eGISS A/S

Delta 8, 8382 Hinnerup

CVR no. 35 05 62 97

Annual report 2020

Approved at the Company's annual general meeting on 8 February 2021

Chairman:

....
Jimmy Fischer Holm

Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of eGISS A/S 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 consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2020 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

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

Hinnerup, 8 February 2021
Executive Board:

Jimmy Fischer Holm

Board of Directors:

Johannes Frederik Bach Chairman	Kent Hessellund Jeppesen	Kristine Bach

Jesper Ravn

Independent auditor's report

To the shareholders of eGISS A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of eGISS A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2020, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 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 (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 consolidated financial statements and the parent Company financial statements" (herinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group 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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent 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 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 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 the financial statements.

Independent auditor's report

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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Statements Act. We did not identify any material misstatement of the Management's review.

Sønderborg, 8 February 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jan Thietje
State Authorised Public Accountant
mne31429

Management's review

Company details

Name	eGISS A/S
Address, Postal code, City	Delta 8, 8382 Hinnerup
CVR no.	35 05 62 97
Registered office	Favrskov
Financial year	1 January - 31 December
Board of Directors	Johannes Frederik Bach, Chairman Kent Hessellund Jeppesen Kristine Bach Jesper Ravn
Executive Board	Jimmy Fischer Holm
Auditors	EY Godkendt Revisionspartnerselskab Nørre Havnegade 43, 6400 Sønderborg, Denmark

Management's review

Financial highlights for the Group

DKK'000	2020	2019	2018	2017	2016
Key figures					
Revenue	867,881	786,689	629,839	594,561	427,531
Gross profit	75,747	67,885	37,937	28,216	20,240
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	40,838	35,245	15,141	8,359	4,142
Operating profit/loss	36,243	30,996	11,202	4,725	2,241
Net financials	-4,836	1,301	-3,511	-4,190	-647
Profit for the year	**24,664**	**24,478**	**5,991**	**-1,360**	**343**
Total assets	296,882	259,477	225,502	181,892	207,289
Investment in property, plant and equipment	-785	-1,117	-201	0	0
Equity	**49,254**	**42,701**	**18,174**	**11,136**	**15,071**
Interest-bearing debt	53,343	34,484	96,655	58,013	55,918
Financial ratios					
Operating margin	4.2%	3.9%	1.8%	0.8 %	0.5 %
Gross margin	8.7%	8.6%	6.0%	4.7%	4.7%
EBITDA-margin	4.7%	4.5%	2.4%	1.4%	1.0%
Equity ratio	16.6%	16.5%	8.1%	6.1%	7.3%
Return on equity	53.6%	80.4%	40.9%	-10.4%	2.3%
Financial gearing	1.1%	0.8%	5.3%	5.2%	3.7%
Average number of employees	**55**	**48**	**36**	**30**	**24**

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Ordinary operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Operating margin	$\frac{\text{Operating profit (EBIT) x 100}}{\text{Revenue}}$
Gross margin ratio	$\frac{\text{Gross margin x 100}}{\text{Revenue}}$
EBITDA-margin	$\frac{\text{Earnings before interest, taxes and amortisations (EBITDA) x 100}}{\text{Revenue}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$
Financial gearing	$\frac{\text{Net interest-bearing debt x 100}}{\text{Equity}}$

Management's review

Business review

The entity´s primary activity is global commerce and distribution of IT equipment and related services.

Financial review

Along with a growth in Gross Profit close to 12%, eGISS (Group) A/S has experienced more than 10% growth in revenue (868M DKK) in 2020 compared to 2019 from its associated companies in Denmark, United States, China, Switzerland, Indonesia, India and South Africa. The management is satisfied with the growth rates in both Gross Profit and Revenue in a very challenged market with supply shortages and global pandemic (Covid-19) affecting almost all of 2020.

Taking the global pandemic into consideration, the management is also very satisfied with the net result before tax of 32M DKK which is in fact marginally higher than 2019.

The management believes that eGISS' position in the market has been continuously strengthened due to the signing of additional new contracts with large global corporations and the hence extended awareness of eGISS' value proposition.

The management expects that the result for the financial year 2021 will be satisfactory and both revenue and net result will continue to grow.

Special risks

The Entity runs an international commercial company and is therefore influenced by market developments as well as political developments in various markets. Further, the Entity´s main operating risk relates to its ability to be strongly positioned in the markets in which its products and services are sold. In order to reduce those risks, the Entity constantly seeks to spread its activities to some extent and to regularly develop its products and services.

