

# PLM Group ApS

Brogrenen 10  
2635 Ishøj  
Denmark

CVR: 32 65 00 74

## Annual Report 01.01.2021 – 31.12.2021

The annual report was presented and approved at the Company's annual general meeting on:  
Date: /        2022

Jörgen Pehr Niklas Fredsson  
Chairman of the annual general meeting

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## Statement by the Board of Directors and Executive Board

The board of Directors and the Executive Board have today discussed and approved the annual report of PLM Group ApS for the financial year 1 January – 31 December 2021.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

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

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

Ishøj, 8. April 2022

Executive Board:

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Jan Olov Lundström  
Chief Executive Officer

Board of Directors:

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Jörgen Pehr Niklas Fredsson  
Chairman

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Jan Olov Lundström

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Magnus Nils Jönsson

# Independent auditor's report

## To the shareholders of PLM Group ApS

### Opinion

We have audited the financial statements of PLM Group ApS for the financial year 1 January – 31 December 2021, comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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

### 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.

### Management's responsibility for the financial statements

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

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

## Independent auditor's report

### Auditor's responsibilities for the audit of the financial statements

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

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

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Independent auditor's report

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 8 April 2022

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

David Olafsson  
State Authorised  
Public Accountant  
mne19737

# Management's review

## Company details

PLM Group ApS  
Brogrene 10  
2635 Ishøj  
Denmark

CVR: 32650074  
Established: 8. December 2009  
Registered: Ishøj  
Financial year: 1. January – 31. December

## Board of Directors

Jörgen Pehr Niklas Fredsson, Chairman  
Jan Olov Lundström  
Magnus Nils Jönsson

## Executive Board

Jan Olov Lundström, Chief Executive Officer

## Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
DK-2100 Copenhagen  
Denmark

# Management's review

## Operating review

### Principal activities

PLM Group is the largest Dassault Systems/SolidWorks value added reseller in Northern Europe serving approx. 5,000 customers from a wide range of industries. PLM Group makes customers more competitive by implementing solutions based on PLM application software into their entire value chain. The intuitive and high torques solutions generate 3D capabilities to sell, design, manufacture, deliver and service better products, faster and more cost-effectively.

### Development in activities and financial position

During 2021 PLM Group acquired PLM Technology AS. A small CPE reseller of advanced simulation and Catia in Norway.

The company's income statement for 2021 shows a profit of TDKK 47.504 as against a loss of TDKK -2.658 in 2020. Equity in the company's balance sheet at 31. December 2021 stood at TDKK 46.729 as against TDKK -775 at 31. December 2020.

### Uncertainty regarding measurement of investments in subsidiaries

2021 was another challenging year with COVID-19, varying markets, currencies and purchasing behavior, but financially 2021 was one of the best years ever for all subsidiaries. We are confident that the long-term plan will ensure a satisfying development in both sales and profitability for the different subsidiaries and subsequently the PLM Group in total.

Moreover, reference is made to note 5, in which the matter is described in further detail.

At the time of acquisition Management considered that the underlying performance especially in PLM Group Danmark A/S and PLM Group Norge AS had significant potential for topline growth and improved profitability. The base assumptions upon acquisition were to lift the revenue by 25% and 33% respectively for each of the entities over the period 2019-2022, but due to COVID-19 the growth has been delayed and the assumptions have had to be adjusted.

Based on this Management has assessed the valuation of the PLM Group Danmark A/S and PLM Group Norge AS shares. The assessment is based on a standardized DFC calculation. In the calculation a WACC of 11.4% has been applied which is considered conservative in the respective markets. Growth rate in the terminal period has been set to 2%. Based on this the valuation of the investments are still considered to be aligned with the initial plans in and the carrying value of the investments is not considered impaired.

For the other subsidiaries no detailed impairment test has been carried out considering that the underlying performance of those entities support the view that the carrying value is lower than Net realizable value.



## **Events after the balance sheet date**

A process to merge with the subsidiary PLM Group 3DX ApS was started in the beginning of 2022 and is expected to be finalized during 2022.

Covid-19 is still causing uncertainty in the market and the management expects the pandemic to have a negative impact in the result for the financial year of 2022. At the moment it is not possible to quantify the affect as no one knows how the pandemic will affect the society on the long run.

## **Capital resources**

Pronect AB has issued a letter of support stating that financial support will be provided to PLM Group ApS at least until 31 December 2022. Management assesses that this is sufficient to cover the expected financing requirements for the coming year.

