NORRIQ

Your Business - Simplified

2022

ANNUAL REPORT

NORRIQ Holding A/S
Paradisæblevej 4
2500 Valby
CVR No. 35 24 94 27

The Annual Report was presented and approved at the Annual General Meeting of the Company on 8 June 2023.
Chairman: Klaus Rasmussen

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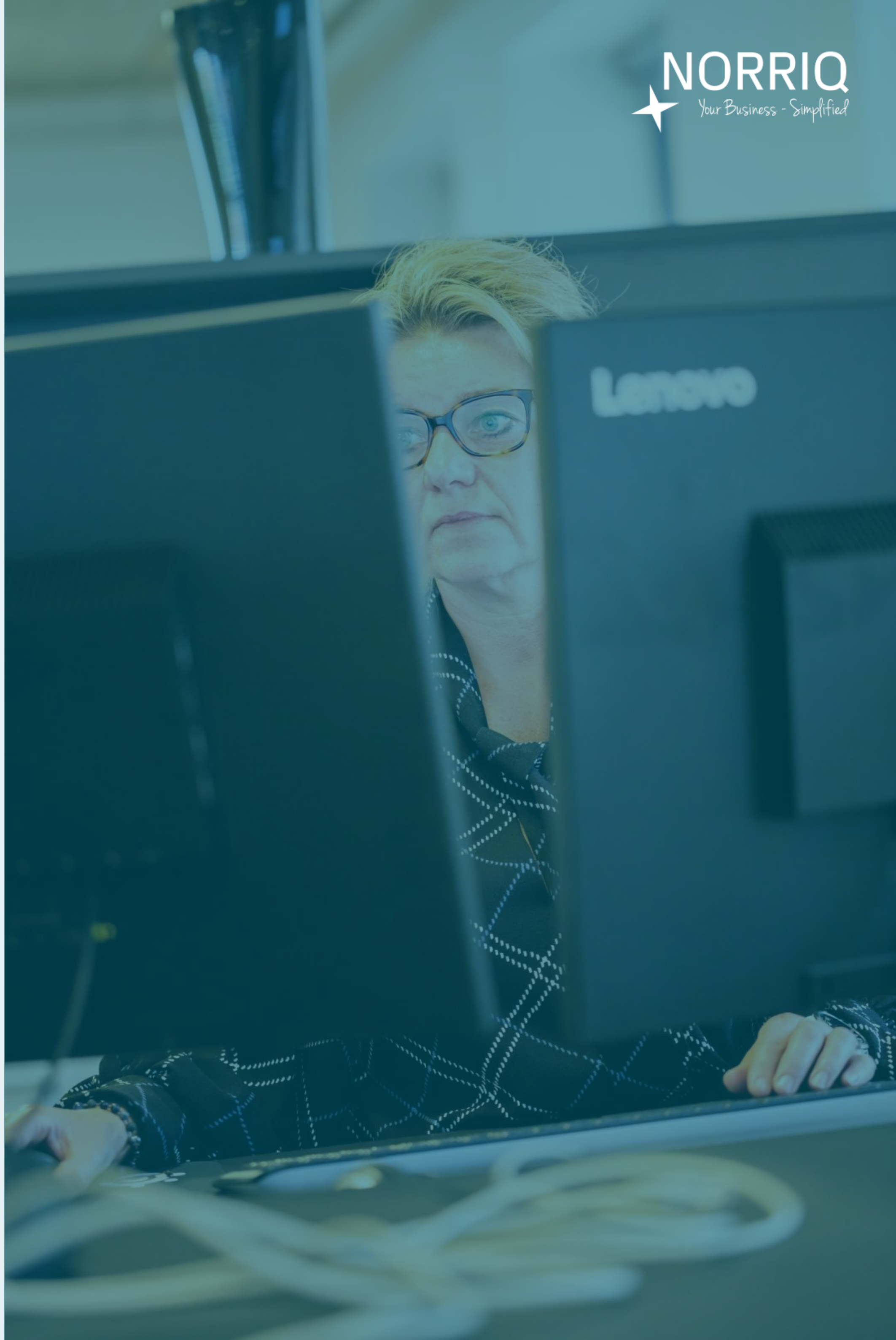
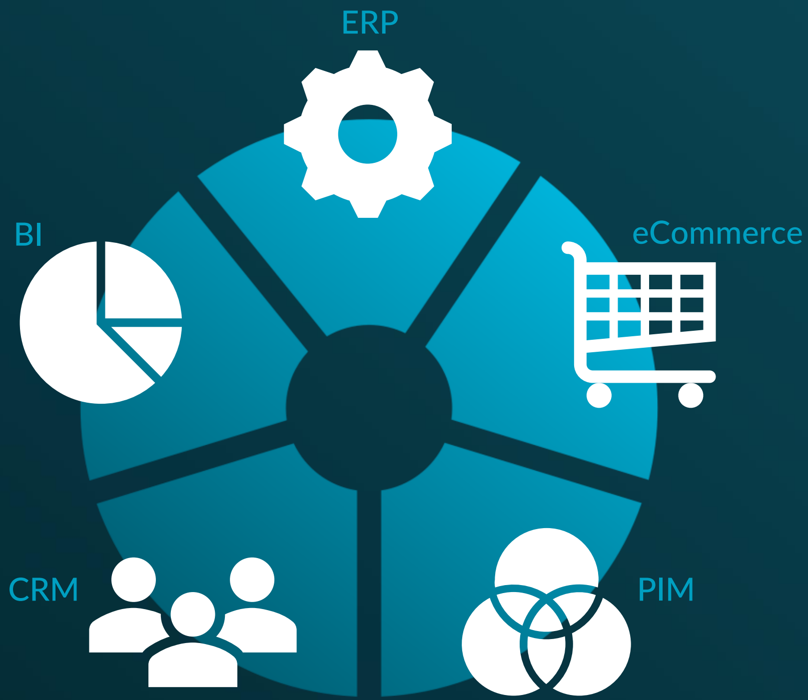


What do we do at NORRIQ?



Why NORRIQ?

NORRIQ helps corporations reach their full business potential with technology and digital transformation. We aim to take full responsibility for digitizing businesses across the entire value chain. To accomplish this, we have structured our organization around the needs of our clients and our core competencies revolve around ERP, CRM, PIM, business intelligence, and eCommerce.

Realize your full business potential with NORRIQ

Accelerated growth by focusing on core business and transformation to Cloud

NORRIQ has continued to execute on its strategy throughout 2022, obtaining a solid and profitable growth in our core segments and business lines.

The sale of Drink-IT allows for even greater expectations and ambitions for NORRIQ

Early 2023, NORRIQ sold Drink-IT to Aptean, a world leading provider of purpose-built software, headquartered in Alpharetta, North America. As a result, our balance sheet will become stronger, and we will be able to increase focus and set even higher ambitions for the group.

Solid and profitable growth

In 2022, excluding Drink-IT, the Group realized a gross profit of DKK 121,821 thousand compared to DKK 107,353 thousand in 2021. The growth in gross profit is driven by our continued investment in our core business and the transformation to cloud. The EBITDA result meets expectations of last year, including discontinued operations at DKK 13,819 thousand.

We continue our journey towards the Cloud and a more subscription-based business, making our business even more predictable.

In 2022, NORRIQ continued the focus on the following areas:

Core business and transformation to Cloud

NORRIQ continued focus and investment in our core business, empowering companies to realize their full business potential with technology and digital solutions, utilizing our strong competencies in ERP, CRM, PIM, business intelligence and eCommerce, a deep industry expertise and talented employees.

Microsoft and other software providers are pushing the transformation to Cloud, offering all business systems as SaaS (Software as a Service). This has created a range of new business opportunities, which NORRIQ is strongly embracing.

The transformation to Cloud is also a move away from unpredictable one-off revenue streams, towards a more predictable subscription business. NORRIQ continues to focus on increasing our range of subscriptions within both software and services. The international customer service and support program, NORRIQ Care, now being the "hub" or all services offered, including several Cloud targeted services.

In 2022, NORRIQ helped another 88 customers achieve their full potential by moving their digital solution to the cloud.

Bo Martinsen
CEO

"Accelerate Growth" program

NORRIQ's ambitions are more than just growing the business – but to "accelerate" – to be evermore ambitious going forward. This accelerated and profitable growth is to be achieved through improving our stronghold and further penetrating our core markets and segments, with already successfully proven great industry expertise. This combined with an emphasized focus on potential acquisitions to both extent and strengthen our core business.

Labelled the "Accelerate Growth" program, already in the second half of 2022, we fueled our growth path further through increased investments in recruiting and go-to-market activities in all markets, especially within social media/online marketing.

"People First" program

Thriving, competent, motivated, and customer-focused employees are pivotal to us for continuing the expansion of our ambitions.

Our "People First" program focuses on ensuring the very best conditions for our employees. This includes numerous areas including Community & Relationships, Sparring & Coaching, Knowledge Sharing, Cooperation & Involvement as well as an excellent working environment in general.

Continuous development of our employees plus attracting new talents remains a key priority. Learning from our success, we will therefore again increase the ongoing development of – and investments in – our formal NORRIQ Talent Academy program during 2023 – strongly holding the belief talent management being an ever-increasing factor in our competitive marketspace.

NORRIQ is proudly entering 2023 with a mindset of accelerated growth. "Accelerated Growth" based on our already strong proven track record with a solid focus on our core markets and efficient execution combined with further development in "People First" – for both current and all new "NORRIQ Stars".

2022 IN NUMBERS:

88 projects accomplished in the cloud

67 new NORRIQ Stars

+10,000 followers on LinkedIn

5-year development at NORRIQ Holding A/S

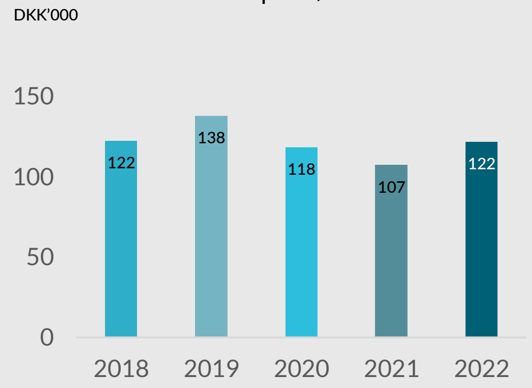
Seen over a 5-year period, the development of the group may be described by means of the following financial highlights:

	Group				
	2018	2019	2020	2021	2022
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Profit/loss					
Gross profit/loss	122,454	137,976	118,497	107,353	121,821
Profit before depreciation and impairment losses (EBITDA)	12,144	11,615	3,663	13,141	13,819
Operation profit (EBIT)	1,667	2,054	(8,064)	3,306	5,160
Net financials	1,075	(960)	(1,301)	(1,751)	(875)
Profit/loss for the year	(173)	(8,436)	(9,979)	3,782	(470)
Profit/loss for the year excl. non-controlling interests	(412)	(8,398)	(10,077)	3,782	(470)
Balance sheet					
Balance sheet total	166,237	152,496	151,348	158,301	185,478
Investment in property, plant and equipment	(1,528)	(828)	(1,742)	(393)	(1,072)
Equity	50,767	41,863	32,023	35,266	35,217
Equity excl. non-controlling interests	50,524	41,878	32,023	35,266	35,217
Number of employees (excluding freelancers and subcontractors)	199	206	207	199	217
Financial ratios					
Solvency ratio	30.5%	27.5%	21.2%	22.3%	19.0%
Return on equity	(0.2)%	(18.2)%	(27.0)%	11.2%	(1.3)%

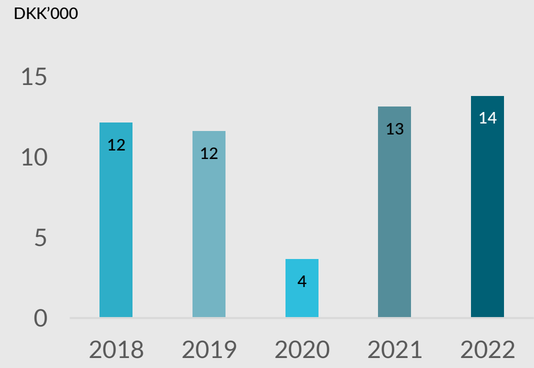
The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines.
For definitions, see the summary of significant accounting policies.

