
Foundever Denmark ApS

Sluseholmen 2 - 4, 3., DK-2450 Copenhagen SV

Annual Report for 1 January - 31 December 2022

CVR No 30 55 42 56

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
20/06 2023

Robert Kalin
Chairman of the General
Meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company Information	5
Financial Highlights	6
Management's Review	7
Financial Statements	
Income Statement 1 January - 31 December	9
Balance Sheet 31 December	10
Statement of Changes in Equity	12
Notes to the Financial Statements	13

Management's Statement

The Executive Board has today considered and adopted the Annual Report of Foundever Denmark ApS for the financial year 1 January - 31 December 2022.

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 2022 of the Company and of the results of the Company operations for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Copenhagen, 20 June 2023

Executive Board

Sven Robert Kalin
Executive Officer

David Edwin Grimes
Executive Officer

Charlotte Monique Lucette
Craipeau
Executive Officer

Malin Hjortzberg-Nordlund
Executive Officer

Independent Auditor's Report

To the Shareholder of Foundever Denmark ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Foundever Denmark ApS for the financial year 1 January - 31 December 2022, 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.

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 misstate-

Independent Auditor's Report

ment, 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.
- 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

Independent Auditor's Report

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, 20 June 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Niels Henrik B. Mikkelsen
State Authorised Public Accountant
mne16675

Anders Røjleskov
State Authorised Public Accountant
mne28699

Company Information

The Company

Foundever Denmark ApS
Sluseholmen 2 - 4, 3.
DK-2450 Copenhagen SV

Telephone: + 45 3263 0902

CVR No: 30 55 42 56

Financial period: 1 January - 31 December

Financial year: 16th financial year

Municipality of reg. office: Copenhagen

Executive Board

Sven Robert Kalin
David Edwin Grimes
Charlotte Monique Lucette Craipeau
Malin Hjortzberg-Nordlund

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2022 TDKK	2021 TDKK	2020 TDKK	2019 TDKK	2018 TDKK
Key figures					
Profit/loss					
Revenue	51,079	57,939	54,863	58,356	63,876
Operating profit/loss	3,224	3,120	258	3,001	2,883
Profit/loss before financial income and expenses	3,225	3,120	258	3,001	2,883
Net financials	-171	-41	-337	-6,384	2,513
Net profit/loss for the year	2,398	2,404	-62	-2,760	3,628
Balance sheet					
Balance sheet total	47,650	69,451	70,912	216,490	217,686
Equity	33,833	54,435	52,032	52,094	54,853
Investment in property, plant and equipment	0	-175	-330	-557	-111
Number of employees	115	137	131	143	153
Ratios					
Gross margin	82.5%	85.7%	83.7%	85.1%	81.9%
Profit margin	6.3%	5.4%	0.5%	5.1%	4.5%
Return on assets	6.8%	4.5%	0.4%	1.4%	1.3%
Solvency ratio	71.0%	78.4%	73.4%	24.1%	25.2%
Return on equity	5.4%	4.5%	-0.1%	-5.2%	6.8%

Management's Review

Key activities

The Company's main activity involves trade and industry as well as call center services and outsourcing of specific company related functions and related business.

Development in the year

The income statement of the Company for 2022 shows a profit of DKK 2,398,038, and at 31 December 2022 the balance sheet of the Company shows equity of DKK 33,833,282.

The past year and follow-up on development expectations from last year

2022 showed a stable performance and the units meet their budgeted expectations. We expect also 2023 end according expectations. Some shrinkage of the business that we hope will be mitigated by a new client expected to start in the autumn. Work in progress to merge the two Foundever entities in Denmark both legally and operationally.

Operating risks

Foundever Denmark's operational risk is low.

Market risks

The uncertainty in Europe and the rising costs in all areas are a challenge for us as and for most companies, but it is also an opportunity-creator in the sector in which we offer competitive services. We therefore take a positive view of 2023.

Foreign exchange risks

Main foreign currency transactions are with related party in EUR and GBP, but the foreign exchange risk are predicted as low.