## Financial Statement 1. January – 31. December

### Income statement

DKK'000	Note	2021	2020
<b>Gross loss</b>		<u>-261</u>	<u>-477</u>
<b>Operating loss</b>		-261	-477
Result from equity investments in group entities		49.254	218
Financial income	2	405	75
Financial expenses	3	<u>-2.227</u>	<u>-3.227</u>
<b>Profit/loss before tax</b>		47.171	-3.411
Tax on profit/loss for the year	4	333	753
<b>Profit/loss for the year</b>		<u>47.504</u>	<u>-2.658</u>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>47.504</u>	<u>-2.658</u>
		<u>47.504</u>	<u>-2.658</u>

## Financial Statement 1. January – 31. December

### Balance sheet

DKK'000	Note	2021	2020
<b>Assets</b>			
<b>Fixed assets</b>			
<b>Investments</b>			
Investments in group entities	5	<u>117.180</u>	<u>112.723</u>
<b>Total fixed assets</b>		<u>117.180</u>	<u>112.723</u>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from group entities		638	4.063
Other receivables		0	81
Deferred tax assets		<u>0</u>	<u>697</u>
		<u>638</u>	<u>4.841</u>
<b>Total current assets</b>		<u>638</u>	<u>4.841</u>
<b>Total Assets</b>		<u><u>117.818</u></u>	<u><u>117.564</u></u>

## Financial Statement 1. January – 31. December

### Balance sheet

DKK'000	Note	2021	2020
<b>Equity and liabilities</b>			
<b>Equity</b>			
Contributed capital		250	250
Retained earnings		46.479	-1.025
<b>Total equity</b>		<u>46.729</u>	<u>-775</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables to Group entities		71.043	114.108
Corporation tax		0	95
Other payables		46	4.136
<b>Total liabilities</b>		<u>71.089</u>	<u>118.339</u>
<b>Total Equity and Liabilities</b>		<u>117.818</u>	<u>117.564</u>
<b>Contractual liabilities</b>	7		
<b>Related party disclosures</b>	8		

## Financial Statement 1. January – 31. December

### Statement of changes in equity

DKK'000	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2021	250	-1.025	-775
Transferred over the profit appropriation	0	47.504	47.504
<b>Equity at 31 December 2021</b>	<u>250</u>	<u>46.479</u>	<u>46.729</u>

# Financial Statement 1. January – 31. December

## Notes

### Note 1

#### Accounting policies

The annual report of PLM Group ApS for 2021 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in of specific provisions for reporting class C.

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

#### Omission of consolidated financial statements

Pursuant to section 110(1) of the Danish Financial Statements Act, no consolidated financial statements last year.

#### Recognition and measurement

Assets are recognized in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when the Company 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 Company, 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 affected 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 recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

#### Merger

PLM Group ApS is planning to merger with daughter company PLM Group 3DX ApS with effect from 1. January 2022. The merger should be carried out using the book value method. Where comparable figures will not be adjusted.

### **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.

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

### **Gross profit**

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

### **Revenue**

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

### **Other external costs**

Other external costs include costs relating to the Company's ordinary activities, including banking fees and audit expenses.

### **Income from investments in group entities**

Income from investments in group entities comprises gains in the form of dividends on investments in group entities.

### **Financial income and expenses**

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group entities.

Other financial expenses comprise interest expenses, including interest expenses on payables to group entities, payables and transactions in foreign currencies.

### **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.

The Entity is jointly taxed with all Danish subsidiaries. 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).

### **Investments in group entities**

Investments in group entities are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

### **Receivables**

Receivables are measured at amortized cost, usually equaling nominal value less write-downs for bad and doubtful debts.

### **Income tax payable or receivable**

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

### **Other financial liabilities**

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



## Financial Statement 1. January – 31. December

### Notes

#### Note 2 – Financial income

DKK	<u>2021</u>	<u>2020</u>
Interest income from group entities	0	74
Exchange gains	<u>405</u>	<u>1</u>
	<u>405</u>	<u>75</u>

#### Note 3 – Financial expenses

Interest expense to group entities	2.215	2.199
Other financial costs	12	397
Exchange losses	<u>0</u>	<u>631</u>
	<u>2.227</u>	<u>3.227</u>

#### Note 4 – Tax on profit/loss for the year

Deferred tax for the year	-638	-629
Adjustment of deferred tax concerning previous years	305	-19
Net effect from merger	<u>0</u>	<u>-105</u>
	<u>-333</u>	<u>-753</u>

## Note 5 – Fixed assets investments

DKK'000	<u>Investments in group entities</u>
Cost at 1. January 2021	112.723
Additions for the year	<u>4.457</u>
Cost at 31. December 2021	<u>117.180</u>
Carrying amount at 31 December 2021	<u><u>117.180</u></u>

The Company has given suretyship to the companies listed below, for which reason PLM Group ApS and these debtors will be equally liable to their bankers.