Where the accounting policies have been changed, the comparatives for 2018 onwards have been restated.

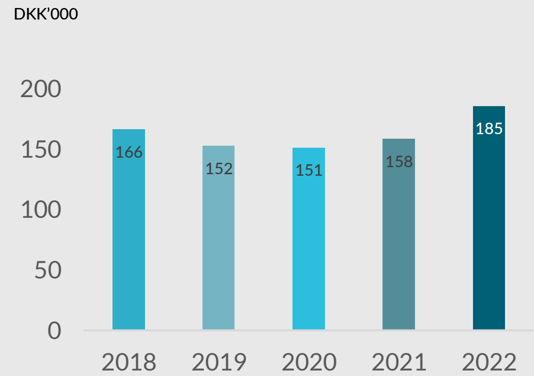
Gross profit/loss



Profit before depreciation and impairment losses



Balance sheet total



We are NORRIQ

And we help corporations reach their full business potential with technology and digital transformation.

Industry knowledge. Business understanding. Technology insight.
NORRIQ's comprehensive consultancy and technology insight ensures our customers' solutions always being well thought, well executed and coherent. Our starting point is the customers' business, strategy and competitive situation, and the goal is to help the customers realize their full business potential, through technology and digital transformation.

Industry focus
NORRIQ possesses industry expertise within food companies, trade and wholesale companies, manufacturing companies, member organizations, pharmaceutical companies, and project and service companies. Our primary focus is on medium-sized companies, but we also collaborate with several larger international organizations with i.e., two-tier ERP and field service solutions.

An international company
NORRIQ was originally established in Denmark. Since we have grown into an international company with 10 offices in 6 countries with implementations in 46 different countries, employing more than 250 skilled employees.

We primarily provide services to medium-sized companies but also cooperate with a number of larger international groups.

NORRIQ in numbers

+250 employees

10 offices

Offices in 6 different countries

+1,000 customers

Implemented solutions in 46 different countries

Over 25,000 users of NORRIQ software


København


Aalborg


Aarhus


Tremelo


Lummen


Waregem

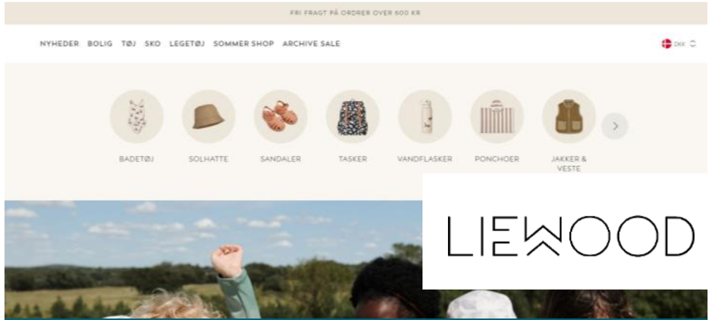
Get inspiration from the success of others

Your Business – Simplified

NORRIQ helps corporations reach their full business potential with technology and digital transformation.

DS Stålprofil has digitized its production

We assisted DS Stålprofil in digitizing and automating its day-to-day operations by upgrading its ERP system from NAV to Business Central. Subsequently, we seamlessly integrated the new ERP solution with various systems required for the efficient functioning of a production facility.

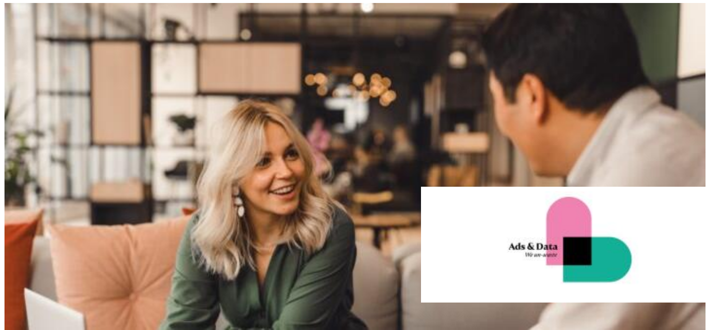


Liewood has become a true NORRIQ 360 customer

Liewood sought to improve its online performance and equip its sales team and B2B network with a contemporary webshop. To this end, we integrated ERP and PIM with its novel B2B webshop that was built on the MACH architecture, while also incorporating its B2C Shopify solution into the overall architecture.

UNIZO

UNIZO used many different systems in the past, all of which were used in its own way. With NORRIQ's membership solution, we reduced this to 1 central system in which everyone can work in the same way. Obviously with the required integrations to some of its existing software systems such as accounting.



Ads&Data

We made life easier at Ads&Data by implementing marketing modules including the Power Platform – Power BI and Power Apps.

Well, we didn't encounter any challenges along the way. I would like to tell the whole story, but in fact, everything has just been running smoothly.

Mads Nobel Danborg,
Digital Transformation Manager
Wexøe A/S

We develop the talents of the future

NORRIQ Talent Academy is an 18-month competency development program where the participants learn to succeed in their role as consultant or developer. The program is centered around different role models, learning formats, and information.

GOAL

Innovative learning
The goal is to transform company, knowledge, know-how, and experiences into a structured program that can be used across the organization with 25 talents in the next year.

PURPOSE

Enables talent growth
The purpose of NORRIQ Talent Academy is to address the recruitment issues proactively and ensure future resources and talent in our organization.

NORRIQ Talent Academy

People First

At NORRIQ, we view our colleagues as more than just people with whom we work. As such, we value and encourage the notion that our employees enjoy spending time together outside of the workplace. We believe that this further fosters a sense of unity that is mutually beneficial for both our employees and customers.

We educate and inspire our NORRIQ Stars with access to seminars and classes. We even host our own annual Tech Day.

Our annual kickoff is work and fun in one. We discuss the results from the previous year and the plans for the new year. Also, getting everyone together is a great way to boost morale and strengthen collegiality.

In September of 2022, a NORRIQ team went to the Dolomite Mountains in Italy for the charity event 'Climbing for life' where several colleagues participated in a biking and hiking challenge! They had so much fun in 2022 that the team is going back this year to participate again.

Later in September was our annual incentive! A day filled with fun activities – this year there was a team contest, a percussion workshop and a paintball competition in the afternoon. Of course, in the evening we had a wonderful meal but also a big party!

Our employees are our most valuable asset

Our success depends on having competent, motivated, and customer-oriented individuals who find fulfillment in their work. To this end, we prioritize creating a diverse workplace that includes individuals of varying ages, genders, and skill sets, with a clearly defined recruitment strategy to support this goal.

In addition, we place significant emphasis on continuous employee development. As part of this effort, we have initiated an international project focused on formalizing talent development, which encompasses both personal and professional growth for our staff.

Our business is about your business

We strive to give companies the best conditions for achieving their goals.

MISSION

Enables growth
Based on NORRIQ's deep industry knowledge and 360˚ service concept, NORRIQ delivers efficient, integrated, and standardized solutions that are easy to implement and simplify the everyday life of our customers.

VISION

Innovative business IT
NORRIQ will be in front of the business IT revolution. From the administration to the boardroom – from the back office to the store. NORRIQ always strives to give people and companies the best conditions for achieving their goals.

NORRIQ
Your Business - Simplified

Your Business - Simplified

Our tagline is "Your Business - Simplified“
These are three words we do not take lightly. They always remind us that our business is about your business. And that we must always strive for the simple and uncomplicated rather than the complex and cumbersome in the solutions we develop for our customers.

Risk, environment, and future expectations

Significant events after the end of the financial year

In recent years, we have invested heavily in developing a market-leading Cloud solution for the beverage industry and built a strong organization to develop and grow the business. This has created a great deal of interest in Drink-IT, and in February 2023 the Drink-IT business was acquired by Aptean, a world leading provider of purpose-built software.

As a result of this sale, NORRIQ will have a stronger balance sheet, reducing overall external debt and stand on solid financial foundations which opens new opportunities and the possibility to set even higher ambitions for NORRIQ.

Operating risks

The company's most significant operating risk is primarily linked to the company's agreement with Microsoft, as well as the company's ability to retain, develop and attract employees with competencies within the Microsoft Dynamics 365 suite.

Recognition and measurement

Intangible assets, excluding Drink-IT, include development projects of DKK 12,8 million and goodwill of DKK 9.9 million. Management considers the conditions for capitalization of development projects to be met, just like management considers the recoverable value of the equity investments in NORRIQ Belgium NV and NORRIQ Danmark A/S to be at least equivalent to the recognized value. The assessment thereof is subject to accounting estimates.

Interest rate and foreign currency risks

The company is exposed to foreign exchange risks as regards the current operations. Interest and foreign exchange risks are not hedged.

Credit risks

Credit risks, related to the value of current assets, corresponding to the values recognized in the balance sheet. The company has no significant risks regarding individual customers.

Environmental situation

As a consulting firm, NORRIQ’s possible impact on the environment is rather limited. However, we are dedicated to embrace sustainable solutions wherever possible. We consider this in our choice of office buildings as well as in our fleet of company cars.

Knowledge resources

The company's consultancy business places particularly high requirements on knowledge resources, employees, and business processes.

To constantly be able to maintain competitiveness, it is essential that the company can recruit and retain employees with a high level of education and a high level of technical experience. Through an active and attractive staff policy, this is achievable.

Research and development activities

NORRIQ conducts ongoing development and maintenance of proprietary software, which includes both industry-specific solutions and general add-on solutions for existing IT installations.

Future expectations

NORRIQ enters 2023 with a strong organization, a clear strategy, and the prospect of a continued high level of activity.

Continued high investment appetite in all NORRIQ's markets

Despite a global economic crisis, the desire to invest in digital solutions is still high in all NORRIQ’s markets.

Digitization and the use of new technologies are crucial if companies are to continue to increase their productivity and be competitive. NORRIQ expects this trend to continue for the foreseeable future. The trend applies to all NORRIQ target markets, across industries and solutions.

Unchanged strategy

NORRIQ continues to execute the same strategy in 2023. NORRIQ will strengthen its market position as a company's preferred digitalization partner across the complete value chain, a position that is increasingly in demand and is, therefore, a crucial competitive advantage.

Outlook for 2023

We will keep our focus on recurring subscription and cloud business, which we expect will further accelerate throughout the year. As the demand for our services is high, we expect operational results for 2023 to be above the levels of the preceding years, corresponding to an EBITDA at the level of DKK 16-20 million.