As a consequence of its operations, investments and financing, the Entity is exposed to exchange and interest rate fluctuations. Management manages the Entity´s financial risks and coordinates cash management, including funding and investment of any surplus liquidity.

Impact on the external environment

Since the Entity´s activities relate to trading, its environmental performance is not of much importance to its activities.

Research and development activities

The Entity´s products and services are developed regularly.

Statutory CSR report

eGISS (Group) A/S has made the Statutory CSR report for the fiscal year 2020, according to §99a and §99b in the Danish law on Financial Statements.

This Statutory CSR report is part of the Management's Review in the Annual Report for 2020 and covers the period January 1st to December 31st, 2020.

eGISS (Group) A/S is a global IT hardware reseller and logistics partner to international customers with global presence and a strong focus on IT standardization, consolidation, and globalization.

Our vision is to be world leading and the most preferred IT logistics service provider for truly global companies and their partners.

From multiple OEMs and vendors eGISS (Group) A/S delivers IT devices:

- That are configured and ready-to-use
- To all our customers' locations around the world
- At the same global price including freight
- Without hidden or surprising costs

Management's review

- Based on our customers' negotiated OEM prices or negotiated by eGISS
- Within a few days from receiving the orders
- Invoiced in major global currencies

Or in other words - One Partner – One Contract – One Price

As part of the service eGISS (Group) A/S also keeps stock on behalf of the customers and is responsible for all logistics regarding deliveries of the IT hardware to the customers' locations. In order to support our business and have a more sustainable supply chain eGISS (Group) A/S has expanded its presence and has sales offices and warehouses in 6 countries around the world.

eGISS (Group) A/S works in close cooperation with both the manufacturers, freight partners and customers in fulfilling our contracts. We are subject to heavy scrutinizing from our partners in order to meet their high standards of doing business, and we share a mutually understanding of a responsible code of conduct.

eGISS (Group) A/S is committed to sustainability. This includes respect for universally recognized principles on human rights including labor rights, anti-corruption, and the environment. Our Code of Conduct defines our guidelines for meeting our aspirations and is inspired by and built on the Ten UN Global Compact Principles. Our Code of Conduct can be found on www.egiss.net.

eGISS (Group) A/S has an Employee Policy stipulating conditions, rights and guidelines when working for eGISS (Group) A/S. It is imperative to eGISS (Group) A/S that all employees have the best possible conditions regardless of where they work, and that national laws and regulations are followed.

A Working Environment Group consisting of 3 employees meet at regular intervals and once a year with the management group to review and set out the strategies for securing a good and healthy working environment.

eGISS (Group) A/S actively supports UN Global Compact (UNGC) and below CSR policy is built on the 10 UNGC Principles. In order to become better and more professional in implementing the UNGC Principles and the 17 Sustainable Development Goals (SDGs), we have participated in different workshops and have sought inspiration among peers. We have also enrolled in a network under the Danish Industry organization focusing on the SDGs. Further, a revision of our Code of Conduct and an Anti-bribery policy have been initiated.

eGISS (Group) A/S renewed its Communication on Progress (COP) in October 2020 – please see UNGC's website https://www.unglobalcompact.org/participation/report/cop/create-and submit/active/443792.

Due to the worldwide covid-19 pandemic situation, focus areas have been somewhat different than anticipated with employees working from home, customers having new needs and requests for their IT infrastructure, new rules for sending goods across borders and a worldwide uncertainty as to when this situation will end. Below report reflects this as focus and scope in some areas had to changed.

In 2020 eGISS (Group) A/S has focused on

Human rights

eGISS (Group) A/S pledges to support and respect the protection of internationally proclaimed human rights, and to make sure that we are not complicit in human right abuses.

- Policy
  eGISS (Group) A/S supports and respects the Universal Declaration of Human Rights and will not do business with neither partners nor customers violating the fundamental human rights.
- Focus
  Securing and complying with the right of data privacy as set out in the GDPR law.

Management's review

- Results
  No breaches have been registered during 2020.

  Our GDPR policies and guidelines have been revised according to current legislation, and guidelines for new hires have been formulated and implemented.
- Significant Risks
  Data breach resulting in leaks of private data.
- Opportunities
  No specific opportunities have been identified.

Labour rights

eGISS (Group) A/S pledges to uphold the freedom of association and the effective recognition of the right to collective bargaining, to eliminate all forms of forced and compulsory labour, to effectively abolish child labour, and to eliminate discrimination in respect of employment and occupation.