Interest rate risks

As company only using Group companies loan support there is no risk of interest rates.

Credit risks

The company does not use financial instruments besides those mentioned in the annual accounts. The company neither uses derivative financial instruments.

Management's Review

Liquidity risks

Foundever Denmark can count on the support from the Group companies on a medium-term. When the operational cash flow is not sufficient, the parent -or sister companies will provide sufficient financial means in the form of advances or loans.

Targets and expectations for the year ahead

Looking at the opportunities with the acquisition of Legacy Sykes we expect to re-build the organization and add the Legacy Sykes operations to the existing Sites (Copenhagen and Sonderborg) and by that find synergies and efficiency opportunities that can bring more value to the overall operations as well as our partners. With the footprint in Denmark as well as Nordics, it is expected to grow with a new partner in the following 12 months, where we already now have good opportunities and advanced dialogues with future partners.

Research and development

Foundever Denmark will continue to search for new opportunities on technological, operational or commercial level to improve the quality of its services to its customers and improve their satisfaction.

Foundever will drive continuous systems and process re-engineering and gradually move towards a social media strategy, with the resulting deflection from traditional contact channels.

External environment

The Danish outsourcing market is still in its infancy. Foundever is the largest outsourcing operator in the market, and as we grow towards maximum capacity we will invest to facilitate future expansion in the market place.

Intellectual capital resources

We are investing heavily in development of our internal IC resources. We operate a People First culture and have introduced support from our Global Work Force Management team. Equally a close co operation with our Global Continuous Improvement team is now well installed.

Income Statement 1 January - 31 December

	Note	2022 DKK	2021 DKK
Revenue		51,079,323	57,938,866
Other operating income		1,857	0
Other external expenses		-8,958,553	-8,266,831
Gross profit/loss		42,122,627	49,672,035
Staff expenses	1	-38,536,978	-46,221,167
Depreciation and amortisation of property, plant and equipment		-360,180	-330,764
Profit/loss before financial income and expenses		3,225,469	3,120,104
Financial income		108,516	4,995
Financial expenses		-280,011	-45,568
Profit/loss before tax		3,053,974	3,079,531
Tax on profit/loss for the year	2	-655,936	-675,945
Net profit/loss for the year		2,398,038	2,403,586
Proposed distribution of profit			
Proposed dividend for the year		0	23,000,000
Retained earnings		2,398,038	-20,596,414
		2,398,038	2,403,586

Balance Sheet 31 December

Assets

	Note	2022 DKK	2021 DKK
Other fixtures and fittings, tools and equipment		441,126	293,176
Leasehold improvements		0	0
Property, plant and equipment	3	441,126	293,176
Deposits		1,062,213	1,033,114
Fixed asset investments	4	1,062,213	1,033,114
Fixed assets		1,503,339	1,326,290
Trade receivables		4,327,516	4,194,984
Receivables from group enterprises		14,483,011	51,307,981
Other receivables		89,169	235,291
Deferred tax asset	5	292,796	250,359
Corporation tax		0	1,061,693
Prepayments	6	183,611	0
Receivables		19,376,103	57,050,308
Cash at bank and in hand		26,770,643	11,074,068
Currents assets		46,146,746	68,124,376
Assets		47,650,085	69,450,666

Balance Sheet 31 December

Liabilities and equity

	Note	2022 DKK	2021 DKK
Share capital		125,000	125,000
Retained earnings		33,708,282	31,310,242
Proposed dividend for the year		0	23,000,000
Equity		33,833,282	54,435,242
Trade payables		1,578,317	834,375
Payables to group enterprises		7,986,540	8,100,386
Corporation tax		512,510	0
Other payables		3,739,436	6,080,663
Short-term debt		13,816,803	15,015,424
Debt		13,816,803	15,015,424
Liabilities and equity		47,650,085	69,450,666
Distribution of profit	7		
Contingent assets, liabilities and other financial obligations	8		
Related parties	9		
Subsequent events	10		
Accounting Policies	11		

