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# ***Propeople Group ApS***

Lyngbyvej 2, DK-2100 København Ø

## **Annual Report for 1 January - 31 December 2020**

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CVR No 32 66 81 86

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
29/03 2021

Sven Müller Holberg  
Chairman of the General  
Meeting



**pwc**

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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Propeople Group ApS for the financial year 1 January - 31 December 2020.

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 2020 of the Company and of the results of the Company operations for 2020.

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.

København, 10 February 2021

## Executive Board

Thomas Pedersen  
Executive Officer

## Board of Directors

Thomas Pedersen  
Chairman

Nancy Stango

Sven Müller Holberg

Michael Koefoed Steensborg  
Drejer

# The Independent Practitioner's Report

To the Shareholder of Propeople Group ApS

## Conclusion

We have performed an extended review of the Financial Statements of Propeople Group ApS for the financial year 1 January - 31 December 2020, which comprise 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.

Based on the work performed, in our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

## Basis for conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## 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 as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

## Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically

# The Independent Practitioner's Report

required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

## **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 extended review 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 extended review, 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.

Hellerup, 10 February 2021

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Niels Henrik B. Mikkelsen

State Authorised Public Accountant

mne16675

## Company Information

### **The Company**

Propeople Group ApS  
Lyngbyvej 2  
DK-2100 København Ø  
E-mail: [finance-eu@ffwagency.com](mailto:finance-eu@ffwagency.com)

CVR No: 32 66 81 86  
Financial period: 1 January - 31 December  
Municipality of reg. office: København

### **Board of Directors**

Thomas Pedersen, Chairman  
Nancy Stango  
Sven Müller Holberg  
Michael Koefoed Steensborg Drejer

### **Executive Board**

Thomas Pedersen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## **Management's Review**

Financial Statements of Propeople Group ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

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

### **Key activities**

Provision of digital services to public and private companies and organizations through subsidiaries.

### **Development in the year**

The income statement of the Company for 2020 shows a profit of DKK 613,537, and at 31 December 2020 the balance sheet of the Company shows equity of DKK 3,517,999.

### **Subsequent events**

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

## Income Statement 1 January - 31 December

	Note	2020 DKK	2019 DKK
<b>Gross profit/loss</b>		<b>1,858,011</b>	<b>3,142,416</b>
Staff expenses	1	-731,551	-4,133,875
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-11,050	-9,608
<b>Profit/loss before financial income and expenses</b>		<b>1,115,410</b>	<b>-1,001,067</b>
Income from investments in subsidiaries		0	2,173,447
Financial income		445	7,552
Financial expenses	2	-329,269	-6,660
<b>Profit/loss before tax</b>		<b>786,586</b>	<b>1,173,272</b>
Tax on profit/loss for the year	3	-173,049	221,050
<b>Net profit/loss for the year</b>		<b>613,537</b>	<b>1,394,322</b>

## Distribution of profit

### Proposed distribution of profit

Proposed dividend for the year	3,200,000	0
Retained earnings	-2,586,463	1,394,322
	<b>613,537</b>	<b>1,394,322</b>



# Balance Sheet 31 December

## Assets

	Note	2020 DKK	2019 DKK
Other fixtures and fittings, tools and equipment		18,529	9,547
<b>Property, plant and equipment</b>	4	<b>18,529</b>	<b>9,547</b>
Investments in subsidiaries	5	3,509,803	3,509,803
<b>Fixed asset investments</b>		<b>3,509,803</b>	<b>3,509,803</b>
<b>Fixed assets</b>		<b>3,528,332</b>	<b>3,519,350</b>
Receivables from group enterprises		3,079,397	3,404,895
Other receivables		228,379	228,203
Deferred tax asset		350,048	524,029
Corporation tax		0	220,584
<b>Receivables</b>		<b>3,657,824</b>	<b>4,377,711</b>
<b>Cash at bank and in hand</b>		<b>57,437</b>	<b>74,981</b>
<b>Currents assets</b>		<b>3,715,261</b>	<b>4,452,692</b>
<b>Assets</b>		<b>7,243,593</b>	<b>7,972,042</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital		262,500	262,500
Retained earnings		55,499	2,641,962
Proposed dividend for the year		3,200,000	0
<b>Equity</b>		<b>3,517,999</b>	<b>2,904,462</b>
Trade payables		0	49,738
Payables to group enterprises		3,725,594	4,292,356
Other payables		0	725,486
<b>Short-term debt</b>		<b>3,725,594</b>	<b>5,067,580</b>
<b>Debt</b>		<b>3,725,594</b>	<b>5,067,580</b>
<b>Liabilities and equity</b>		<b>7,243,593</b>	<b>7,972,042</b>
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## Statement of Changes in Equity