- Policy
  eGISS (Group) A/S supports and respects the fundamental principles and rights at work as set out by the ILO and national laws. We make sure that all eGISS (Group) A/S employees have contracts, and we have an Employee Policy that clearly states their rights, compensations, and benefits. Further, the Management Group and the statutory Working Environment Group meet once a year to review and set out the policies governing the working environment.
- Focus
  Securing the working environment when working at home is mandatory because of the covid-19 situation. All employees have been offered the possibility of bringing home the necessary working equipment – pcs, monitors, chairs etc.

  Securing the working environment for the employees who cannot work from home. At the offices and warehouses all necessary precautions have been taken – masks, hand disinfection and social distance.

  Fewer physical meetings and more on-line meetings to secure social distance and the risk of getting covid-19.
- Results
  A minor group of employees have experienced work-related health issues (back-and neck problems) due to working from home. They have been encouraged to use the company health insurance to get medical help.

  The mental work environment is still good, and a continuous monitoring and supervision by the management and team-leader teams have maintained high work ethics whether employees have worked from the company premises or from home.

  No covid-19 cases have been reported.

  More on-line meetings and less travelling – both domestic and abroad.
- Significant Risks

  Stress and loneliness working alone from home.

  Health issues due to working from home.

  Employees getting covid-19.

Management's review

- Opportunities
  Trying out new ways of organizing the work with employees working both from the offices and from home offices.

  New meeting formats.

  Work-life balance.

Environment

eGISS (Group) A/S pledges to support a precautionary approach to environmental changes, to undertake initiatives to promote greater environmental responsibility, and to encourage the development and diffusion of environmentally friendly technologies.

- Policy
  eGISS (Group) A/S seeks to reduce and minimize our impact on the climate and the environmental consequences of our business activities. We work on our internal processes – garbage, recycling, electricity, reduce waste of food etc., and on our impact sending goods around the world. We seek partnership wherever possible with manufacturers, customers, and freight partners.
- Focus
  Recycling of material and garbage from our premises in Denmark – and a continuous effort to reduce the amount of waste.

  Energy efficiency at our premises in Denmark – reducing the use of electricity and heating.

  Buying bio-products whenever possible and reducing food-waste.

  Carbon footprint when sending goods.
- Results
  We recycle about 95% of the plastic, cardboard/paper used as well as electronics – using the recycling stations close to our premises.

  Our premises in Denmark are not very energy efficient, and despite renovations we can still make improvements.

  About 50% of the products we consume at the office/warehouse premises are ecologically produced. Food-waste is at a minimum – leftovers from lunch are packed to be taken home by the employees.

  We have initiated a dialogue with our freight partners on how to measure and report the carbon footprint, and we also work with the manufacturers on how to measure the full carbon footprint in our supply chain. We have not yet been able to find a good model that can help us measure, document and monitor our carbon footprint when sending goods around, so this will have a stronger focus in 2021.
- Significant Risks

  No significant risks related to environment have been identified.

  Energy and electricity consumption get too high due to the old premises and renovating the premises does not pay off in terms of heating and electricity consumption.

  Not having a business model to measure carbon footprint can exclude us from future tenders.
- Opportunities
  When documenting our carbon footprint, we can initiate new partnerships and projects on carbon footprint off-set.

  Knowing our carbon footprint can help qualify our assessment of where to establish new subsidiaries and warehouse as a means of reducing our carbon footprint.

Management's review

Anti-Corruption

eGISS (Group) A/S pledges to work against corruption in all its forms, including extortion and bribery (10).

- Policy
  eGISS (Group) A/S has zero-tolerance towards corruption in any form. An explicit and clear Anti-Bribery and Code of Conduct set the standards and guidelines on dos and don’ts for employees, customers, and business partners.
- Focus
  Monitor and secure that our zero-tolerance policy is followed.

  Update existing Code of Conduct.

  Make and implement an Anti-Bribery Policy.
- Results
  No cases of corrupt practices have been identified.

  Up-date of Code of Conduct is in-process and is expected to be finalized and approved by the management board no later than Q4, 2020.

  The Anti-Bribery Policy is in-process and is expected to be finalized and approved by the management board no later than Q4, 2020.
- Significant Risks
  Without a clear, explicit, and unambiguous Code of Conduct and Anti-Bribery Policy we will be excluded from future tenders.