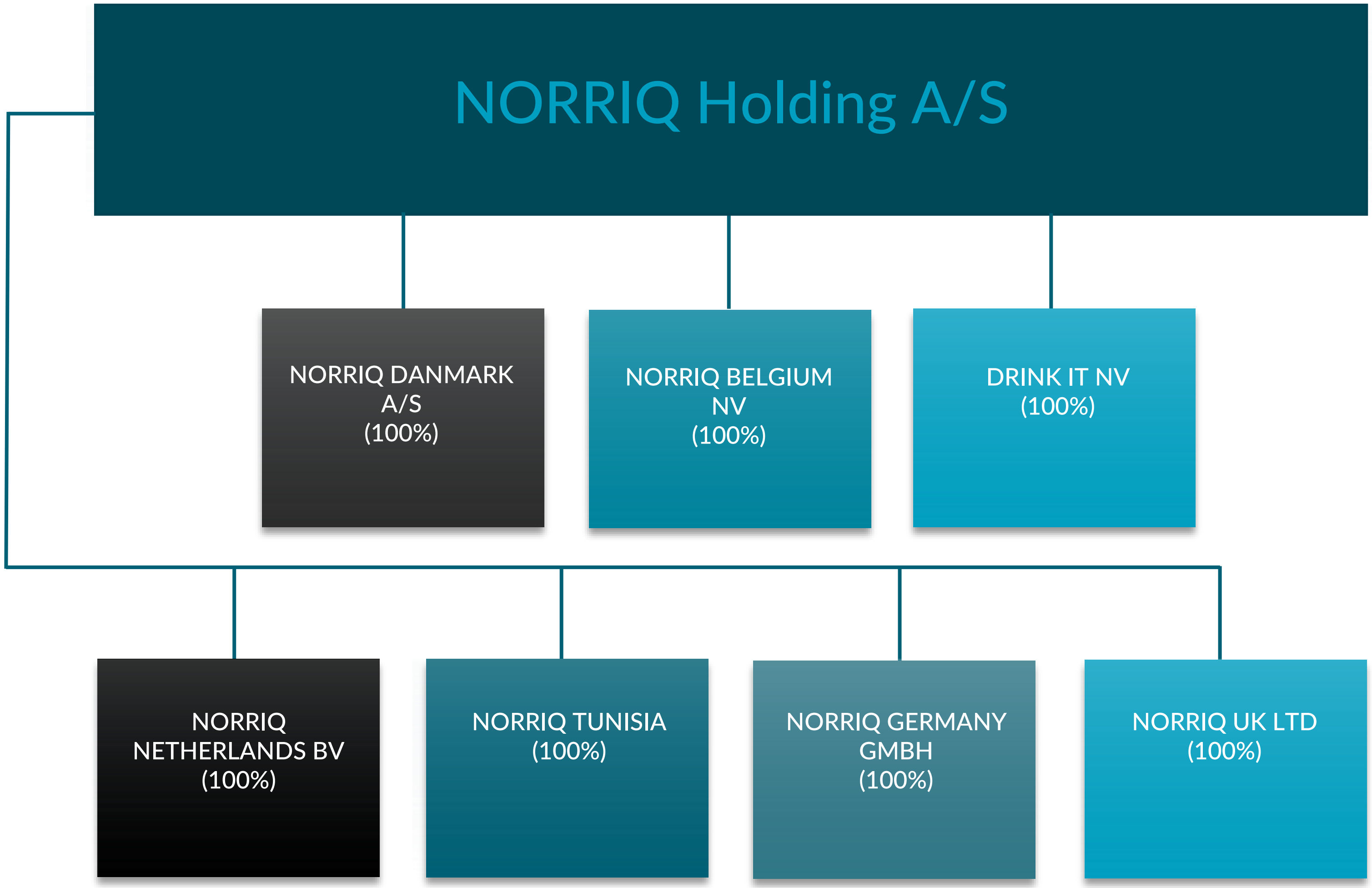
Consolidated and Parent Company Financial Statements

1 January - 31 December 2022

NORRIQ

Your Business - Simplified

Group chart

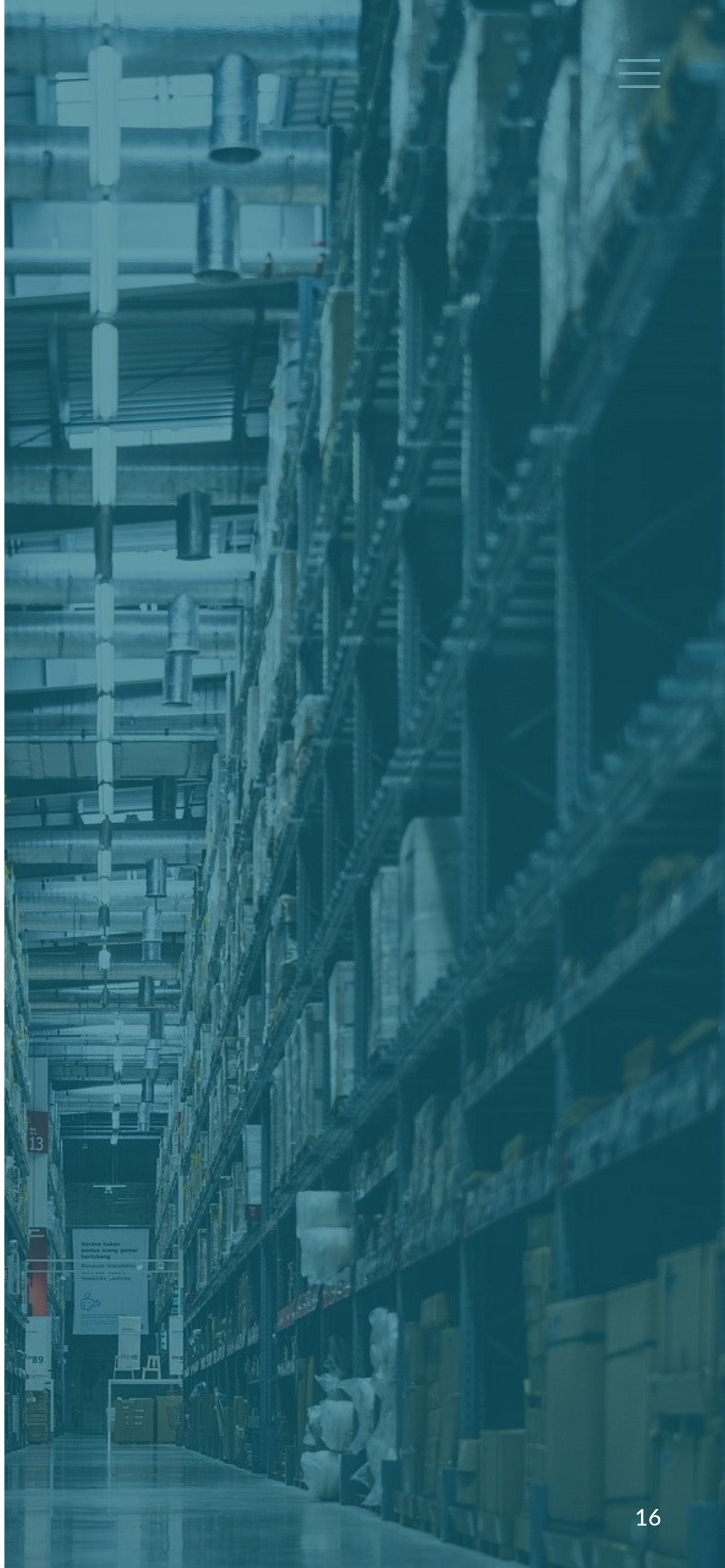

NORRIQ Holding A/S
NORRIQ DANMARK A/S (100%)
NORRIQ BELGIUM NV (100%)
DRINK IT NV (100%)
NORRIQ NETHERLANDS BV (100%)
NORRIQ TUNISIA (100%)
NORRIQ GERMANY GMBH (100%)
NORRIQ UK LTD (100%)

Income statement 1 January – 31 December 2022

	Note	Group		Parent company	
		2022	2021	2022	2021
		DKK'000	DKK'000	DKK'000	DKK'000
Gross profit		**121,821**	**107,353**	**2,366**	**2,116**
Staff costs	1	(108,002)	(94,212)	(1,746)	(2,096)
Profit before depreciation and impairment losses (EBITDA)		**13,819**	**13,141**	**620**	**20**
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		(8,659)	(9,835)	(299)	(299)
Profit/loss before net financials		**5,160**	**3,306**	**321**	**(279)**
Income from investments in subsidiaries		0	0	5,088	1,103
Financial income	2	3,137	1,370	1,385	1,445
Financial costs	3	(4,012)	(3,121)	(2,429)	(2,288)
Profit/loss before tax		**4,285**	**1,555**	**4,365**	**(19)**
Tax on profit/loss for the year	4	(514)	(1,471)	0	103
Profit/loss from continuing operations		**3,771**	**84**	**4,365**	**84**
Profit/loss for the year, discontinuing operations	5	(4,241)	3,698	(4,835)	3,698
Profit/loss for the year		**(470)**	**3,782**	**(470)**	**3,782**
Distribution of profit	6				

Balance sheet at 31 December 2022

	Note	Group		Parent company	
		2022	2021	2022	2021
		DKK'000	DKK'000	DKK'000	DKK'000
Assets					
Completed development projects		12,835	31,347	0	0
Goodwill		9,890	12,324	0	0
Intangible assets	7	**22,725**	**43,671**	**0**	**0**
Other fixtures and fittings, tools and equipment		2,475	2,983	448	747
Leasehold improvements		0	16	0	0
Tangible assets	8	**2,475**	**2,999**	**448**	**747**
Investments in subsidiaries	9	0	0	87,334	95,216
Receivables from group entities	10	7,000	7,000	0	0
Deposits	10	1,581	1,555	0	0
Fixed asset investments		**8,581**	**8,555**	**87,334**	**95,216**
Total non-current assets		**33,781**	**55,225**	**87,782**	**95,963**
Stocks		**17**	**42**	**0**	**0**
Trade receivables		28,858	37,879	0	0
Receivables from group entities		78,213	52,003	56,439	51,290
Other receivables		1,528	637	190	790
Deferred tax asset	11	3,540	1,776	0	0
Corporation tax		571	727	0	0
Prepayments	12	1,558	1,467	1,343	0
Receivables		**114,269**	**94,489**	**57,972**	**52,080**



Balance sheet at 31 December 2022
(continued)