	Share capital	Retained	Proposed	Total
	DKK	earnings	dividend for the	DKK
	DKK	DKK	year	DKK
	DKK	DKK	DKK	DKK
Equity at 1 January	262,500	2,641,962	0	2,904,462
Net profit/loss for the year	0	-2,586,463	3,200,000	613,537
<b>Equity at 31 December</b>	<b>262,500</b>	<b>55,499</b>	<b>3,200,000</b>	<b>3,517,999</b>

# Notes to the Financial Statements

	2020	2019
	DKK	DKK
<b>1 Staff expenses</b>		
Wages and salaries	638,336	3,781,803
Pensions	88,667	332,254
Other social security expenses	3,424	10,326
Other staff expenses	1,124	9,492
	<u>731,551</u>	<u>4,133,875</u>
<b>Average number of employees</b>	<u>1</u>	<u>2</u>
Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.		
<b>2 Financial expenses</b>		
Other financial expenses	329,269	6,660
	<u>329,269</u>	<u>6,660</u>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	0	230,352
Deferred tax for the year	173,981	-451,402
Adjustment of tax concerning previous years	-932	0
	<u>173,049</u>	<u>-221,050</u>

# Notes to the Financial Statements

## 4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	66,702
Additions for the year	<u>20,032</u>
Cost at 31 December	<u>86,734</u>
Impairment losses and depreciation at 1 January	57,155
Depreciation for the year	<u>11,050</u>
Impairment losses and depreciation at 31 December	<u>68,205</u>
<b>Carrying amount at 31 December</b>	<b><u>18,529</u></b>

## Notes to the Financial Statements

	2020 DKK	2019 DKK
<b>5 Investments in subsidiaries</b>		
Cost at 1 January	3,509,803	4,839,526
Additions for the year	0	130,852
Disposals for the year	0	-1,460,575
Cost at 31 December	<u>3,509,803</u>	<u>3,509,803</u>
Value adjustments at 1 January	<u>0</u>	<u>0</u>
Value adjustments at 31 December	<u>0</u>	<u>0</u>
<b>Carrying amount at 31 December</b>	<b><u>3,509,803</u></b>	<b><u>3,509,803</u></b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership
FFW GmbH	Vienna, AT	35.000 EUR	100%
FFW Dnipro LLC	Dnipro, UKR	15.000 UAH	90%
FFW Danmark ApS	Copenhagen, DK	131.250 DKK	100%
i.c.s. propeople SRL	Chisinau, MD	7.577 MDL	100%
FFW UK Ltd	London, UK	100 GBP	100%
Bysted A/S	Copenhagen, DK	1.562.500 DKK	80%
FFW Vietnam LLC	Hanoi, VN	4.334.600.000 VND	100%
FFW France Sarl	Paris, FR	1.000 EUR	100%

# Notes to the Financial Statements

## 6 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of FFW Group ApS, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## 7 Related parties

The Company is included in the Consolidated Annual Report of its Parent Company.

<u>Name</u>	<u>Place of registered office</u>
FFW Group ApS	c/o FFW Danmark ApS, Lyngbyvej 2, Denmark

# Notes to the Financial Statements

## 8 Accounting Policies

The Annual Report of Propeople Group ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year. Certain amounts have been reclassified in the comparative figures for 2019 to ensure the same presentation.

The Financial Statements for 2020 are presented in DKK.

### Consolidated financial statements

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

### 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.

### Translation policies

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

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



# Notes to the Financial Statements

## 8 Accounting Policies (continued)

debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income Statement

### Revenue

Revenue comprises management fee from group enterprises and is recognized in the income statement when delivery and transfer of risk has been made before year end.

### Other external expenses

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

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

### Staff expenses

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

### Amortisation, depreciation and impairment losses

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

### Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

### Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

# Notes to the Financial Statements

## 8 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 deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

## 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	5 years
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Depreciation period and residual value are reassessed annually.

### Investments in subsidiaries

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

### Receivables

Receivables are measured in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

# Notes to the Financial Statements

## 8 Accounting Policies (continued)

### Equity

#### *Dividend*

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### **Deferred tax assets and liabilities**

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured 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.

Deferred tax assets and liabilities are offset within the same legal tax entity.

#### **Current tax receivables and liabilities**

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

#### **Financial debts**

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

#### **Deferred income**

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