  Employees can – unknowingly – act inappropriately if the Code of Conduct and the Anti-Bribery Policy is not clearly communicated and implemented.
- Opportunities
  eGISS (Group) A/S will be a more attractive business partner for customers and suppliers.

Account of the gender composition of Management

The Board of Directors

- Status – Board of Directors

  The board of directors at eGISS (Group) A/S has 1 woman and 3 men. The members reflect the ownership structure, and is in compliance with the equal gender balance as set out in ”Vejledning om måltal og politikker for den kønsmæssige sammensætning af ledelsen og for afrapportering herom” from the Danish Business Authority.

Management's review

Other Management levels

- The current management structure consists of a management group with 5 men, and a group of 6 team leaders, 3 men and 3 women. Overall, the gender distribution in eGISS (Group) A/S is 2/3 men and 1/3 women.
- Policy
  eGISS (Group) A/S works to promote a diversified organization and management team as it contributes to the positive dynamics in the daily work. We focus on rewarding the employees who perform, and we also take seniority and experience into account when promoting employees. Discrimination because of gender, age, religion, nationality etc. is not acceptable, and we consider it discriminatory if a candidate is disregarded based on these factors. The minority gender should at any time have the same opportunities for career and management positions as everyone else based on qualifications, performance, seniority etc. Encouraging an open-minded and unbiased culture, all employees are given equal opportunities to use their skills at the best of their efforts and thus support the am-bitions of giving everyone equal career opportunities regardless of gender, age etc.

  eGISS (Group) A/S encourages a reasonable representation of women in the organization. The definition of “reasonable” will at any time depend on the context of the specific vacancy as well as on the proportion of women with the right competences, education, ambitions etc. applying for the specific job.
- Focus
  With regards to new hires, eGISS (Group) A/S continues to encourage a reasonable representation of women in the organization. The definition of “reasonable” will at any time depend on the context of the specific vacancy as well as on the proportion of women with the right competences, education, ambitions etc. applying for the specific job.

  Hiring a veteran or a so-called “flex-jobber” for a part time facility position.

  eGISS Leadership Program – was planned to take place during March- June 2020 and include all team leaders. Due to the covid-19 situation, the activities related to the program have been postponed to 2021.
- Results
  In 2020 eGISS (Group) A/S had 3 open vacancies all being formulated in such a way that it was obvious that they were open and unbiased to all qualified candidates regardless of gender, age etc., securing that the best qualified candidate would be offered the job. Among both male and female candidates, the three best qualified were chosen – 2 women and 1 man.

  eGISS (Group) A/S has participated in network arrangements for veterans and has reached out to local job centres to find an employee that will qualify for the facility position. Due to the covid-19 situation the process will be finalized early 2021.
- Significant Risks
  If eGISS (Group) A/S do not pay attention to having a diversified group of employees, we will miss out on talented employees.
- Opportunities
  With a diversified group of employees, eGISS (Group) A/S will get competencies that can contribute to a continuous development of skills.

Events after the balance sheet date

No events materially affecting the Group's and the Company's financial position have occurred subsequent to the financial year-end.

Outlook

The Entity expects increase in both revenue and profit for 2021

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

Note	DKK'000	Group 2020	Group 2019	Parent company 2020	Parent company 2019
2	**Revenue**	867,881	786,689	787,816	683,352
	Cost of sales	-757,421	-717,184	-685,998	-623,264
	Change in inventories of finished goods and work in progress	-13,342	18,780	-13,342	20,422
	Other operating income	294	0	0	0
	Other external expenses	-21,665	-20,400	-18,264	-17,457
	Gross profit	75,747	67,885	70,212	63,053
3	Staff costs	-34,909	-32,305	-33,005	-29,041
4	Amortisation/depreciation of intangible assets and property, plant and equipment	-4,301	-4,584	-3,114	-3,407
	Other operating expenses	0	-335	0	0
	Profit before net financials	36,537	30,661	34,093	30,605
	Income from investments in group enterprises	0	0	1,994	-312
	Financial income	1,663	3,430	1,448	3,195
	Financial expenses	-6,499	-2,129	-6,337	-2,004
	Profit before tax	31,701	31,962	31,198	31,484
5	Tax for the year	-7,037	-7,484	-6,534	-7,006
	Profit for the year	24,664	24,478	24,664	24,478