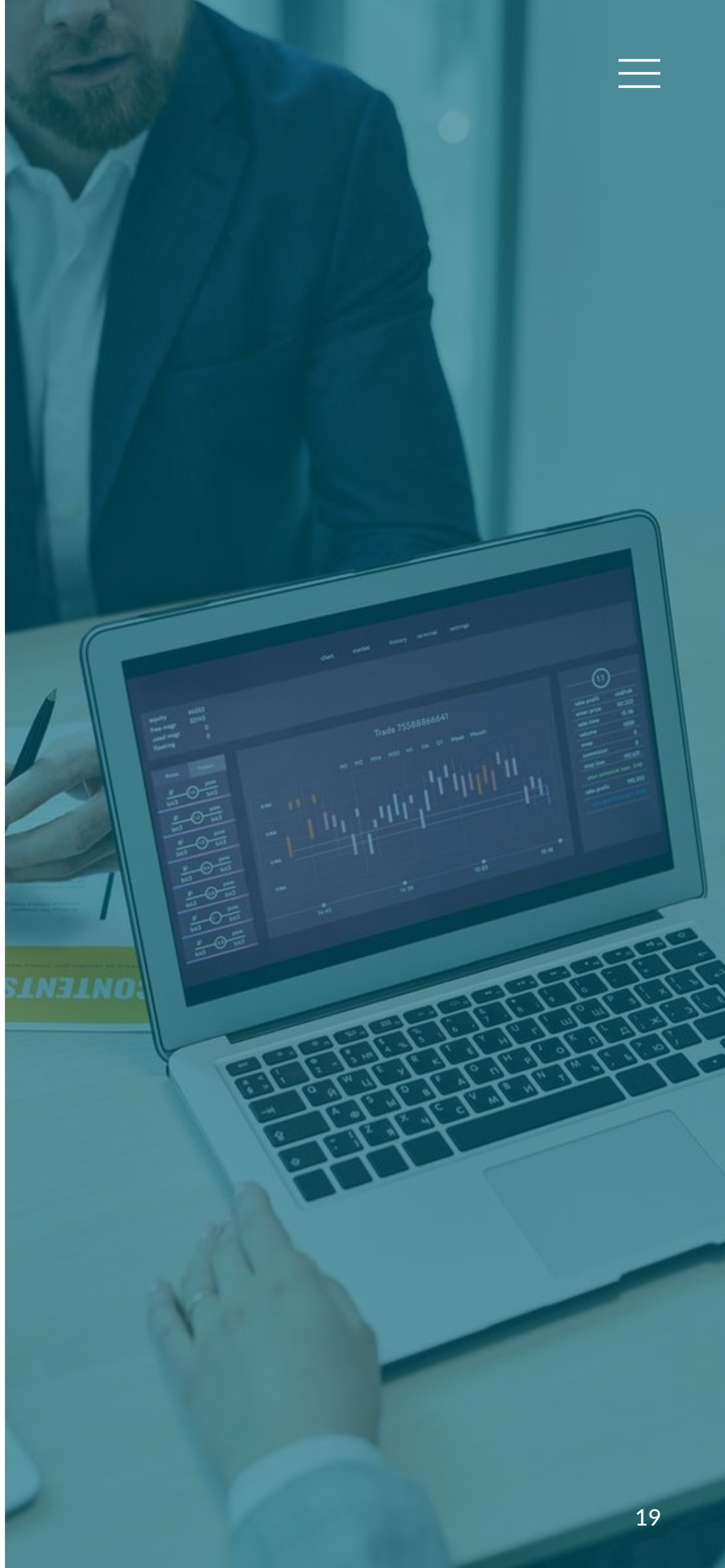
	Note	Group 2022	Group 2021	Parent company 2022	Parent company 2021
		DKK'000	DKK'000	DKK'000	DKK'000
Assets					
Cash at bank and in hand		**4,167**	**8,545**	**140**	**170**
Total current assets		**118,453**	**103,076**	**58,112**	**52,250**
Assets, discontinuing operations	5	**33,244**	**0**	**0**	**0**
Total assets		**185,478**	**158,301**	**145,894**	**148,213**

Balance sheet at 31 December 2022

		Group		Parent company	
	Note	2022	2021	2022	2021
		DKK'000	DKK'000	DKK'000	DKK'000
Equity and liabilities					
Share capital		18,440	18,440	18,440	18,440
Retained earnings		16,777	16,826	16,777	16,826
Equity	13	**35,217**	**35,266**	**35,217**	**35,266**
Provisions relating to investments in group entities	14	0	0	0	14,616
Other provisions	15	0	565	0	0
Total provisions		**0**	**565**	**0**	**14,616**
Subordinate loan capital		4,750	5,750	0	0
Banks		843	1,185	0	0
Lease obligations		171	469	160	469
Other payables		6,403	4,512	0	11
Shareholders and management		9,080	13,284	0	0
Total non-current liabilities	16	**21,247**	**25,200**	**160**	**480**

Balance sheet at 31 December 2022
(continued)

		Group		Parent company	
	Note	2022	2021	2022	2021
		DKK'000	DKK'000	DKK'000	DKK'000
Equity and liabilities					
Short-term part of long-term debt	16	2.881	1.645	309	298
Banks		29.063	29.215	0	0
Prepayments received from customers		0	156	0	0
Trade payables		18.441	22.812	994	0
Pre-invoicing, work-in-progress	17	186	329	0	0
Payables to group entities		1.773	1.765	101.571	96.314
Other payables		24.271	24.774	90	1.239
Deferred income	18	11.602	16.574	0	0
Total current liabilities		**88.217**	**97.270**	**102.964**	**97.851**
Total liabilities		**109.464**	**122.470**	**103.124**	**98.331**
Liabilities, discontinuing operations	5	**40.797**	**0**	**7.553**	**0**
Total equity and liabilities		**185.478**	**158.301**	**145.894**	**148.213**
Contingent liabilities	19				
Mortgages and collateral	20				
Related parties and ownership structure	21				



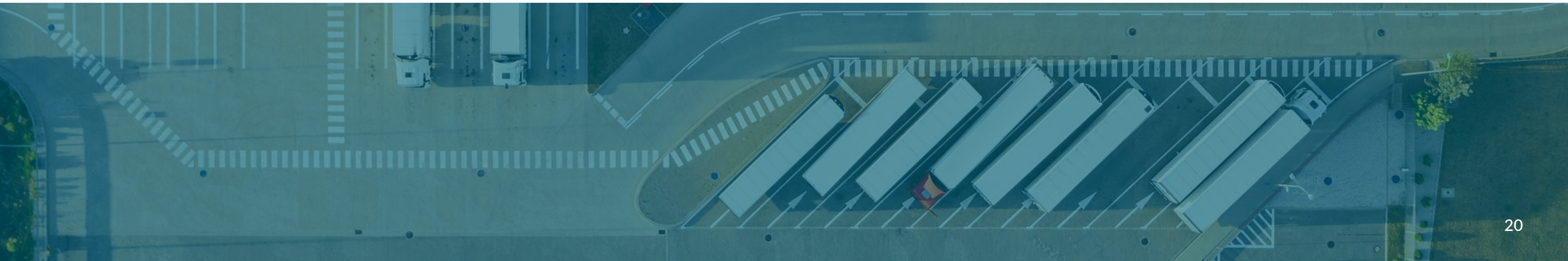
Statement of changes in equity

Group

	Share capital	Retained earnings	Total
Equity at 1 January 2022	18,440	16,826	35,266
Exchange rate adjustments	0	421	421
Net profit/loss for the year	0	(470)	(470)
Equity at 31 December 2022	**18,440**	**16,777**	**35,217**

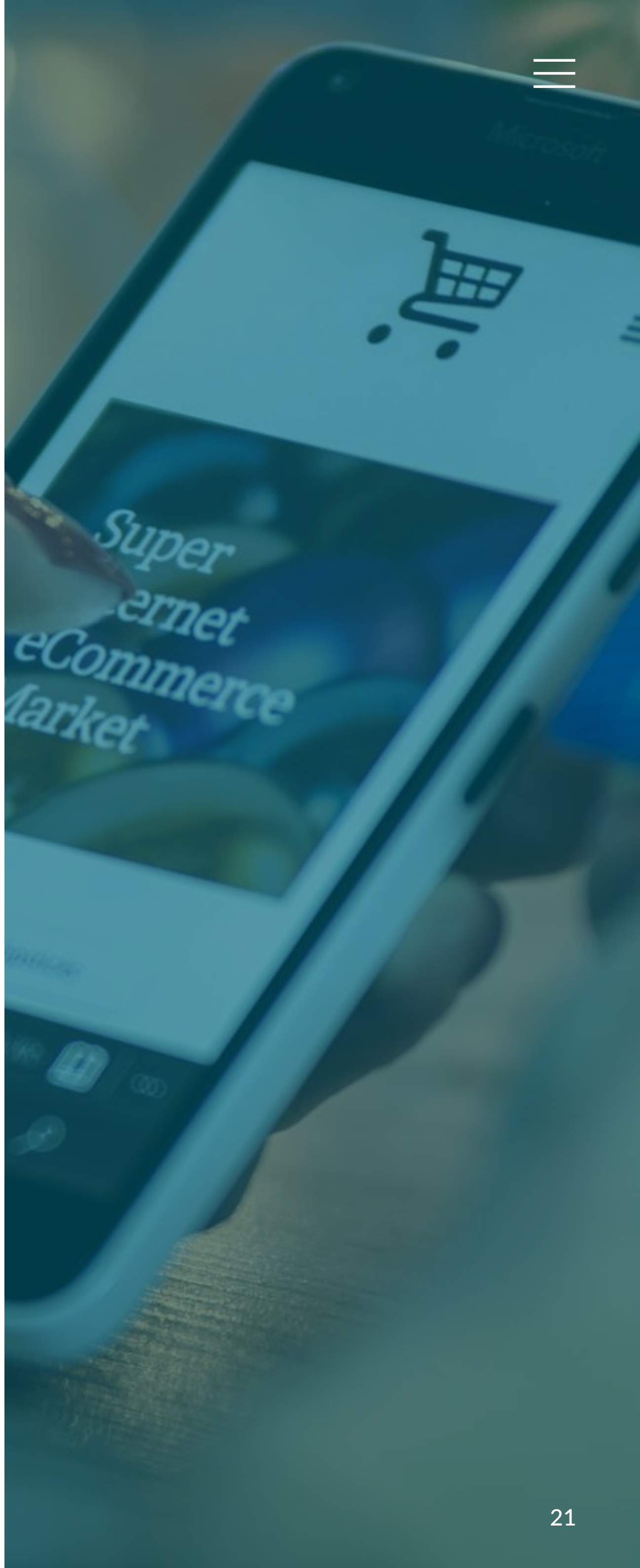
Parent company

	Share capital	Retained earnings	Total
Equity at 1 January 2022	18,440	16,826	35,266
Exchange adjustment, foreign	0	421	421
Net profit/loss for the year	0	(470)	(470)
Equity at 31 December 2022	**18,440**	**16,777**	**35,217**



