

# House of Control Denmark A/S

Tavleholmsvej 4A, 2600 Glostrup

Company reg. no. 36 50 68 22

## Annual report

### 2022

The annual report was submitted and approved by the general meeting on the 25 April 2023.

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**Lars Hoffmann**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's statement**

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Today, the Board of Directors and the Managing Director have approved the annual report of House of Control Denmark A/S for the financial year 2022.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

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

We recommend that the annual report be approved at the Annual General Meeting.

Glostrup, 25 April 2023

### **Managing Director**

Lars Hoffmann

### **Board of directors**

Lasse Sten

Stian Fladby

Carl Fabian Flaaten

## **Independent auditor's report**

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### **To the Shareholder of House of Control Denmark A/S**

#### **Opinion**

We have audited the financial statements of House of Control Denmark A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

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

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Management's Responsibilities for the Financial Statements**

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

## Independent auditor's report

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

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

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

### Statement on Management's Review

Management is responsible for Management's Review.

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

## Independent auditor's report

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

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

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

Aarhus, 25 April 2023

### **Redmark**

Godkendt Revisionspartnerselskab  
Company reg. no. 29 44 27 89

**Tim Dürr Nielsen**

State Authorised Public Accountant  
mne41385

## Company information

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<b>The company</b>	House of Control Denmark A/S Tavleholmsvej 4A 2600 Glostrup
	Phone 31195034
	Web site <a href="http://www.houseofcontrol.dk">www.houseofcontrol.dk</a>
	Company reg. no. 36 50 68 22
	Established: 22 January 2015
	Domicile: Glostrup
	Financial year: 1 January - 31 December 8th financial year
<b>Board of directors</b>	Lasse Sten Stian Fladby Carl Fabian Flaaten
<b>Managing Director</b>	Lars Hoffmann
<b>Auditors</b>	Redmark Godkendt Revisionspartnerselskab Sommervej 31C 8210 Aarhus V
<b>Parent company</b>	House of Control Midco AS, Norway

## Management's review

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### **The principal activities of the company**

The purpose of the company is sale and delivery of IT programs and services.

### **Development in activities and financial matters**

The gross profit for the year totals DKK 6.570.788 against DKK 6.726.113 last year. Income from ordinary activities after tax totals DKK 929.371 against DKK 371.991 last year. Management considers the net profit for the year satisfactory.

The company are investing in facilities, resources and market build up. The company provides access to an IT tool and services via subscription, and have during the financial year entered long-term contracts with a number of significant customers, which secure a fixed income in the coming financial year.

The company have lost more than half of the invested capital. It is the management expectation that the capital will be re-established via future operations. It's our opinion that there are no uncertainty related to going concern.



## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Gross profit</b>	<b>6.570.788</b>	<b>6.726.113</b>
2 Staff costs	-5.779.450	-6.171.258
Depreciation and impairment of property, land, and equipment	-228.078	-115.067
<b>Operating profit</b>	<b>563.260</b>	<b>439.788</b>
Other financial income from subsidiaries	2.526	0
Other financial income	936	3.647
3 Other financial costs	-37.351	-71.444
<b>Pre-tax net profit or loss</b>	<b>529.371</b>	<b>371.991</b>
9 Tax on ordinary results	400.000	0
<b>Net profit or loss for the year</b>	<b>929.371</b>	<b>371.991</b>
<b>Proposed distribution of net profit:</b>		
Transferred to retained earnings	929.371	371.991
<b>Total allocations and transfers</b>	<b>929.371</b>	<b>371.991</b>

## Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
<b>Non-current assets</b>		
4 Other fixtures and fittings, tools and equipment	1.144.814	224.644
Total property, plant, and equipment	<u>1.144.814</u>	<u>224.644</u>
5 Other receivables	848.000	0
6 Deposits	23.493	130.992
Total investments	<u>871.493</u>	<u>130.992</u>
<b>Total non-current assets</b>	<b><u>2.016.307</u></b>	<b><u>355.636</u></b>
<b>Current assets</b>		
Trade receivables	852.136	2.099.754
7 Receivables from group enterprises	6.066.424	0
9 Deferred tax assets	400.000	0
Other debtors	3.705	0
Prepayments and accrued income	1.973.140	1.671.056
Total receivables	<u>9.295.405</u>	<u>3.770.810</u>
Cash on hand and demand deposits	<u>0</u>	<u>2.535.263</u>
<b>Total current assets</b>	<b><u>9.295.405</u></b>	<b><u>6.306.073</u></b>
<b>Total assets</b>	<b><u>11.311.712</u></b>	<b><u>6.661.709</u></b>

## Balance sheet at 31 December

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All amounts in DKK.

<b>Equity and liabilities</b>		
<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Equity</b>		
Contributed capital	700.000	700.000
Results brought forward	-365.570	-1.366.473
<b>Total equity</b>	<b><u>334.430</u></b>	<b><u>-666.473</u></b>
 <b>Liabilities other than provisions</b>		
Bank loans	2.151	61.417
Prepayments received from customers	6.495.265	4.833.042
Trade payables	342.933	67.237
Payables to subsidiaries	3.223.921	990.152
Other payables	913.012	1.376.334
Total short term liabilities other than provisions	<u>10.977.282</u>	<u>7.328.182</u>
 <b>Total liabilities other than provisions</b>	<b><u>10.977.282</u></b>	<b><u>7.328.182</u></b>
 <b>Total equity and liabilities</b>	<b><u>11.311.712</u></b>	<b><u>6.661.709</u></b>

**1 Statement of the financial situation**

**8 Charges and security**

**9 Contingencies**

## Statement of changes in equity

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All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2021	700.000	-1.738.464	-1.038.464
Profit or loss for the year brought forward	<u>0</u>	<u>371.991</u>	<u>371.991</u>
Equity 1 January 2022	700.000	-1.366.473	-666.473
Profit or loss for the year brought forward	0	929.371	929.371
Share premium account	<u>0</u>	<u>71.532</u>	<u>71.532</u>
	<b><u>700.000</u></b>	<b><u>-365.570</u></b>	<b><u>334.430</u></b>

## Notes

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All amounts in DKK.

### 1. Statement of the financial situation

The last 2 years the company has realized a net profit. The company expects to continue the positive development in the coming financial year. The management expects to have re-established equity by the end of 2023.

	<u>2022</u>	<u>2021</u>
<b>2. Staff costs</b>		
Salaries and wages	5.017.369	5.447.138
Pension costs	682.157	639.375
Other costs for social security	<u>79.924</u>	<u>84.745</u>
	<b><u>5.779.450</u></b>	<b><u>6.171.258</u></b>
Average number of employees	<u>8</u>	<u>10</u>
<b>3. Other financial costs</b>		
Financial costs, group enterprises	0	60.102
Other financial costs	<u>37.351</u>	<u>11.342</u>
	<b><u>37.351</u></b>	<b><u>71.444</u></b>
<b>4. Other fixtures and fittings, tools and equipment</b>		
Cost 1 January 2022	575.318	575.318
Additions during the year	<u>1.148.248</u>	<u>0</u>
<b>Cost 31 December 2022</b>	<b><u>1.723.566</u></b>	<b><u>575.318</u></b>
Depreciation and writedown 1 January 2022	-350.674	-235.607
Depreciation for the year	<u>-228.078</u>	<u>-115.067</u>
<b>Depreciation and writedown 31 December 2022</b>	<b><u>-578.752</u></b>	<b><u>-350.674</u></b>
<b>Carrying amount, 31 December 2022</b>	<b><u>1.144.814</u></b>	<b><u>224.644</u></b>

## Notes

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All amounts in DKK.