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group 2020	Group 2019	Parent company 2020	Parent company 2019
	ASSETS				
	Fixed assets				
6	**Intangible assets**				
	Completed development projects	4,306	4,428	4,306	4,428
	Goodwill	6,655	7,831	0	0
		10,961	12,259	4,306	4,428
7	**Property, plant and equipment**				
	Fixtures and fittings, other plant and equipment	1,115	611	1,051	509
		1,115	611	1,051	509
8	**Investments**				
	Investments in group enterprises	0	0	31,610	31,717
	Deposits, investments	212	233	0	0
		212	233	31,610	31,717
	Total fixed assets	12,288	13,103	36,967	36,654
	Non-fixed assets				
	Inventories				
	Finished goods and goods for resale	68,140	81,775	55,733	72,855
		68,140	81,775	55,733	72,855
	Receivables				
	Trade receivables	164,771	130,433	141,595	111,226
	Receivables from group enterprises	0	16	21,953	17,050
11	Deferred tax assets	1,467	1,995	0	0
	Other receivables	14,849	12,660	13,433	12,034
9	Prepayments	553	0	553	0
		181,640	145,104	177,534	140,310
	Cash	34,814	19,495	16,667	4,432
	Total non-fixed assets	284,594	246,374	249,934	217,597
	TOTAL ASSETS	296,882	259,477	286,901	254,251

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

		Group		Parent company	
Note	DKK'000	2020	2019	2020	2019
	EQUITY AND LIABILITIES				
	Equity				
10	Share capital	500	500	500	500
	Reserve for development costs	0	0	3,357	3,453
	Fair value reserve exchange rate adjustment	-2,111	0	-2,111	0
	Retained earnings	50,865	26,201	47,508	22,748
	Dividend proposed	0	16,000	0	16,000
	Total equity	49,254	42,701	49,254	42,701
	Provisions				
11	Deferred tax	0	0	951	1,014
	Total provisions	0	0	951	1,014
	Liabilities other than provisions				
12	**Non-current liabilities other than provisions**				
	Other payables	5,631	4,565	5,631	4,565
		5,631	4,565	5,631	4,565
	Current liabilities other than provisions				
	Bank debt	88,157	53,979	88,157	53,979
	Prepayments received from customers	12,074	15,512	12,074	15,512
	Trade payables	129,416	130,707	115,535	117,958
	Payables to group enterprises	0	0	2,470	7,105
	Corporation tax payable	6,690	6,232	6,518	5,965
	Payables to shareholders and management	16	16	0	0
	Other payables	5,644	4,913	6,311	4,600
13	Deferred income	0	852	0	852
		241,997	212,211	231,065	205,971
	Total liabilities other than provisions	247,628	216,776	236,696	210,536
	TOTAL EQUITY AND LIABILITIES	296,882	259,477	286,901	254,251

1 Accounting policies
14 Contractual obligations and contingencies, etc.
15 Collateral
16 Related parties
17 Fee to the auditors appointed by the Company in general meeting
18 Appropriation of profit

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Group: Share capital	Group: Fair value reserve exchange rate adjustment	Group: Retained earnings	Group: Dividend proposed	Group: Total
	Equity at 1 January 2019	500	0	17,674	0	18,174
	Transfer through appropriation of profit	0	0	8,478	16,000	24,478
	Adjustment of investments through forreign exchange adjustments	0	0	49	0	49
	Equity at 1 January 2020	500	0	26,201	16,000	42,701
	Transfer through appropriation of profit	0	0	24,664	0	24,664
	Adjustment of investments through forreign exchange adjustments	0	-2,111	0	0	-2,111
	Dividend distributed	0	0	0	-16,000	-16,000
	Equity at 31 December 2020	500	-2,111	50,865	0	49,254

Note	DKK'000	Parent company: Share capital	Parent company: Reserve for development costs	Parent company: Fair value reserve exchange rate adjustment	Parent company: Retained earnings	Parent company: Dividend proposed	Parent company: Total
	Equity at 1 January 2019	500	3,169	0	14,505	0	18,174
18	Transfer, see "Appropriation of profit"	0	284	0	8,194	16,000	24,478
	Adjustment of investments through forreign exchange adjustments	0	0	0	49	0	49
	Equity at 1 January 2020	500	3,453	0	22,748	16,000	42,701
18	Transfer, see "Appropriation of profit"	0	-96	0	24,760	0	24,664
	Adjustment of investments through forreign exchange adjustments	0	0	-2,111	0	0	-2,111
	Dividend distributed	0	0	0	0	-16,000	-16,000
	Equity at 31 December 2020	500	3,357	-2,111	47,508	0	49,254