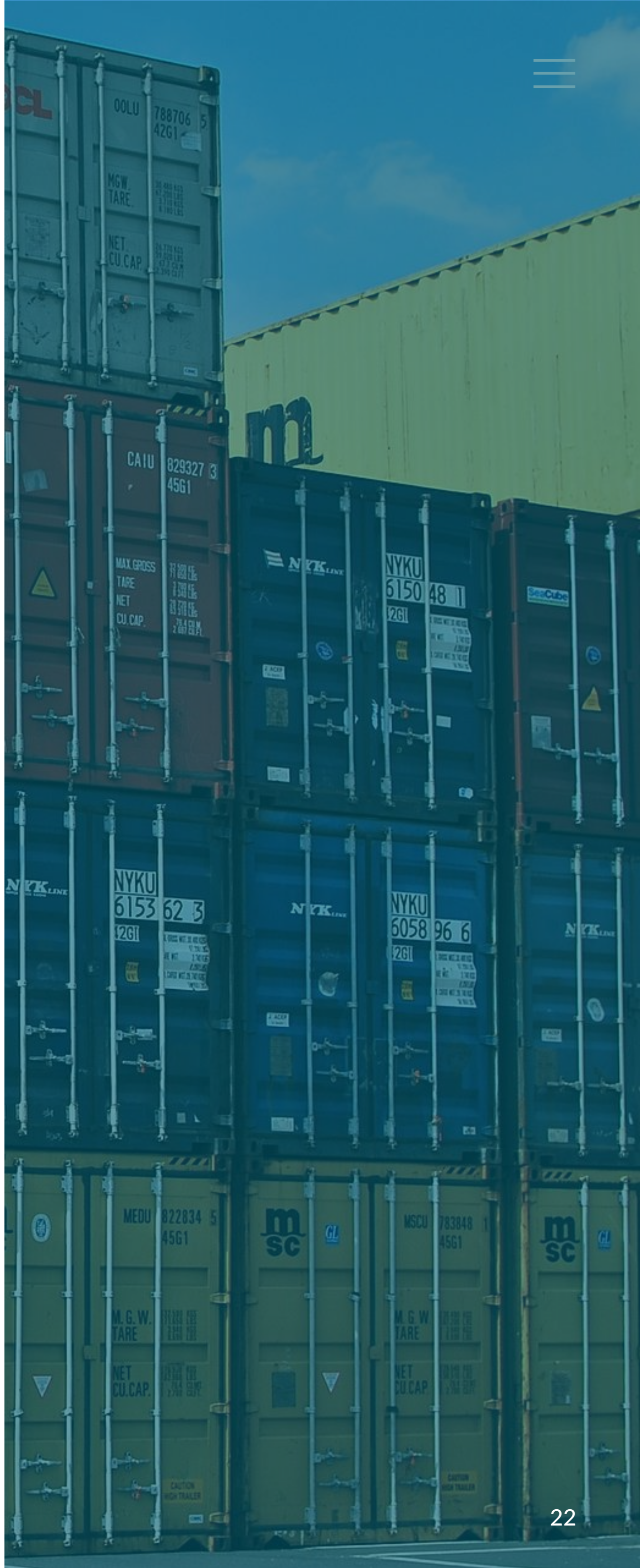
Cash flow statement 1 January – 31 December 2022

	Note	Group 2022	Group 2021
		DKK'000	DKK'000
Net profit/loss for the year		(470)	3,782
Adjustments	22	14,857	16,387
Change in working capital	23	(4,022)	(1,983)
Cash flows from operating activities before financial income and expenses		**10,365**	**18,186**
Interest income and similar income		3,137	2,958
Interest expenses and similar charges		(4,012)	(3,872)
Cash flows from ordinary activities		**9,490**	**17,272**
Cash flows from operating activities, discontinuing operations		67	0
Corporation tax paid		365	(2,102)
Cash flows from operating activities		**9,922**	**15,170**
Purchase of intangible assets		(4,360)	(11,918)
Purchase of property, plant and equipment		(1,072)	(393)
Purchase of financial instruments		(26)	0
Cash flows from,investing acitivites, discontinuing operations		(5,875)	0
Adjustment deposits		0	163
Cash flows from investing activities		**(11,333)**	**(12,148)**



Cash flow statement 1 January – 31 December 2022
(continued)

	Note	Group 2022	Group 2021
		DKK'000	DKK'000
Repayment of long-term debt		(2,716)	(712)
Raising of long-term debt		0	17,923
Loans		0	(7,000)
Development overdraft		(152)	(10,702)
Other adjustments		0	(1,103)
Cash flows from financing activities		**(2,868)**	**(1,594)**
Change in cash and cash equivalents		**(4,279)**	**1,428**
Cash and cash equivalents		8,545	7,117
Cash and cash equivalents		**4,266**	**8,545**
Analysis of cash and cash equivalents:			
Cash at bank and in hand		4,167	8,545
Cash at bank and in hand, discontinuing operations		99	0
Cash and cash equivalents		**4,266**	**8,545**



All-in-one solution for all types of production

NORRIQ optimizes the processes in both project production, advanced production, and line production. The solution streamlines your information supply chain and product flow. It accelerates your lead time and delivery capability.

Notes to the annual report

	Group		Parent company	
	2022	2021	2022	2021
	DKK'000	DKK'000	DKK'000	DKK'000
1 Staff costs				
Wages and salaries	93,359	80,479	1,739	2,086
Pensions	7,369	6,872	2	2
Other social security costs	7,274	6,861	5	8
	108,002	**94,212**	**1,746**	**2,096**
Remuneration for the Executive Board and Board of Directors	**2,336**	**2,199**	**2,336**	**2,199**
Average number of employees	217	199	1	2
2 Financial income				
Interest received from group entities	1,766	1,463	1,383	1,409
Other financial income	1,371	(93)	2	36
	3,137	**1,370**	**1,385**	**1,445**
3 Financial costs				
Interest paid to group entities	71	190	2,295	2,207
Other financial costs	3,941	2,931	134	81
	4,012	**3,121**	**2,429**	**2,288**
4 Tax on profit/loss for the year				
Current tax for the year	536	1,063	0	0
Deferred tax for the year	(8)	104	0	0
Adjustment of tax concerning previous years	(14)	304	0	(103)
	514	**1,471**	**0**	**(103)**

Notes to the annual report

	Group		Parent company	
	2022	2021	2022	2021
	DKK'000	DKK'000	DKK'000	DKK'000
5 Profit/loss of discontinuing operations				
DCO, Gross Profit	13,420	24,447	0	0
DCO, Staff costs	(12,551)	(16,880)	0	0
DCO, Depreciation/Amortisation	(4,350)	(3,940)	0	0
DCO, Financial items	(350)	837	(4,835)	3,698
DCO, Tax	(410)	(766)	0	0
Profit/loss for the year, disconinuing operations	**(4,241)**	**3,698**	**(4,835)**	**3,698**
DCO, Development expenditure	19,738	0	0	0
DCO, Tangible fixed assets ex. Land and buildings	37	0	0	0
DCO, Investments in subsidiaries and associates	0	0	(7,553)	0
DCO, Payables and receivables, subsidiaries	12,836	0	0	0
DCO, Other receivables and prepayments	534	0	0	0
DCO, Cash and cash equivalents	99	0	0	0
Assets, discontinuing operations	**33,244**	**0**	**(7,553)**	**0**
DCO, Provisions and contingent provisions	2,084	0	0	0
DCO, Trade payables	26,807	0	0	0
DCO, Other payables	11,906	0	0	0
Liabilities, discontinuing operations	**40,797**	**0**	**0**	**0**
Net assets, discontinuing operations	**(7,553)**	**0**	**(7,553)**	**0**

Notes to the annual report

	Group		Parent company	
	2022	2021	2022	2021
	DKK'000	DKK'000	DKK'000	DKK'000
6 Distribution of profit				
Retained earnings	(470)	3,782	(470)	3,782
	(470)	**3,782**	**(470)**	**3,782**

7 Intangible assets

Group

	Completed development projects	Goodwill
Cost at 1 January 2022	45,706	57,051
Additions for the year	4,360	0
Cost at 31 December 2022	50,066	57,051
Impairment losses and amortisation at 1 January 2022	32,536	44,727
Amortisation for the year	4,695	2,434
Impairment losses and amortisation at 31 December 2022	37,231	47,161
Carrying amount at 31 December 2022	**12,835**	**9,890**

The group's development projects comprise electronic handling of vouchers and supplemental products to NAV. The development projects have been completed on an ongoing basis. Sales activities show a solid demand for these products.

Notes to the annual report

8 Tangible assets

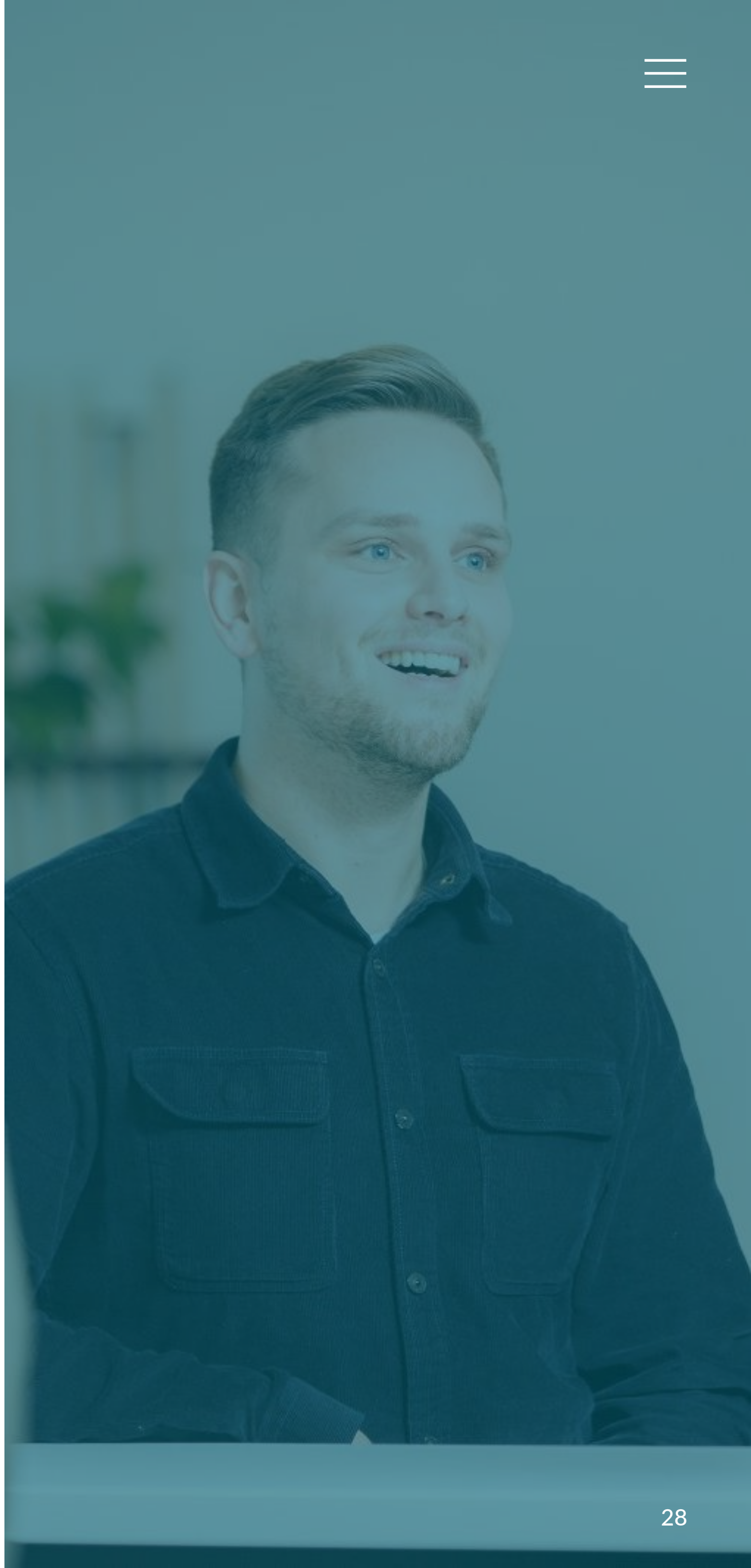
Group	Other fixtures and fittings, tools and equipment
Cost at 1 January 2022	10,288
Exchange adjustment	(4)
Additions for the year	1,072
Cost at 31 December 2022	11,356
Impairment losses and depreciation at 1 January 2022	7,355
Exchange adjustment	(4)
Depreciation for the year	1,530
Impairment losses and depreciation at 31 December 2022	8,881
Carrying amount at 31 December 2022	**2,475**
Value of leased assets	448