The suretyship covers the following assets:

Goodwill, trademarks, designs and name rights, vehicles, inventory and operating equipment and trade receivables in the below entities:

Name/legal form subsidiaries:	<u>Registered office</u>	<u>Voting rights and ownership interest</u>	<u>Equity</u>	<u>Profit/loss for the year</u>
			DKK'000	DKK'000
PLM Group 3DX ApS	Denmark	100%	-73	-58
PLM Group Danmark A/S	Denmark	100%	15.513	8.168
PLM Group Eesti OÜ	Estonia	100%	2.172	229
PLM Group Latvija SIA	Latvia	100%	2.254	775
PLM Group Norge AS	Norway	100%	8.434	3.087
PLM Group Suomi OY	Finland	100%	9.257	4.813
PLM Group Sverige AB	Sweden	100%	24.036	8.546
PLM Technology AS	Norway	100%	<u>1.263</u>	<u>332</u>
			<u><u>62.856</u></u>	<u><u>25.892</u></u>

2021 was another challenging year with COVID-19, varying markets, currencies and purchasing behavior, but financially 2021 was one of the best years ever for all subsidiaries. We are confident that the long-term plan will ensure a satisfying development in both sales and profitability for the different subsidiaries and subsequently the PLM Group in total.

At the time of acquisition Management considered that the underlying performance especially in PLM Group Danmark ApS and PLM Group Norge AS had significant potential for topline growth and improved

profitability. The base assumptions upon acquisition was to lift the revenue by 25% and 33% respectively for each of the entities over the period 2019-2022, but due to COVID-19 the growth has been delayed and the assumptions have had to be adjusted.

Based on this Management has assessed the valuation of the PLM Group Danmark A/S and PLM Group Norge AS shares. The assessment is based on a standardized DFC calculation. In the calculation a WACC of 11.4% has been applied which is considered conservative in the respective markets. Growth rate in the terminal period has been set to 2%. Based on this the valuation of the investments are still considered to be aligned with the initial plans in and the carrying value of the investments is not considered impaired.

For the other subsidiaries no detailed impairment test has been carried out considering that the underlying performance of those entities support the view that the carrying value is lower than Net realizable value.

### **Note 6 – Staff costs and incentive schemes**

The Company has no employees.

### **Note 7 - Contingent liabilities**

The Entity participates in a Danish joint taxation arrangement where PLM Group 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 Company has given suretyship to the companies listed below, for which reason PLM Group ApS and these debtors will be equally liable to their bankers.

- PLM Group Danmark A/S
- PLM Group 3DX ApS

### **Note 8 - Related party disclosures**

PLM Group ApS' related parties comprise the following:

#### **Control**

PLM Group ApS is part of the consolidated financial statements of Pronect AB, BOX 423, SE-331 24 Värnamo, Sweden, which is the smallest group in which the Company is included as a subsidiary. The consolidated financial statements of Pronect AB can be obtained by contacting the companies at the addresses above.

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## MAGNUS JÖNSSON

### Bestyrelsesmedlem

På vegne af: PLM Group

Serienummer: 19791112xxxx

IP: 2.65.xxx.xxx

2022-04-19 15:26:10 UTC



## Jan Olov Lundström

### Direktionsmedlem

På vegne af: PLM Group

Serienummer: 19630212xxxx

IP: 79.148.xxx.xxx

2022-04-19 15:29:58 UTC



## Jan Olov Lundström

### Bestyrelsesmedlem

På vegne af: PLM Group

Serienummer: 19630212xxxx

IP: 79.148.xxx.xxx

2022-04-19 15:29:58 UTC



## JÖRGEN FREDSSON

### Bestyrelsesformand

På vegne af: PLM Group

Serienummer: 19730603xxxx

IP: 212.37.xxx.xxx

2022-04-20 07:04:52 UTC



## David Olafsson

### Statsautoriseret revisor

På vegne af: KPMG P/S

Serienummer: PID:9208-2002-2-279797654008

IP: 83.151.xxx.xxx

2022-04-20 07:34:48 UTC



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