Consolidated financial statements and parent company financial statements 1 January - 31 December

Cash flow statement

		Group	
Note	DKK'000	2020	2019
	Profit for the year	24,664	24,478
19	Adjustments	15,812	8,769
	Cash generated from operations (operating activities)	40,476	33,247
20	Changes in working capital	-28,566	22,780
	Cash generated from operations (operating activities)	11,910	56,027
	Interest received, etc.	1,663	3,430
	Interest paid, etc.	-6,499	-2,129
	Income taxes paid	-6,326	-1,730
	Cash flows from operating activities	748	55,598
	Additions of intangible assets	-2,722	-4,076
	Disposals of intangible assets	0	591
	Additions of property, plant and equipment	-785	-1,117
	Disposals of property, plant and equipment	296	775
	Purchase of financial assets	0	-215
	Sale of financial assets	0	668
	Cash flows to investing activities	-3,211	-3,374
	Dividends paid	-16,000	0
	Repayments, debt to credit institutions	34,178	-43,784
	Other repayments, long-term liabilities	-396	0
	Cash flows from financing activities	17,782	-43,784
	Net cash flow	15,319	8,440
	Cash and cash equivalents at 1 January	19,495	11,055
21	**Cash and cash equivalents at 31 December**	34,814	19,495

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies**

The annual report of eGISS A/S for 2020 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

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

Basis of recognition and measurement

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

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.
Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates and joint ventures are recognised in the consolidated financial statements using the equity method.

The group's activities in joint operations are recognised on a line-by-line basis.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies (continued)**

Foreign group entities

Foreign subsidiaries and associates are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

Income statement

Revenue

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating income and operating expenses

Other operating income and operating expenses comprise items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of fixed assets.

Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	3 years
Goodwill	10 years

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	5 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Profit/loss from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

The proportionate share of the individual subsidiaries' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies (continued)**

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is useful life which is fixed based on the experience gained by Management for each business area. Useful life is based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognized as separate assets. If it is not possible to estimate the useful life reliably, it is set at 10 years. Useful lives are reassessed on an annual basis. The amortization period used is 10 years. Amortisation period is expected contract duration. Goodwill is written down to the lower of recoverable amount and carrying amount.

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities areidentifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 2 years and cannot exceed 5 years.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight line basis over the remaining term of the patent, and licences are amortised over the term of the licence, but not exceeding 10 years.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Investments in subsidiaries

Equity investments in subsidiaries and associates are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Gains or losses on disposal of subsidiaries and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividends or cover losses. The reserve will be reduced or dissolved if the recognised development costs are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Segment information

The allocation of revenue to geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

		Group		Parent company	
	DKK'000	2020	2019	2020	2019
2	**Segment information**				
	Breakdown of revenue by geographical segment:				
	Americas	74,617	124,350	39,466	50,360
	Apac	63,582	66,717	34,400	30,993
	Emea	729,682	595,622	713,950	601,999
		867,881	786,689	787,816	683,352
3	**Staff costs**				
	Wages/salaries	29,906	27,930	28,002	24,666
	Pensions	2,549	2,173	2,549	2,173
	Other social security costs	312	316	312	316
	Other staff costs	2,142	1,886	2,142	1,886
		34,909	32,305	33,005	29,041
	Average number of full-time employees	55	48	48	41

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to the Management is not disclosed.

		Group 2020	Group 2019	Parent company 2020	Parent company 2019
4	**Amortisation/depreciation of intangible assets and property, plant and equipment**				
	Amortisation of intangible assets	4,020	4,298	2,844	3,121
	Depreciation of property, plant and equipment	281	286	270	286
		4,301	4,584	3,114	3,407

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

	Group		Parent company	
DKK'000	2020	2019	2020	2019
5 **Tax for the year**				
Estimated tax charge for the year	6,707	7,044	6,518	6,965
Deferred tax adjustments in the year	250	440	-64	41
Tax adjustments, prior years	80	0	80	0
	7,037	7,484	6,534	7,006

6 **Intangible assets**

	Group		
DKK'000	Completed development projects	Goodwill	Total
Cost at 1 January 2020	14,590	11,764	26,354
Additions	2,722	0	2,722
Cost at 31 December 2020	17,312	11,764	29,076
Impairment losses and amortisation at 1 January 2020	10,162	3,933	14,095
Amortisation for the year	2,844	1,176	4,020
Impairment losses and amortisation at 31 December 2020	13,006	5,109	18,115
Carrying amount at 31 December 2020	4,306	6,655	10,961