Parent company	
Cost at 1 January 2022	1,195
Cost at 31 December 2022	1,195
Impairment losses and depreciation at 1 January 2022	448
Depreciation for the year	299
Impairment losses and depreciation at 31 December 2022	747
Carrying amount at 31 December 2022	**448**
Value of leased assets	448

Notes to the annual report

9 Investments in subsidiaries

	Parent company	
	2022	2021
	DKK'000	DKK'000
Cost at 1 January 2022	130,083	130,083
Additions for the year	50	0
Disposals for the year	(52)	0
Transferred to DCO	(3.097)	0
Cost at 31 December 2022	126,984	130,083
Revaluations at 1 January 2022	(34,867)	(55,288)
Disposals for the year	52	0
Exchange rate adjustment	(1)	(539)
Transferred to DCO	(9,922)	0
Result in subsidiaries	7,522	7,235
Amortisation of goodwill	(2,434)	(2,434)
Equity investments with negative net asset value amortised over receivables	0	1,543
Equity investments with negative net asset value transferred to provisions	0	14,616
Revaluations at 31 December 2022	(39,650)	(34,867)
Carriying amount at 31 December 2022	**87,334**	**95,216**



Notes to the annual report

9 Investments in subsidiaries
Continued

Parent Company

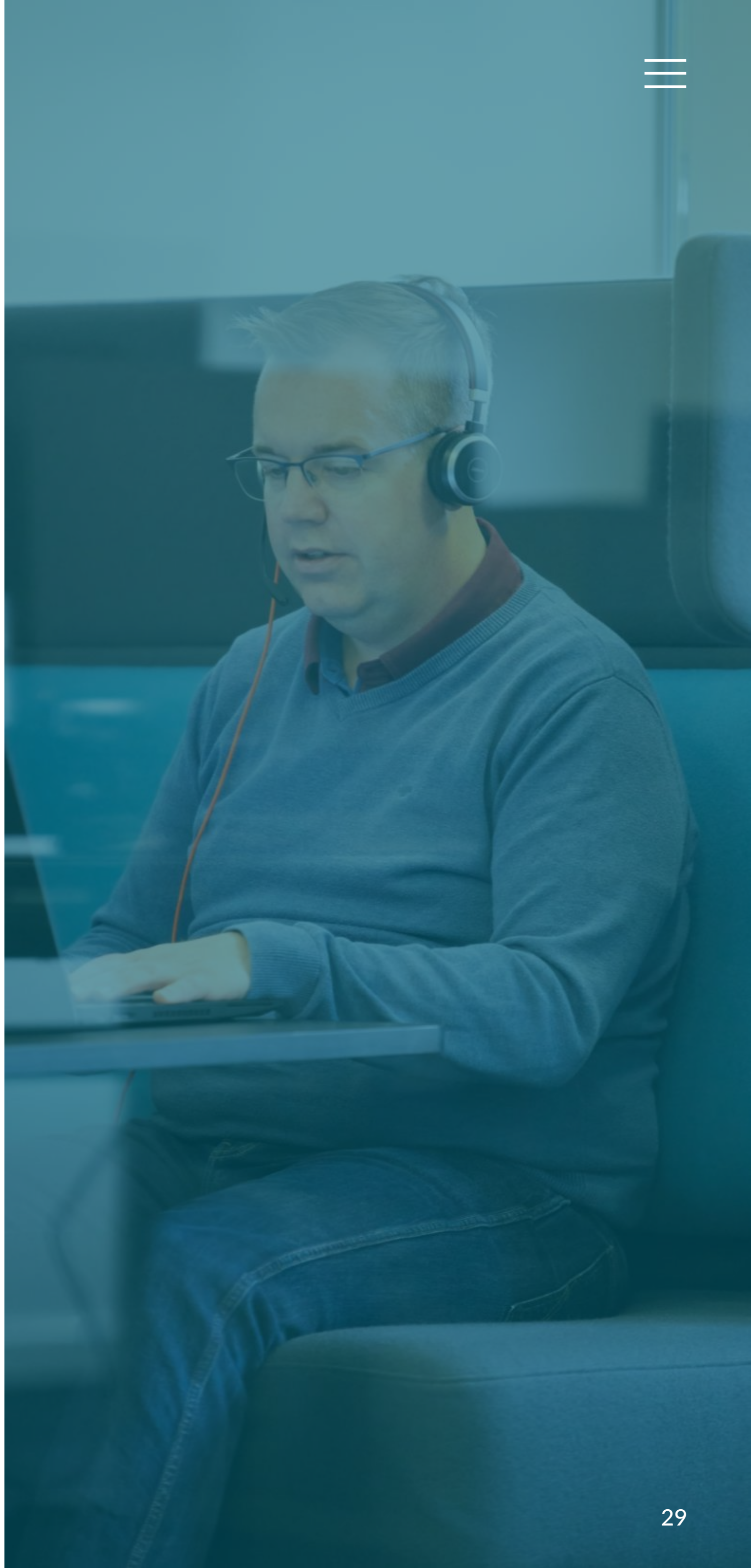
Investments in subsidiaries are specified as follows:

Name	Registered office	Ownership interest
Norriq Danmark A/S	Brøndby	100%
Norriq Belgium NV	Belgien/Belgium	100%
Drink-IT NV - Part of discontinued operations	Belgien/Belgium	100%
Norriq Netherland BV - Part of discontinued operations	Holland/Holland	100%
Norriq Tunisie - Part of discontinued operations	Tunesien/Tunisia	100%
Norriq Deutschland GmbH - Part of discontinued operations	Tyskland/Germany	100%
Norriq UK Ltd. - Part of discontinued operations	England	100%

10 Fixed asset investments

Group

	Receivables from group entities	Deposits
Cost at 1 January 2022	7,000	1,581
Cost at 31 December 2022	7,000	1,581
Carrying amount at 31 December 2022	**7,000**	**1,581**



Notes to the annual report

	Group		Parent company	
	2022	2021	2022	2021
	DKK'000	DKK'000	DKK'000	DKK'000
11 Provision for deferred tax				
Provision for deferred tax at 1 January 2022	(1,776)	(3,074)	0	0
Deferred tax recognised in income statement	(8)	433	0	0
Deferred tax recognised in discontinued operations	(1,757)	0	0	0
Adjustment regarding previous year	0	865	0	0
Provision for deferred tax at 31 December 2022	**(3,541)**	**(1,776)**	**0**	**0**

Provision for deferred tax comprises differences between carrying amounts and tax bases of receivables, intangible and tangible fixed assets, including recognised financial leases and carried forward tax deficit balances. The deferred tax asset which for the most part refers to tax losses is measured and recognised on the basis of an expected utilisation hereof within the next 3-5 years.

12 Prepayments

Prepayments comprise prepaid expenses regarding rent, insurance premiums, subscriptions etc.

13 Equity

The share capital consists of 18,440,378 shares of a nominal value of DKK 1. No shares carry any special rights.

Notes to the annual report

	Group		Parent company	
	2022	2021	2022	2021
	DKK'000	DKK'000	DKK'000	DKK'000
14 Provisions relating to investments in group entities				
Balance at 1 January 2022	0	0	14,616	13,145
Provision for the year	0	0	(14,616)	1,471
Balance at 31 December 2022	**0**	**0**	**0**	**14,616**

	Group 2022 DKK'000	Group 2021 DKK'000	Parent company 2022 DKK'000	Parent company 2021 DKK'000
15 Other provisions				
Balance at beginning of year at 1 January 2022	565	1,668	0	0
Adjustment in year	0	(1,103)	0	0
Provisions recognised in discontinued operations	(565)	0	0	0
Balance at 31 December 2022	**0**	**565**	**0**	**0**
The expected due dates of other provisions are:				
Within one year	0	565	0	0
	0	**565**	**0**	**0**

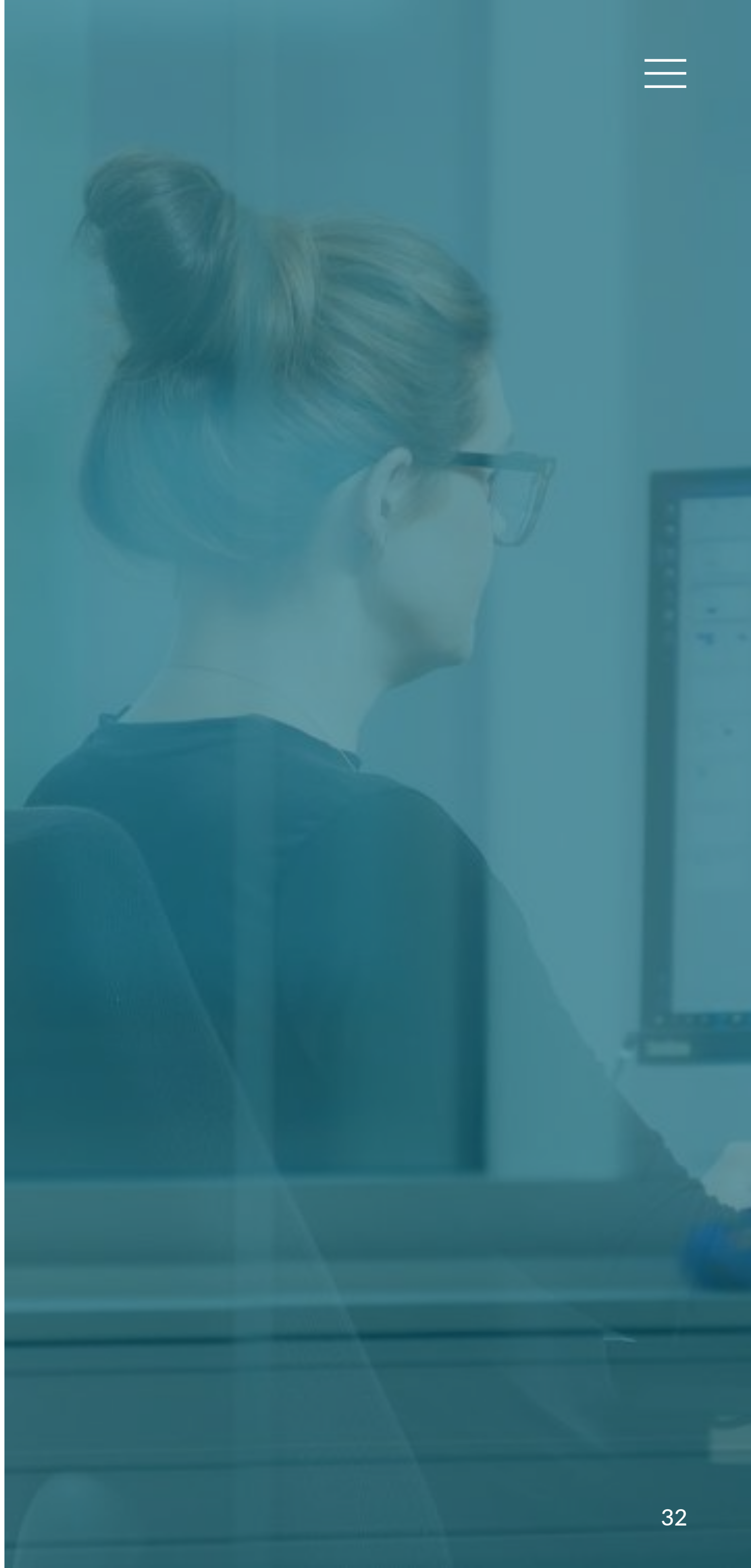
Provisions for liabilities include provisions for loss on contract work in progress.

