corruption or bribery.

Human rights

team.blue is committed to maintain and develop a culture based on respect towards human rights. This means that we have a responsibility to ensure the rights and safety of our employees and furthermore human rights throughout our supply chain.

We consider our supply chain as relatively simple due to the composition of our suppliers, and we therefore assess our supply chain as being low risk regarding breaches of human rights.

team.blue strives to work with acknowledged suppliers that uphold a certain level of ethics to minimize risk of any breaches of human rights. When engaging new suppliers, we take our reservations and conduct due diligence screenings where needed.

In 2022 team.blue has not received any reports concerning breaches of human rights.

At team.blue we continuously improve and develop our organization, and in the course of 2023, we aim to implement a group wide code of conduct that, among other things, will include human rights. Such group wide code of conduct will be implemented locally through internal available policies combined with eLearning or physical training where needed.

Statutory report on Data ethics policy

Data ethics are a high priority at team.blue, and we are committed to comply with all rules and regulations regarding data ethics. As an incorporated part of the normal business operations, we make sure this is reflected in our internal policies and procedures and is communicated clearly to all our employees.

At team.blue we only use data from external sources to a limited extent in our daily course of operations. When a new use of data is required, local management will be involved if the new use is of significant impact for the provider of the data.

team.blue is following the development on this subject to make sure we comply with the current rules and regulations to ensure that data are handled in a compliant way.

Statutory report on the underrepresented gender

The company is working on complying with the provisions of the laws for the underrepresented gender in the Senior Management body.

The board of directors currently consists of 3 men and 1 female, who are the Group CRO, Country CEO, Country CFO and Country CTO. The goal for the company was to have a minimum of 20% females represented on the board of directors by the end of 2025. This goal has been met in 2022 with the current structure of the Board of Directors.

The Senior Management team of team.blue Denmark consists of 6 persons, 2 of them female. The goal for the company was to have a minimum of 20% females represented at the Senior Management level. This goal has been met in 2022 with the current structure in Senior Management.

Throughout the recent years, the company has been focusing on the mixture and representation of genders in the organization and the percentage of females in the organization currently is 19%, 3 of them holding managerial positions. When recruiting, we ensure that all job advertisements are neutral in regard to gender, and during our recruitment process we do not place emphasis on gender when inviting candidates to an interview.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Revenue	1	536,120,069	476,717,254
Own work capitalised		13,589,614	13,541,095
Cost of sales		(170,756,275)	(148,287,995)
Other external expenses	2	(66,904,314)	(51,410,242)
Gross profit/loss		312,049,094	290,560,112
Staff costs	3	(100,502,019)	(91,320,410)
Depreciation, amortisation and impairment losses	4	(66,148,108)	(64,167,367)
Operating profit/loss		145,398,967	135,072,335
Other financial income	5	9,805,672	8,627,422
Other financial expenses	6	(4,451,527)	(5,431,609)
Profit/loss before tax		150,753,112	138,268,148
Tax on profit/loss for the year	7	(33,663,419)	(30,861,941)
Profit/loss for the year	8	117,089,693	107,406,207

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2021 DKK
Completed development projects	10	20,153,407	22,004,359
Acquired intangible assets		641,881	3,255,238
Goodwill		13,249,037	16,625,498
Development projects in progress	10	3,683,308	1,061,260
Intangible assets	9	37,727,633	42,946,355
Other fixtures and fittings, tools and equipment		78,414,699	66,188,825
Leasehold improvements		2,071,671	3,416,103
Property, plant and equipment	11	80,486,370	69,604,928
Other investments		10,000	10,000
Deposits		2,434,752	2,434,752
Financial assets	12	2,444,752	2,444,752
Fixed assets		120,658,755	114,996,035
Trade receivables		39,785,401	37,223,792
Receivables from group enterprises		315,908,118	304,455,400
Deferred tax	13	2,126,408	368,705
Other receivables		1,451,330	397,910
Prepayments	14	10,953,563	13,914,044
Receivables		370,224,820	356,359,851
Cash		21,663,277	44,163,214
Current assets		391,888,097	400,523,065
Assets		512,546,852	515,519,100