	Parent company
DKK'000	Completed development projects
Cost at 1 January 2020	14,590
Additions	2,722
Cost at 31 December 2020	17,312
Impairment losses and amortisation at 1 January 2020	10,162
Amortisation for the year	2,844
Impairment losses and amortisation at 31 December 2020	13,006
Carrying amount at 31 December 2020	4,306

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

7 Property, plant and equipment

DKK'000	Group Fixtures and fittings, other plant and equipment
Cost at 1 January 2020	1,837
Additions	847
Disposals	-62
Cost at 31 December 2020	2,622
Impairment losses and depreciation at 1 January 2020	1,226
Depreciation	281
Impairment losses and depreciation at 31 December 2020	1,507
Carrying amount at 31 December 2020	1,115

DKK'000	Parent company Fixtures and fittings, other plant and equipment
Cost at 1 January 2020	1,643
Additions	812
Cost at 31 December 2020	2,455
Impairment losses and depreciation at 1 January 2020	1,134
Depreciation	270
Impairment losses and depreciation at 31 December 2020	1,404
Carrying amount at 31 December 2020	1,051

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

8 Investments

DKK'000	Group Deposits, investments
Cost at 1 January 2020	233
Foreign exchange adjustments	-21
Cost at 31 December 2020	212
Carrying amount at 31 December 2020	212

Group

Name	Legal form	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries					
eGISS America Inc.	Inc.	USA	100.00%	21,058	1,414
eGISS IT Africa Pty	Pty	Sydafrika	100.00%	-840	267
eGISS Hong Kong	Ltd	Hong Kong	100.00%	4,409	1,311
eGISS Switzerland GmbH	GmbH	Schweiz	100.00%	2,158	742
eGISS Indonesia	-	Indonesien	100.00%	-847	-530
eGISS India	Ltd	Indien	100.00%	-69	-30

DKK'000	Parent company Investments in group enterprises
Cost at 1 January 2020	35,933
Cost at 31 December 2020	35,933
Value adjustments at 1 January 2020	-4,216
Foreign exchange adjustments	-2,101
Profit/loss for the year	1,994
Value adjustments at 31 December 2020	-4,323
Carrying amount at 31 December 2020	31,610

9 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	Parent company 2020	Parent company 2019
10 Share capital		
Analysis of the share capital:		
500,000 shares of DKK 1.00 nominal value each	500	500
	500	500

Analysis of changes in the share capital over the past 5 years:

DKK'000	2020	2019	2018	2017	2016
Opening balance	500	500	500	500	80
Capital increase	0	0	0	500	80
Capital reduction	0	0	0	0	420
	500	500	500	1,000	580

DKK'000	Group 2020	Group 2019	Parent company 2020	Parent company 2019
11 Deferred tax				
Deferred tax at 1 January	-1,996	-2,611	1,014	973
Recognized in the income statement	249	440	-63	41
Recognized in equity	280	175	0	0
Deferred tax at 31 December	-1,467	-1,996	951	1,014
Deferred tax relates to:				
Intangible assets	947	974	947	974
Property, plant and equipment	-73	40	4	40
Tax loss	-2,341	-3,010	0	0
	-1,467	-1,996	951	1,014

The Group has recognized deffered tax of 1,467 t.DDK The recognation is based on the group earning a profit of more than 10.641 t.DDK in the US over the next 3-5 years. It is the management's estimation that the result will follow the development of recent years and the loss carried forward is expected to be applied within a five-year period.

12 Non-current liabilities other than provisions

The long-term debt has not a set due date.

13 Deferred income

Relates to deferred revenue.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

14 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

	Group		Parent company	
DKK'000	**2020**	**2019**	**2020**	**2019**
Rent and lease liabilities	119,555	46,455	117,226	42,843

Parent company

The Entity participates in a Danish joint taxation arrangement in which Delta 6 International Invest ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed entities, and from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

15 Collateral

Bank debt is secured by way of a deposited floating charge nom. 65 MDKK in accounts receivables, simple claims and manufactured goods for sale, other fixtures and goodwill.

The Group has provided a bank guarantee of DKK 26.668 thousand to suppliers.

The Group has guranteed for at subsidarys debts to credit institutions. The carrying amount of the debt amount to DDK 0 thousand at the balance sheet date.

The Group has guranteed for a subsidiarys supplier debt, where the trade debt amounts to DDK 7.891 thousand, at the balance sheet date.

