

# **CHG-Meridian Denmark A/S**

Frode Jakobsens Plads 4 5. sal, 2720 Vanløse

Company reg. no. 30 20 60 45

# **Annual report**

### 1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 17 March 2021.

Lena Gausen

Chairman of the meeting

Notes:

Statsautoriseret Revisionspartnerselskab CVR-nr.: 29442789 **redmark.dk** 



<sup>•</sup> To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.

<sup>•</sup> Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

### Redmark

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#### **Management's report**

The board of directors and the managing director have today presented the annual report of CHG-Meridian Denmark A/S for the financial year 1 January to 31 December 2020.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2020 and of the company's results of its activities in the financial year 1 January to 31 December 2020.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

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

Copenhagen, 26 February 2021

**Managing Director** 

Espen Ludvigsen

**Board of directors** 

Mathias Wagner

Espen Ludvigsen

Lena Gausen



#### Independent auditor's report

#### To the shareholders of CHG-Meridian Denmark A/S

#### Opinion

We have audited the annual accounts of CHG-Meridian Denmark A/S for the financial year 1 January to 31 December 2020, which comprise profit and loss account, balance sheet, statement of changes in equity, notes and accounting policies. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

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

#### The management's responsibilities for the annual accounts

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

In preparing the annual accounts, management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the annual accounts

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



#### Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the 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 annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.



#### Independent auditor's report

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 26 February 2021

**Redmark** State Authorised Public Accountants Company reg. no. 29 44 27 89

Darnell Vagnild State Authorised Public Accountant mne32116



# **Company information**

| The company        | CHG-Meridian Denmark A/S<br>Frode Jakobsens Plads 4 5. sal<br>2720 Vanløse                         |   |
|--------------------|--|---|
|                    | Company reg. no.<br>Established:<br>Domicile:<br>Financial year:                                   | 30 20 60 45<br>23 January 2007<br>Copenhagen<br>1 January - 31 December |
| Board of directors | Mathias Wagner<br>Espen Ludvigsen<br>Lena Gausen   |   |
| Managing Director  | Espen Ludvigsen  |   |
| Auditors           | Redmark<br>Statsautoriseret Revisionspartnerselskab<br>Dirch Passers Allé 76<br>2000 Frederiksberg |   |



#### **Management commentary**

#### The principal activities of the company

CHG- Meridian Denmark A/S devises customized business concept and manages efficient investments in technology. We provide our customers with impartial, straightforward, and expert advice and offer efficient technology management for medium-sized enterprises, large corporations, and public-sector clients.

#### Development in activities and financial matters

The gross profit for the year is DKK 23.838.232 against DKK 15.813.591 last year. The results from ordinary activities after tax are DKK -1.043.283 against DKK -4.904.818 last year. The management consider the results unsatisfactory.



# Income statement 1 January - 31 December

All amounts in DKK.

| Note   | 2020        | 2019        |
|--|-------------|-------------|
| Gross profit   | 23.838.232  | 15.813.591  |
| 1 Staff costs  | -4.166.377  | -3.856.205  |
| Depreciation and writedown relating to tangible fixed assets | -21.869.474 | -15.138.414 |
| Operating profit   | -2.197.619  | -3.181.028  |
| Other financial income                                       | 86.499      | 2.199       |
| 2 Other financial costs                                      | -1.396.756  | -991.726    |
| Pre-tax net profit or loss                                   | -3.507.876  | -4.170.555  |
| Tax on ordinary results                                      | 2.464.593   | -734.263    |
| Net profit or loss for the year                              | -1.043.283  | -4.904.818  |
| Proposed appropriation of net profit:                        |             |             |
| Allocated from retained earnings                             | -1.043.283  | -4.904.818  |
| Total allocations and transfers                              | -1.043.283  | -4.904.818  |

### Bedmark

# Statement of financial position at 31 December

All amounts in DKK.

|      | Assets   |            |            |
|------|--|------------|------------|
| Note | 2  | 2020       | 2019       |
|      | Non-current assets                               |            |            |
|      | Other fixtures and fittings, tools and equipment | 24.433.061 | 33.161.582 |
|      | Total property, plant, and equipment             | 24.433.061 | 33.161.582 |
|      | Total non-current assets                         | 24.433.061 | 33.161.582 |
|      | Current assets                                   |            |            |
| 3    | Trade debtors                                    | 30.291.371 | 20.480.073 |
|      | Deferred tax assets                              | 2.651.401  | 660.000    |
|      | Receivable corporate tax                         | 0          | 342.000    |
|      | Tax receivables from group enterprises           | 4.419.676  | 0          |
|      | Other debtors                                    | 4.881.506  | 161.331    |
|      | Accrued income and deferred expenses             | 9.568.186  | 13.678.247 |
|      | Total receivables                                | 51.812.140 | 35.321.651 |
|      | Available funds                                  | 1.770.065  | 366.236    |
|      | Total current assets                             | 53.582.205 | 35.687.887 |
|      | Total assets                                     | 78.015.266 | 68.849.469 |