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital		1,013,500	1,013,500
Reserve for development expenditure		18,592,638	17,991,183
Retained earnings		229,072,645	262,584,407
Equity		248,678,783	281,589,090
Lease liabilities		16,527,385	16,174,511
Debt to other credit institutions		0	301,338
Other payables		8,629,601	8,452,107
Non-current liabilities other than provisions	15	25,156,986	24,927,956
Current portion of non-current liabilities other than provisions	15	14,736,251	14,234,750
Bank loans		70	76,475
Trade payables		48,177,717	35,163,230
Payables to group enterprises		20,498,410	8,750,401
Tax payable		37,395,272	34,784,647
Other payables	16	12,424,978	17,678,992
Deferred income	17	105,478,385	98,313,559
Current liabilities other than provisions		238,711,083	209,002,054
Liabilities other than provisions		263,868,069	233,930,010
Equity and liabilities		512,546,852	515,519,100
Unrecognised rental and lease commitments	18		
Contingent liabilities	19		
Assets charged and collateral	20		
Related parties with controlling interest	21		
Transactions with related parties	22		
Group relations	23		

Statement of changes in equity for 2022

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Proposed extraordinary dividend DKK	Total DKK
Equity beginning of year	1,013,500	17,991,183	262,584,407	0	281,589,090
Extraordinary dividend paid	0	0	0	(150,000,000)	(150,000,000)
Transfer to reserves	0	601,455	(601,455)	0	0
Profit/loss for the year	0	0	(32,910,307)	150,000,000	117,089,693
Equity end of year	1,013,500	18,592,638	229,072,645	0	248,678,783

Notes

1 Revenue

	2022	2021
	DKK	DKK
Nordic	521,607,584	465,347,027
Europe	7,095,243	4,598,075
Other	7,417,242	6,772,152
Total revenue by geographical market	536,120,069	476,717,254

The company's segments are business segments and geographical markets.

In general the Company's primary business consists of offering and delivering hosting and highly standardized solutions to SMEs. Management wishes with regard to the Danish Financial Statements Act § 96 not to give additional information about business segment breakdown of revenue as a detailed breakdown of the revenue can harm the competitive situation.

2 Fees to the auditor appointed by the Annual General Meeting

	2022	2021
	DKK	DKK
Statutory audit services	306,000	244,000
Tax services	88,575	76,000
Other services	690,324	602,911
	1,084,899	922,911

3 Staff costs

	2022	2021
	DKK	DKK
Wages and salaries	87,355,825	79,666,180
Pension costs	11,128,326	10,106,472
Other social security costs	1,964,107	1,500,398
Other staff costs	53,761	47,360
	100,502,019	91,320,410

Average number of full-time employees	187	180
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	Remuneration	
	of	of
	Management	Management
	2022	2021
	DKK	DKK
Executive Board	4,576,000	3,629,000
	4,576,000	3,629,000

4 Depreciation, amortisation and impairment losses

	2022	2021
	DKK	DKK
Amortisation of intangible assets	21,025,193	20,158,818
Depreciation of property, plant and equipment	45,242,063	44,275,201
Profit/loss from sale of intangible assets and property, plant and equipment	(119,148)	(266,652)
	66,148,108	64,167,367

5 Other financial income

	2022	2021
	DKK	DKK
Financial income from group enterprises	8,842,014	7,584,268
Other financial income	963,658	1,043,154
	9,805,672	8,627,422

6 Other financial expenses

	2022	2021
	DKK	DKK
Financial expenses from group enterprises	0	2,092
Other interest expenses	313,744	293,197
Other financial expenses	4,137,783	5,136,320
	4,451,527	5,431,609

7 Tax on profit/loss for the year

	2022	2021
	DKK	DKK
Current tax	35,421,122	32,810,492
Change in deferred tax	(1,757,703)	(1,341,067)
Adjustment concerning previous years	0	(607,484)
	33,663,419	30,861,941