	<u>31/12 2022</u>	<u>31/12 2021</u>
<b>5. Other receivables</b>		
Additions during the year	<u>848.000</u>	<u>0</u>
<b>Cost 31 December 2022</b>	<u><b>848.000</b></u>	<u><b>0</b></u>
 <b>Carrying amount, 31 December 2022</b>	 <u><b>848.000</b></u>	 <u><b>0</b></u>
 Specification of other receivables:		
Deposits	<u>848.000</u>	<u>0</u>
	<u><b>848.000</b></u>	<u><b>0</b></u>
 <b>6. Deposits</b>		
Cost 1 January 2022	130.992	0
Additions during the year	0	130.992
Disposals during the year	<u>-107.499</u>	<u>0</u>
<b>Cost 31 December 2022</b>	<u><b>23.493</b></u>	<u><b>130.992</b></u>
 <b>Carrying amount, 31 December 2022</b>	 <u><b>23.493</b></u>	 <u><b>130.992</b></u>
 <b>7. Receivables from group enterprises</b>		
<p>In November 2022, Visma Norge Holding AS acquired all outstanding shares in House of Control Group AS which is the former ultimate parent company of House of Control Denmark A/S. After the acquisition, all companies in House of Control Group were included in Visma Group's cash pool arrangement. The subsidiaries' bank accounts are therefore no longer classified as cash and cash equivalents, however they are classified as receivables from group companies in the balance sheet for 2022.</p>		
 <b>8. Charges and security</b>		
<p>The company has no pledge or collateral at 31. december 2022.</p>		

## Notes

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All amounts in DKK.

### 9. Contingencies

#### Contingent assets

Beside DKK 400.000 included in the balancesheet. The company has a deferred tax asset of DKK 2.151.674 which is not recognized in the balance sheet as it is uncertain, whether the deferred tax asset can be utilized within a shorter number of years.

#### Contingent liabilities

The company has entered into operational leases with an average annual lease payment of DKK 207.000. The leases have 53 months to maturity and total outstanding lease payments total DKK 915.000.

The Company has entered into a lease agreement regarding commercial premises with an annual payment of DKK 1,102,000 which is irrevocable for 5 years. There is an option for early termination after 3 years against payment of DKK 201,000.

#### Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

## Accounting policies

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The annual report for House of Control Denmark A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

### Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

## Income statement

### Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.



## Accounting policies

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The enterprise will be applying IFRS 15 as its basis of interpretation for the recognition of revenue.

The revenue is recognised when the control of the identifiable individual performance obligations has been performed in respect of the customer whereby the customer gains control of the asset or the service. Sales remunerations are allocated proportionally to the individual performance obligations in the agreement.

Revenue from subscription contracts is recognised on a linear basis over the period during which the service is performed.

Revenue is measured at fair value of agreed remunerations, less VAT and expenses. All forms of discount are recognised in revenue.

Revenue from contracts, including variable considerations such as quantity discounts and performance-related payments are recognised at the most probable consideration value. Revenue is not recognised until it is deemed most likely that changes in the estimated variable consideration will not subsequently result in the reversal of a material part of the amount, thus reducing revenue.

Costs of sales includes costs of commission.

Other external costs comprise costs for distribution, sales, advertisement, administration, and premises.

### **Staff costs**

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs also includes costs of sales commission, which is recognized on a linear basis over the average subscription period.

### **Depreciation, amortisation, and writedown for impairment**

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of tangible assets.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

### **Tax on net profit or loss for the year**

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

## Accounting policies

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The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

### Statement of financial position

#### Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	5 years

#### Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc..

#### Impairment loss relating to non-current assets

The carrying amount of tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

## Accounting policies

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Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

### **Investments**

#### **Deposits**

Deposits are measured at amortised cost and represent lease deposits, etc.

#### **Receivables**

Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, impairment takes place at the net realisable value.

#### **Prepayments and accrued income**

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

#### **Cash on hand and demand deposits**

Cash on hand and demand deposits comprise cash at bank and on hand.

#### **Income tax and deferred tax**

As administration company, House of Control Denmark A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

## **Accounting policies**

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Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

### **Liabilities other than provisions**

Other liabilities concerning payables to suppliers and other payables are measured at amortised cost which usually corresponds to the nominal value.