### Bedmark

# Statement of financial position at 31 December

All amounts in DKK.

| Equity and liabilities                             |            |            |
|--|------------|------------|
| Note   | 2020       | 2019       |
| Equity   |            |            |
| Contributed capital                                | 550.000    | 550.000    |
| Results brought forward                            | 2.573.114  | -383.603   |
| Total equity                                       | 3.123.114  | 166.397    |
| Liabilities other than provisions                  |            |            |
| Other debts  | 509.679    | 153.494    |
| Total long term liabilities other than provisions  | 509.679    | 153.494    |
| Short-term part of long-term liabilities           | 1.175.566  | 0          |
| Trade creditors                                    | 9.922.709  | 3.493.985  |
| Debt to group enterprises                          | 44.697.001 | 41.236.190 |
| Corporate tax                                      | 3.718.330  | 0          |
| Other debts  | 1.355.557  | 2.664.012  |
| Accrued expenses and deferred income               | 13.513.310 | 21.135.391 |
| Total short term liabilities other than provisions | 74.382.473 | 68.529.578 |
| Total liabilities other than provisions            | 74.892.152 | 68.683.072 |
| Total equity and liabilities                       | 78.015.266 | 68.849.469 |

#### 4 Contingencies

# Statement of changes in equity

All amounts in DKK.

|   | Contributed capital | Retained earnings | Total      |
|---|---------------------|-------------------|------------|
| Factor 1 January 2010                       | 550.000             | 4 524 245         | E 074 24 E |
| Equity 1 January 2019                       | 550.000             | 4.521.215         | 5.071.215  |
| Profit or loss for the year brought forward | 0                   | -4.904.818        | -4.904.818 |
| Equity 1 January 2020                       | 550.000             | -383.603          | 166.397    |
| Profit or loss for the year brought forward | 0                   | -1.043.283        | -1.043.283 |
| Group contribution                          | 0                   | 4.000.000         | 4.000.000  |
|   | 550.000             | 2.573.114         | 3.123.114  |

#### Notes

All amounts in DKK.

|    |   | 2020       | 2019       |
|----|---|------------|------------|
| 1. | Staff costs   |            |            |
|    | Salaries and wages  | 3.863.559  | 3.532.114  |
|    | Pension costs   | 268.685    | 287.149    |
|    | Other costs for social security                             | 34.133     | 36.942     |
|    |   | 4.166.377  | 3.856.205  |
|    | Average number of employees                                 | 6          | 5          |
| 2. | Other financial costs                                       |            |            |
|    | Financial costs, group enterprises                          | 1.368.480  | 941.689    |
|    | Other financial costs                                       | 28.276     | 50.037     |
|    |   | 1.396.756  | 991.726    |
|    |   |            |            |
| 3. | Trade debtors   |            |            |
|    | Trade debtors   | 30.291.371 | 20.480.073 |
|    |   | 30.291.371 | 20.480.073 |
|    |   |            |            |
|    | From the total debtors, the following amounts are due for   |            |            |
|    | payment more than a year from the end of the financial year | 6.628.016  | 8.094.462  |

#### 4. Contingencies

#### **Contingent liabilities**

The company has entered into operational leasing contracts with an average annual leasing payment of DKK 112.764, and the total outstanding leasing payment is DKK 216.131.

#### Joint taxation

The company is the administration company of the group of companies subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

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



#### Notes

All amounts in DKK.

### 4. Contingencies (continued) Joint taxation (continued)

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.



The annual report for CHG-Meridian Denmark A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

#### **Recognition and measurement in general**

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

#### Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

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



#### Income statement

#### **Gross profit**

Interest income arising from interestbearing financial instruments carried at amortised cost are recognized in the income statement using the effective interest method on the basis of the cost of the financial instrument.

Costs of goods include costs corcerning service elements.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

#### Staff costs

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

#### Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

#### Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable of the income of the Danish consolidated companies is paid to the tax authorities by the company.

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



#### The balance sheet

#### **Tangible fixed assets**

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

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

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

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

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

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

|  | Useful life | Residual value |
|--|-------------|----------------|
| Other fixtures and fittings, tools and equipment | 1-5 years   | 0-20 %         |

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

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

#### Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.



At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

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

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

#### Impairment loss relating to non-current assets

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

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

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

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

#### Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value.

#### Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.



#### Available funds

Available funds comprise cash at bank.

#### Income tax and deferred tax

As administration company, CHG-Meridian Denmark A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

#### Liabilities other than provisions

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

#### Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.