8 Proposed distribution of profit and loss

	2022 DKK	2021 DKK
Extraordinary dividend distributed in the financial year	150,000,000	0
Retained earnings	(32,910,307)	107,406,207
	117,089,693	107,406,207

9 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK	Goodwill DKK	Development projects in progress DKK
Cost beginning of year	113,045,404	11,849,311	33,080,399	1,061,260
Transfers	1,061,260	0	0	(1,061,260)
Additions	11,985,552	137,610	0	3,683,308
Disposals	0	(1,283,021)	(1,697,144)	0
Cost end of year	126,092,216	10,703,900	31,383,255	3,683,308
Amortisation and impairment losses beginning of year	(91,041,045)	(8,594,073)	(16,454,901)	0
Amortisation for the year	(14,897,764)	(2,750,968)	(3,376,460)	0
Reversal regarding disposals	0	1,283,022	1,697,143	0
Amortisation and impairment losses end of year	(105,938,809)	(10,062,019)	(18,134,218)	0
Carrying amount end of year	20,153,407	641,881	13,249,037	3,683,308

Goodwill is recognized when acquisitions are made. Management has estimated the useful life and the amortization period regarding the goodwill. Based on the acquired company's business activity, customer base, customer mix and synergy possibilities Management has estimated the useful life to 5-10 years. Useful life is reassessed continuously by Management.

10 Development projects

Development projects in progress amounts to t.dkk. 3.683 as of 31 December 2022 and is to be finalized in Q1 2023.

Development projects comprise software, including control panels, payment systems and internal systems developed to create more efficiency and simplified processes and also to sell solutions to customers all together to create a better customer experience. Software and solutions are developed with base in market and customer demands and therefore has proven potential already prior to the development of the project.

The developed software is divided into separate projects where the individual projects are identifiable and follow their own course, including start-up, progress and completion.

The developed software must be seen as an integrated part of the company's DNA, whereby revenue and earnings follow the company's overall budgets and forecasts. Due to the financial performance there are no identified indicators of a need for impairment.

11 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	179,788,125	7,509,627
Additions	56,041,477	82,028
Disposals	(14,010,326)	(248,096)
Cost end of year	221,819,276	7,343,559
Depreciation and impairment losses beginning of year	(113,599,301)	(4,093,524)
Depreciation for the year	(43,815,603)	(1,426,460)
Reversal regarding disposals	14,010,327	248,096
Depreciation and impairment losses end of year	(143,404,577)	(5,271,888)
Carrying amount end of year	78,414,699	2,071,671
Recognised assets not owned by entity	28,421,008	0

12 Financial assets

	Other investments DKK	Deposits DKK
Cost beginning of year	10,000	2,434,752
Cost end of year	10,000	2,434,752
Carrying amount end of year	10,000	2,434,752

13 Deferred tax

	2022 DKK	2021 DKK
Intangible assets	4,302,861	4,446,978
Property, plant and equipment	(6,889,229)	(6,098,042)
Other deductible temporary differences	459,960	1,282,359
Deferred tax	(2,126,408)	(368,705)

Changes during the year	2022 DKK
Beginning of year	(368,705)
Recognised in the income statement	(1,757,703)
End of year	(2,126,408)

Deferred tax assets

Deferred income comprise received income for recognition in subsequent financial years. Deferred income are measured at cost.

14 Prepayments

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

15 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK	Due within 12 months 2021 DKK	Due after more than 12 months 2022 DKK
Lease liabilities	14,736,251	13,198,753	16,527,385
Debt to other credit institutions	0	1,035,997	0
Other payables	0	0	8,629,601
	14,736,251	14,234,750	25,156,986

No liability is due after 5 years.

16 Other payables

	2022 DKK	2021 DKK
VAT and duties	6,576,852	8,571,494
Wages and salaries, personal income taxes, social security costs, etc payable	5,169,039	8,507,032
Other costs payable	679,087	600,466
	12,424,978	17,678,992

17 Deferred income

Deferred income comprise received income for recognition in subsequent financial years. Deferred income are measured at cost.