Parent company

Bank debt is secured by way of a deposited floating charge nom. 65 MDKK in accounts receivables, simple claims and manufactured goods for sale, other fixtures and goodwill.

The company has provided a bank guarantee of DKK 21.637 thousand to suppliers.

The Company has guranteed for a subsidarys debts to credit institutions. The carrying amount of the debt amount to DDK 0 thousand at the balance sheet date.

A guarantee has been provided for affiliated companys balances with supplier. The carrying amount of the subsidiaries' debt to supplier amount to DDK 7.891 thounsand at the balance sheet date.

The company has provided a bank guarantee of DKK 5.031 thousand to suppliers in subsidiaries and a bank gurantee of DDK 4.660 thousand to a credit institution in a subsidary company.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

16 Related parties

Group

Information about consolidated financial statements

Parent	Domicile
Delta 6 International Invest ApS	Hinnerup, Denmark

Parent company

Parties exercising control

Related party	Domicile	Basis for control
Delta 6 International Invest ApS	Hinnerup, Denmark	Participating interest

Transactions with related parties

The Parent company has carried out the following related party transactions in the financial year:

Related party	Amount	Description of transaction
	DKK'000	
eGISS America Inc.	11,951	Revenue
eGISS IT africa Pty	8,394	Revenue
eGISS Hong Kong	131	Revenue
eGISS India	22	Revenue
eGISS Switzerland GmbH	897	Royalty

17 Fee to the auditors appointed by the Company in general meeting

Audit fees are not disclosed with reference to section 96(3) of the Danish Financial Statements Act. The fee is specified in the consolidated financial statements for Delta 6 International Invest ApS.

		Parent company	
	DKK'000	2020	2019
18	**Appropriation of profit**		
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	0	16,000
	Other statutory reserves	-96	284
	Retained earnings	24,760	8,194
		24,664	24,478

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

		Group	
	DKK'000	2020	2019
19	**Adjustments**		
	Amortisation/depreciation and impairment losses	4,301	4,584
	Financial income	-1,663	-3,430
	Financial expenses	6,499	2,129
	Financial liabilities	-362	-1,998
	Tax for the year	7,037	7,484
		15,812	8,769
20	**Changes in working capital**		
	Change in inventories	17,364	-18,780
	Change in receivables	-37,064	-4,512
	Change in trade and other payables	-6,755	46,072
	Other changes in working capital	-2,111	0
		-28,566	22,780
21	**Cash and cash equivalents at year-end**		
	Cash according to the balance sheet	34,814	19,495
		34,814	19,495

PENN30

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registereret, og informationerne er listet herunder.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Jesper Peulicke
CFO
På vegne af: eGISS A/S
Serienummer: CVR:35056297-RID:63055881
IP: 37.49.xxx.xxx
2021-02-08 13:54:22Z
NEM ID

Jimmy Fischer Holm
Executive Board
På vegne af: eGISS A/S
Serienummer: PID:9208-2002-2-563997104627
IP: 185.107.xxx.xxx
2021-02-08 14:02:09Z
NEM ID

Jimmy Fischer Holm
Chairman
På vegne af: eGISS A/S
Serienummer: PID:9208-2002-2-563997104627
IP: 185.107.xxx.xxx
2021-02-08 14:02:09Z
NEM ID

Kent Hessellund Jeppesen
Board of Directors
På vegne af: eGISS A/S
Serienummer: PID:9208-2002-2-803410398399
IP: 185.107.xxx.xxx
2021-02-08 14:19:05Z
NEM ID

Navnet er skjult (CPR valideret)
Board of Directors
På vegne af: eGISS A/S
Serienummer: PID:9208-2002-2-970293449787
IP: 37.49.xxx.xxx
2021-02-08 14:52:50Z
NEM ID

Johannes Frederik Bach
Chairman
På vegne af: eGISS A/S
Serienummer: PID:9208-2002-2-935995235384
IP: 178.155.xxx.xxx
2021-02-08 15:58:42Z
NEM ID

Kristine Bach
Board of Directors
På vegne af: eGISS A/S
Serienummer: PID:9208-2002-2-664171885396
IP: 185.107.xxx.xxx
2021-02-09 10:48:39Z
NEM ID

Jan Thietje
State Authorised Public Accountant
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: CVR:30700228-RID:56235114
IP: 145.62.xxx.xxx
2021-02-09 11:03:47Z
NEM ID