Notes to the annual report

16 Long term debt

Group	Debt at 1 January 2022	Debt at 31 December 2022	Instalment next year	Debt outstanding after 5 years
Subordinate loan capital	6,750	5,750	1,000	750
Banks	1,317	843	0	0
Lease obligations	983	468	298	0
Shareholders and management	13,284	10,663	1,583	0
Other payables	4,511	6,404	0	8,221
	26,845	**24,129**	**2,881**	**8,971**

Parent company	Debt at 1 January 2022	Debt at 31 December 2022	Instalment next year	Debt outstanding after 5 years
Lease obligations	767	469	309	0
Other payables	11	0	0	0
	778	**469**	**309**	**0**

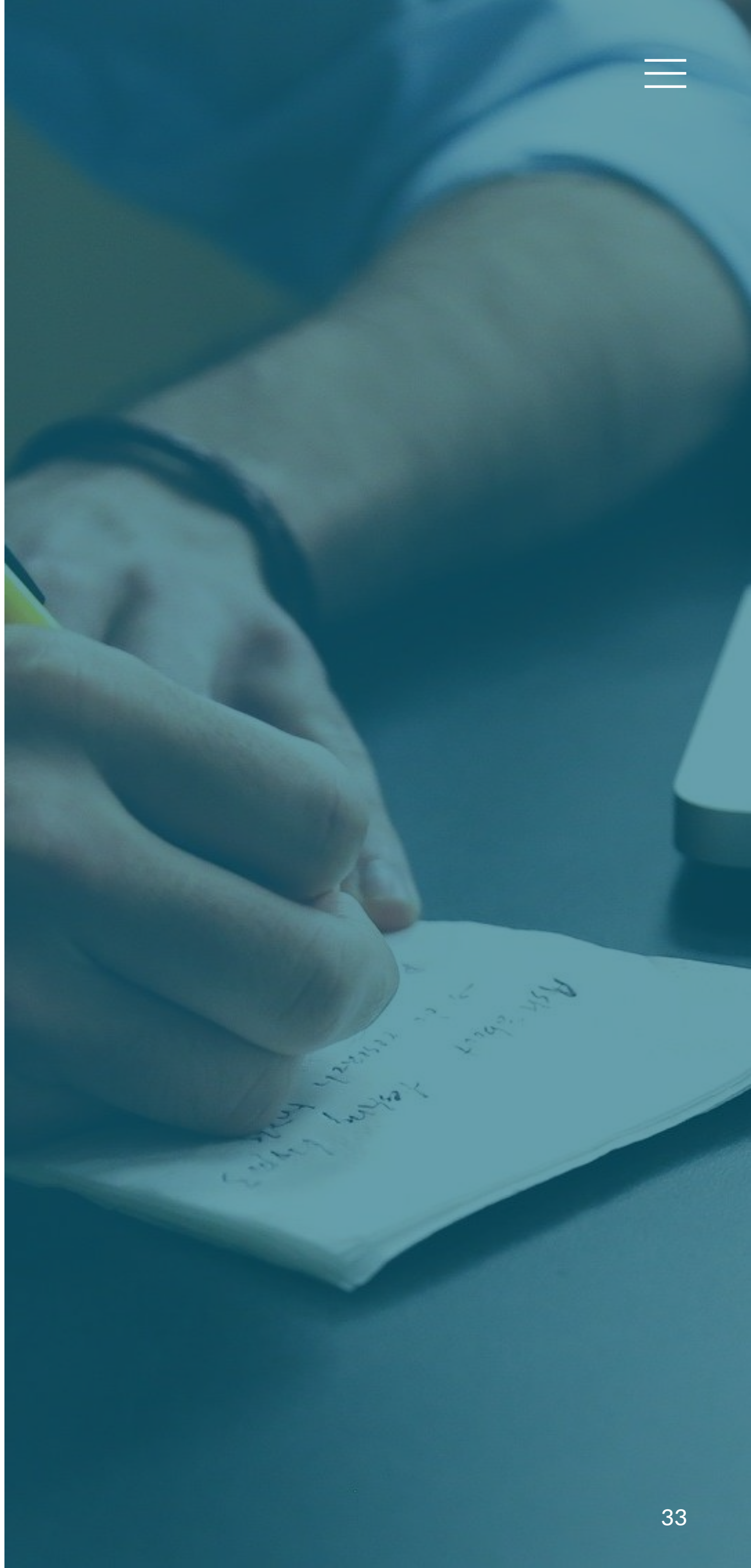


Notes to the annual report

	Group		Parent company	
	2022	**2021**	**2022**	**2021**
	DKK'000	DKK'000	DKK'000	DKK'000
17 Contract work in progress				
Work in progress, selling price	0	131	0	0
Work in progress, payments received on account	(186)	(460)	0	0
	(186)	**(329)**	**0**	**0**
Recognised in the balance sheet as follows:				
Contract work in progress under assets	0	0	0	0
Prepayments received under liabilities	(186)	(329)	0	0
	(186)	**(329)**	**0**	**0**

18 Deferred income

Deferred income consists of prepayments received in respect of income in subsequent financial years.



Notes to the annual report

19 Contingent liabilities

Group

The group has entered into operational lease contracts and rental agreements with a total remaining lease commitment of DKK 21,262 thousand as of 31 December 2022 of which DKK 6,411 thousand is due within one year. The lease contracts and rental agreements have a residual term of 1-46 months.

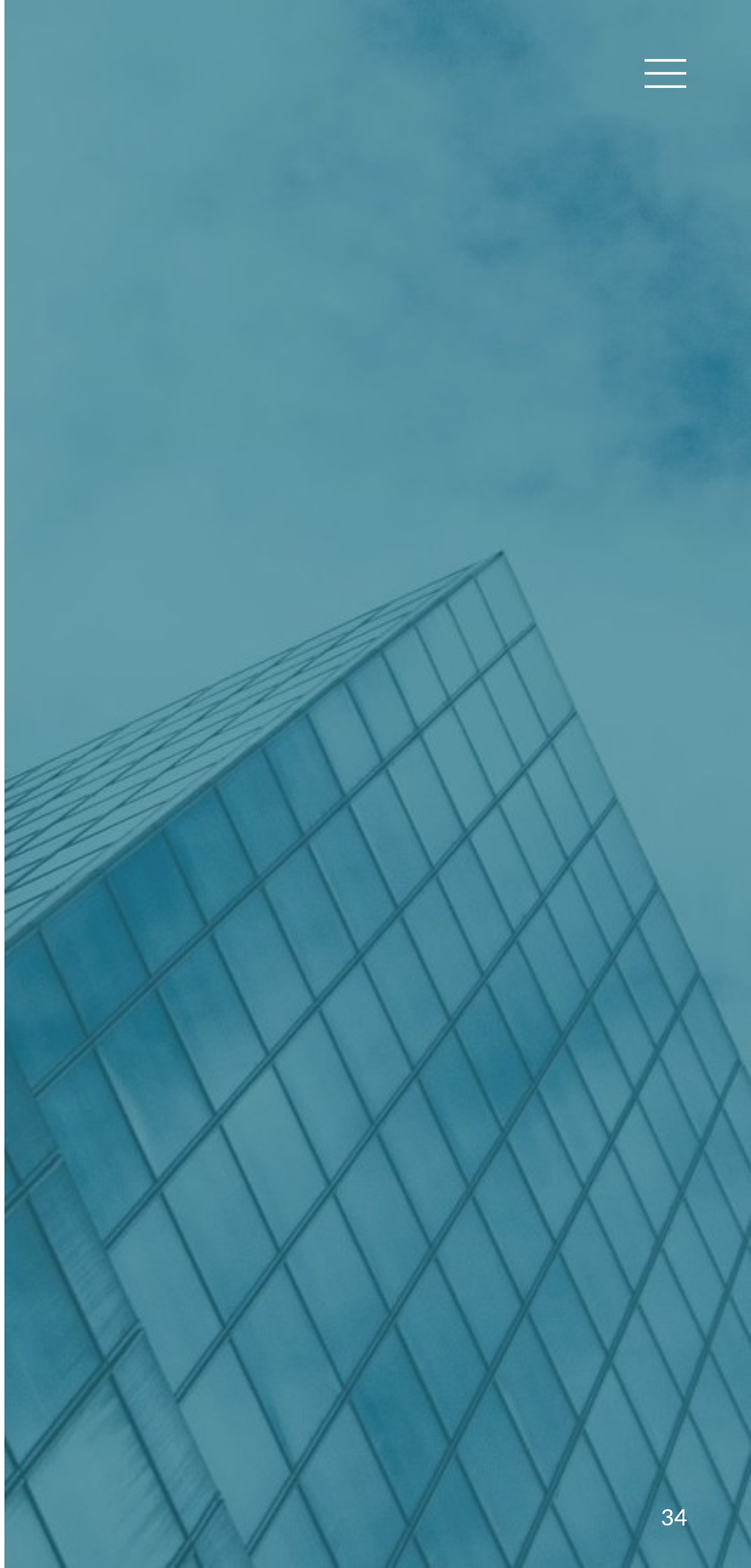
Parent company

The parent company has entered into operational lease contracts and rental agreements with a total remaining lease commitment of DKK 325 thousand as of 31 December 2022 of which DKK 293 thousand is due within one year. The lease contracts and rental agreements have a residual term of 3-15 months.

The parent company has issued a guarantee for the group enterprise Norriq Danmark A/S' bank debt.

The parent company has issued guarantees to some of the group enterprises' customers for fulfilment of sales contracts.

The company is jointly taxed with its parent company, Norriq Invest ApS (management company), and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties. Tax payable of the group’s jointly taxed income is stated in the annual report of Norriq Invest ApS.



Notes to the annual report

20 Mortgages and collateral

Group

Company charges of DKK 47,500 thousand serves as security in respect of credit institutions. The charges include trade receivables, inventories, intellectual property rights, operating equipment and production plant etc., whose carrying amount is DKK 24,450 thousand.

Parent company

The parent company has granted a charge on the share capital of its Danish subsidiaries, totalling DKK 12,000 thousand, at 31 December 2022, as security for bank debt.

21 Related parties and ownership structure

Controlling interest

Norriq Invest ApS, Brøndby, who is the majority shareholder

Other related parties

The company's related parties having a significant influence comprise subsidiaries as well as the companies' board of directors, executive board and executive officers and their relatives. Related parties also include companies in which the above mentioned group of persons has material interests.

Transactions

The company and the group did not carry out any substantial transactions that were not concluded on market conditions. Cf. the Danish Financial Statements Act §98c, 7, only transactions which are not carried out on normal market conditions are disclosed.

Consolidated financial statements

The company is consolidated in the consolidated financial statements of the parent company Norriq Invest ApS, Brøndby, CVR no. 42 90 82 23, that is the smallest and largest group.