Statement of Changes in Equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	125,000	31,310,244	23,000,000	54,435,244
Ordinary dividend paid	0	0	-23,000,000	-23,000,000
Net profit/loss for the year	0	2,398,038	0	2,398,038
Equity at 31 December	125,000	33,708,282	0	33,833,282

Notes to the Financial Statements

	2022 DKK	2021 DKK
1 Staff expenses		
Wages and salaries	36,504,869	43,937,276
Pensions	1,511,925	1,807,767
Other staff expenses	520,184	476,124
	38,536,978	46,221,167
 Including remuneration to the Executive Board of: Executive Board	 294,200	 0
	294,200	0
 Average number of employees	 115	 137

The Executive Board for the Danish entity operates as management for the entire Group, of which the costs related to management of the Danish entity amount to DKK 294,200.

The Executive Board has changed in 2023.

	2022 DKK	2021 DKK
2 Tax on profit/loss for the year		
Current tax for the year	708,509	143,682
Deferred tax for the year	-42,437	532,263
Adjustment of tax concerning previous years	-10,136	0
	655,936	675,945

Notes to the Financial Statements

3 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	7,070,298	451,558
Additions for the year	508,131	0
Cost at 31 December	<u>7,578,429</u>	<u>451,558</u>
Impairment losses and depreciation at 1 January	6,777,123	451,558
Depreciation for the year	360,180	0
Impairment losses and depreciation at 31 December	<u>7,137,303</u>	<u>451,558</u>
Carrying amount at 31 December	<u>441,126</u>	<u>0</u>

4 Fixed asset investments

	Deposits
	DKK
Cost at 1 January	1,033,114
Additions for the year	29,099
Cost at 31 December	<u>1,062,213</u>
Carrying amount at 31 December	<u>1,062,213</u>

5 Deferred tax asset

	2022	2021
	DKK	DKK
Deferred tax asset at 1 January	250,359	782,622
Amounts recognised in the income statement for the year	42,437	-532,263
Deferred tax asset at 31 December	<u>292,796</u>	<u>250,359</u>

Notes to the Financial Statements

6 Prepayments

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

7 Distribution of profit

Proposed dividend for the year	0	23,000,000
Retained earnings	<u>2,398,038</u>	<u>-20,596,414</u>
	<u>2,398,038</u>	<u>2,403,586</u>

8 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	<u>515,537</u>	<u>488,828</u>
	<u>515,537</u>	<u>488,828</u>

Other contingent liabilities

The Company is jointly taxed with other Danish Companies of the Foundever Group. The Company and the other Companies subject to joint taxation have unlimited, joint and several liability for Danish corporation taxes.

Notes to the Financial Statements

9 Related parties

Basis

Controlling interest

ClientLogic BV, 59 Watford Road St. Albans
Hertfordshire AL1 2AE
Great Britain

Controlling Shareholder

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name

Place of registered office

Foundever Group S.A.

Luxembourg

The Group Annual Report of Foundever Group S.A. may be obtained at the following address:

33 boulevard du Prince Henri
L-1724 Luxembourg
RCS Luxembourg B171740

10 Subsequent events

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

Notes to the Financial Statements

11 Accounting Policies

The Annual Report of Foundever Denmark ApS for 2022 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.

The Financial Statements for 2022 are presented in DKK.

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 Foundever Group S.A., 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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Notes to the Financial Statements

11 Accounting Policies (continued)

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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.

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 services is recognised in the income statement when delivery and transfer of risk to the buyer have been made before year end.

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

Other external expenses

Other external expenses comprise indirect production costs and 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 property, plant and equipment as well as gains and losses on the sale of 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.

Notes to the Financial Statements

11 Accounting Policies (continued)

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.

Balance Sheet

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	5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

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.

Fixed asset investments

Fixed asset investments consist of deposit.

Notes to the Financial Statements

11 Accounting Policies (continued)

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.

Prepayments

Prepayments comprise prepaid expenses concerning expenses paid in advantages for the following year.

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.

Financial Highlights

Explanation of financial ratios

Gross margin

$$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$$

Notes to the Financial Statements

11 Accounting Policies (continued)

Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$