18 Unrecognised rental and lease commitments

	2022 DKK	2021 DKK
Liabilities under rental or lease agreements until maturity in total	40,917,711	42,283,207

19 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Combell Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

20 Assets charged and collateral

Material Bank accounts are pledged to the benefit of Kroll Trustee Services Limited acting as security agent.

21 Related parties with controlling interest

Related parties with a controlling interest:

team.blue Nordic ApS, Højvangen 4, 8660 Skanderborg (mother)
Combell N.V., Skaldenstraat 121, 9042 Gent, Belgium (mother)
Combell Holding ApS, Højvangen 4, 8660 Skanderborg, Denmark (mother)
Combell Group B.V., Watertorenplein 4 A, 1051PA Amsterdam, Netherlands (mother)
team.blue N.V., Skaldenstraat 121, 9042 Ghent, Belgium (mother)
team.blue Finco Sarl, 1, rue Hildegard von Bingen, L-1282, Luxembourg (mother)
team.blue Midco Sarl, 1, rue Hildegard von Bingen, L-1282, Luxembourg (mother)
team.blue Holdco Sarl, 1, rue Hildegard von Bingen, L-1282, Luxembourg (mother)
team.blue Mezzco Sarl, 1, rue Hildegard von Bingen, L-1282, Luxembourg (mother)
team.blue PIKco Sarl, 1, rue Hildegard von Bingen, L-1282, Luxembourg (mother)
team.blue Topco Sarl, 1, rue Hildegard von Bingen, L-1282, Luxembourg (mother)
team.blue EquityCo Sarl, rue Hildegard von Bingen, Æ-1282, Luxembourg (ultimate mother)

22 Transactions with related parties

Information about transactions with related parties are only listed in the annual report if these transactions have not been carried out on a market term basis. There have not been conducted such transactions in the financial year.

23 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
team.blue Nordic ApS, Højvangen 4, 8660 Skanderborg.

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 (large).

Changes in accounting policies

The Entity has changed its accounting policies with regard to presentation of own work capitalized.

The change in accounting policies has not led to a decrease or increase in equity, assets or liabilities. Own work capitalized was previous shown as a deduct of staff cost, but is now presented on a seperate line, as part of gross profit.

The comparative figures have been restated following the change in accounting policies.

Apart from the areas mentioned above, the annual report has been presented applying the accounting policies consistent with 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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognized in the income statement as financial income or financial expenses.

Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Revenue

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

Own work capitalised

Own work capitalised comprises staff costs incurred in the financial year and recognised in cost for proprietary intangible assets.

Cost of sales

Costs of consumables comprise domains, internet access, software, etc. as well as costs directly attributable to realization of revenue for the year. Costs of sales also include write-down for bad debt recognized under current assets.

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.

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, amortization and impairment losses relating to intangible assets and property, plant and equipment comprise depreciation and amortization for the financial year, calculated on the basis of the useful lives of the individual assets as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, 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 recognized in the income statement by the portion attributable to the profit for the year and recognized directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is amortized straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. The useful life is determined based on an assessment of whether the strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognized as separate assets. Useful lives are reassessed annually. The amortization periods used are 5-10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc

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

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilization, 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 recognized as intangible assets. Other development costs are recognized as costs in the income statement as incurred. When recognizing development projects as intangible assets, an amount equaling the costs incurred is taken to equity under Reserve for development costs that is reduced as the development projects are amortized and written down.

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

Completed development projects are amortized on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. For development projects protected by intellectual property rights, the maximum amortization period is the remaining duration of the relevant rights. The amortization period used are 3 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

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:

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

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.

Other investments

Other investments comprise unlisted equity 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.

Deferred tax

Deferred tax is recognized on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognized in the balance sheet at their estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

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

Cash

Cash comprises bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Lease liabilities

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Tax receivable or payable

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

Deferred income

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

Cash flow statement

Referring to section 86(4) of the Danish Financial Statements Act, the Entity has prepared no cash flow statement as such statement is included in the consolidated cash flow statement of team.blue Nordic ApS, Business Reg. No. 37272272.