Notes to the annual report

	Group	
	2022	2021
	DKK'000	DKK'000
22 Cash flow statement - adjustments		
Financial income	(3,137)	(2,958)
Financial costs	4,012	3,872
Depreciation, amortisation and impairment losses	8,662	13,775
Profit/loss for the year, discontinuing operations	4,241	0
Tax on profit/loss for the year	514	2,237
Other adjustments	565	(539)
	14,857	**16,387**

	2022	2021
23 Cash flow statement - change in working capital		
Change in inventories	25	(37)
Change in receivables	(5,392)	(3,580)
Change in trade payables, etc.	1,345	1,634
	(4,022)	**(1,983)**

Accounting policies

The annual report of NORRIQ Holding A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to mediumsized class C entities.

The accounting policies are identical for both the parent company financial statements and the consolidated financial statements.

The annual report for 2022 is presented in DKK thousand.

Changes in accounting policies

Change of classification

The classification of other payables has been changed so that the item only comprises amounts owed to the public sector and employee benefits. This means that other accrued expenses are now included in trade payables. The change led to other payables being reduced by DKK 755 thousand in 2022 and DKK 1,271 thousand in 2021 and trade payables have increased accordingly.

The change has also led to amounts owed to shareholders and management being presented separately. This means that long-term other payables have been reduced by DKK 9,080 thousand in 2022 and DKK 13,284 thousand in 2021 and amounts owed to shareholders and management have increased accordingly.

The accounting policies applied are otherwise consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the group's and the parent company's 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 from the group's and the parent company's and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Consolidated financial statements

The consolidated financial statements comprise the parent company Norriq Holding and subsidiaries in which the parent company, directly or indirectly, holds more than 50% of the voting rights or otherwise has a controlling interest.

The consolidated financial statements are prepared as a consolidation of the parent company's and subsidiaries' financial statements by aggregating uniform accounting items. On consolidation, intra-group income and expenses, holdings of shares, intra-group balances and dividends as well as realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Accounting policies

Entities acquired or formed during the year are recognised in the consolidated financial statements from the date at which control is obtained. Entities sold during the year are recognised in the consolidated income statement until the date of disposal. Comparative figures are not restated for acquisitions or disposals.

Acquirees are recognised in the consolidated financial statements using the purchase method, according to which the identifiable assets and liabilities of the acquirees are revalued at their fair values at the date of acquisition. The fair value is determined on the basis of transactions in an active market, alternatively on the basis of generally accepted valuation methods. The fair value of investment property is based on a discounted cash flow model, according to which future earnings are discounted. Operating equipment is recognised at fair value on the basis of assessments made by appraisers, which are based on an overall assessment of machinery.

Minority interests

In the consolidated financial statements, the items of subsidiaries are recognised in full. The minority interests' proportionate share of subsidiaries' profit/loss and equity is presented separately under appropriation of profit and in a main item under equity.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Income from the sale of hardware and software and upgrading agreements etc. is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Consulting services to projects on hourly basis are also recognized at the time of invoicing, based on the consultants hour registration when delivery has taken place and risk has been passed to the buyer.

Revenue from sales of consulting services for projects with a fixed price is recognised as production is carried out, implying that revenue corresponds to the selling price of contracts completed in the year (percentage-of-completion method). This method is applied where the total income and expenses relating to the contract and the stage of completion at the balance sheet date can be estimated reliably and it is probable that future economic benefits will flow to the group.

Revenue from sales of licenses regarding the company's own intangible rights are recognized as revenue on a straight-line basis over the license period.

Revenue from sales of licenses regarding third-party intangible rights are recognized as revenue less costs incurred in order to obtain the sale, equal to commissions under agencies.

Revenue from sales of subscription in relation to hosting, hotline and services etc. are recognized as revenue on a straight-line basis over the subscription period.

Revenue from sales of consulting hours cards are recognized as revenue as the hours on the cards are spent when delivery has taken place and risk has been passed to the buyer.

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Cost of sales

Cost of sales comprises the expences to hardware and software used in generating the year’s revenue.

Cost of sales also comprises expenses to external consulting services.

Other operating income

The item Other operating income includes items of a secondary nature relative to the company’s activities, including gains on the sale of intangible assets and items of property, plant and equipment, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds. Indemnities are recognised when it is more probable than not that the company is going to be indemnified.

Accounting policies

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Other external expenses also comprise research and development costs that do not qualify for capitalisation.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on foreign currency transactions, amortisation of financial assets and liabilities and surcharges, etc.

Income from investments in subsidiaries

The proportionate share of the profit/loss for the year of subsidiaries is recognised in the parent company's income statement after full elimination of intra-group profits/losses.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation and impairment losses.

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 15 years. The amortisation period is based on the assessment that the entities in question are strategically acquired entities with a strong market position and a long-term earnings profile.

Development projects, patents and licences

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

Developments projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually five 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 patent period, and licences are amortised over the term of the licence, however not more than 8 years.

Gains and losses on the disposal of development projects, patents and licences are determined as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Accounting policies

Tangible assets

Tems of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	1-5 years	0 %
Leasehold improvements	2-10 years	0 %

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

Leases

Leases for items of property, plant and equipment that transfer substantially all the risks and rewards incident to ownership to the company (finance leases) are recognised in the balance sheet as assets. On initial recognition, assets are measured at estimated cost, corresponding to the lower of fair value of the leased asset and the present value of the future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the company's other non-current assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The company's total liabilities relating to operating leases and other rent agreements are disclosed under 'Contingencies, etc.'.

Fixed asset investments

Investments in subsidiaries

Investments in subsidiaries are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra- group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

Investments in subsidiaries are measured in the parent company financial statements using the equity method.

Goodwill on consolidation is amortised over the expected useful economic life based on management’s experience from each individual business segment. Goodwill on consolidation is amortised on a straight-line basis over the amortisation period, which is 15 years. The amortisation period is fixed based on the assessment that the strategically acquired entities have a strong market position and a long-term earnings profile.

Investments in subsidiaries with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries are taken to the net revaluation reserve according to the equity method in so far as that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of Norriq Holding A/S is adopted are not taken to the net revaluation reserve.

Accounting policies

Other investments
Other financial assets, which consist of deposits, are recognised and measured at amortised cost.

Impairment of fixed assets
The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

Stocks
Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

Receivables
Receivables are measured at amortised cost.

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 is impaired, an impairment loss for that individual asset is recognised.

Contract work in progress
Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and the expected aggregate income from the individual work in progress. The stage of completion is determined as the share of the expenses incurred relative to the expected total expenses for the individual work in progress.

Where the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds invoicing on account. Net liabilities comprise the sum of work in progress where invoicing on account exceeds the selling price.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

Prepayments
Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents
Cash and cash equivalents comprise cash and deposits at banks.

Discontinuing operations
Discontinuing operations constitute a considerable part of the company if the activities and cash flows operationally and financially clearly can be separated from the other company and if the entity is either sold, is to be sold, closed or given up or separated to be sold or the sale, the closing or the decision to give up is expected to be completed within 1 year in accordance with a total formal plan. Discontinuing operations also comprise companies which, in connection with the acquisition, are classified as to be sold.

The post-tax profit/loss of discontinuing operations and post-tax value adjustments of related assets and liabilities and gain/loss of sales are presented as a separate line in the income statement with adjustment of comparative figures. In the notes, revenue, costs, value adjustments and tax of the discontinuing operations are disclosed. Assets and related liabilities as regards discontinuing operations are separated in separated lines in the balance sheet without adjustment of comparative figures and the principal items are specified in the notes.

Accounting policies

Assets and disposal groups regarding discontinuing operations are measured at the lowest value at the date of the classification as discontinuing operations or the fair value less sales costs. Assets are not written off or amortised from the time when they are classified as discontinuing operations onwards.

Equity

Fair value reserve

The year's changes in exchange rates from translating foreign subsidiaries based on closing rates are recognised in the fair value reserve in the consolidated financial statements and in the parent company financial statements.

Provisions

Provisions comprise expected expenses relating to losses on work in progress, etc. Provisions are recognised when, as a result of a past event, the group has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

When it is probable that the total expenses will exceed the total revenue from contract work in progress, the total expected loss on the work in progress is recognised as a provision. The provision is recognised under other external costs.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual finance lease commitment.

Other liabilities are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under ‘Equity’.

Accounting policies

Receivables and 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 recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

Foreign subsidiaries are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of such entities opening equity at closing rate and on translation of the income statements from the exchange rates at the transaction date to closing rate are taken directly to the fair value reserve under 'Equity' in the consolidated financial statements and the parent financial statements.

Foreign exchange adjustments of balances with separate entities which are considered part of the investment in the subsidiary are taken directly to the fair value reserve under 'Equity'. Correspondingly, foreign exchange gains and losses on loans and derivative financial instruments entered into to hedge net investments in such entities are taken directly to equity.

Cash flow statement

The cash flow statement shows the group's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the group's cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities

Cash flows from operating activities are stated as the group's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under 'Interest income and dividend received'.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

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

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank overdraft withdrawals.

Financial highlights

Definitions of financial ratios.

$$\text{Solvency ratio} = \frac{\text{Equity at year end x 100}}{\text{Total assets}}$$

$$\text{Return on equity} = \frac{\text{Net profit for the year x 100}}{\text{Average equity}}$$

Company details

The company	NORRIQ Holding A/S Paradisæblevej 4, 2. 2 2500 Valby	
	CVR no.:	35 24 94 27
	Reporting period:	1 January – 31 December 2022
	Domicile:	Copenhagen
Board of Directors	Klaus Rasmussen, chairman Bo Martinsen Dries Dehaese Torkil Holm Petersen	
Executive board	Bo Martinsen, CEO	
Auditors	Roesgaard Godkendt Revisionspartnerselskab Sønderbrogade 16 8700 Horsens	

Statement by management on the annual report

The board of Directors and Executive board have today discussed and approved the annual report of NORRIQ Holding A/S for the financial year 1 January – 31 December 2022.

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

In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the company and the group financial position at 31 December 2022 and of the results of the group and the company operations and consolidated cash flows for the financial year 1 January - 31 December 2022.

Management recommends that the annual report be approved by the company at the general meeting.

Valby, 8 June 2023

Executive board

Bo Martinsen
CEO

Board of Directors

Klaus Rasmussen Chairman	Bo Martinsen	Dries Dehaese

Independent auditor’s report

To the shareholders of NORRIQ Holding A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of NORRIQ Holding A/S for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for both the group and the parent company as well as consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared under 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 group and the parent company's financial position at 31 December 2022 and of the results of the group and the parent company's operations and consolidated cash flows for the financial year 1 January - 31 December 2022 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 parent company ” section of our report. 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 requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and 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 the consolidated financial statements and the parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements unless management either intends to liquidate the group or the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and parent company financial statements

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

Independent auditor’s report

- 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 consolidated financial statements and parent company 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 consolidated financial statements and parent company 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 company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information for the group's entities or business activities to express an opinion on the consolidated financial statements. We are responsible for directing, supervising and conducting the audit of the group. We alone are 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.

Horsens, 8 June 2023

Roesgaard
Godkendt Revisionspartnerselskab
CVR no. 37 54 31 28

Michael Mortensen
State Authorised Public Accountant
MNE no. mne34108

NORRIQ

Your Business - Simplified

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