

*NC TopCo A/S
Grønningen 17,1
1270 Copenhagen K
Central Business Registration No: 37 29 67 67*

Annual report 2019

The Annual General Meeting adopted the annual report on 28 May 2020

Chairman of the General Meeting: Tine Kosmider Boye

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Entity details

Entity

NC TopCo A/S
Grønningen, 17, 1
1270 Copenhagen K, Denmark

Business Registration No: 37 29 67 67

Registered in: Copenhagen, Denmark

Board of Directors

Claus Bo Jørgensen, Chairman

Thomas Johansen

Tine Kosmider Boye

Executive Management

André Rafal Rogaczewski

Entity auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Statement by Management on the annual report

The Board of Directors and the Executive Management have today considered and approved the annual report of NC TopCo A/S for the financial year 1 January to 31 December 2019.

The annual report is prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31 December 2019 and of the results of the Entity's operations and cash flows for the financial year 1 January to 31 December 2019.

In our opinion, the management commentary contains a fair review of the development of the Entity's business and financial matters, the results for the year and the Entity's financial position, together with a description of the principal risks and uncertainties that the Entity face.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 28 May 2020

Executive Management

André Rafal Rogaczewski
Chief Executive Officer

Board of Directors

Claus Bo Jørgensen
Chairman

Thomas Johansen

Tine Kosmider Boye

Independent auditor's report

To the shareholder of NC TopCo A/S

OPINION

We have audited the financial statements of NC TopCo A/S for the financial year 01.01.2019 - 31.12.2019, which comprise statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019, and of the results of their operations and cash flows for the financial year 01.01.2019 - 31.12.2019 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

STATEMENT ON THE MANAGEMENT COMMENTARY

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

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

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 International Financial Reporting Standards as adopted by the EU and additional requirements of 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Copenhagen, 28 May 2020

Deloitte Statsautoriseret Revisionspartnerselskab

Business Registration No 33 96 35 56

Brian Schmit Jensen
State Authorised Public Accountant
MNE no 40050

Management commentary

<i>Financial highlights</i>	2019	2018	2017	2016	2015
<i>Key figures</i>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
Operating profit / loss (EBIT)	-2,251	-38,178	-23,301	-634	0
Net financial income/loss	3,281	134	578	229	0
Net profit/loss for the year	339	-6,561	81,815	-316	0
Total comprehensive income/loss	339	-6,561	81,815	-316	0
Balance sheet total	3,377,903	1,608,437	1,593,949	1,269,370	15,422
Equity	1,875,741	1,592,705	1,589,468	1,265,287	500
Investments in fixed assets	0	0	0	0	0
Average number of employees	0	0	0	0	0
 <i>Ratios</i>					
Return on assets (%)	0.0%	-0.4%	5.1%	0.0%	0.0%
Return on equity (%)	0.0%	-0.4%	5.7%	0.0%	0.0%
Solvency ratio (%)	55.5%	99.0%	99.7%	99.7%	3.2%

As of 31 May 2019 the Entity merged with NC NewCo A/S and Netcompany Holding I A/S. The comparative figures have not been adjusted, thus comparative figures for 2015 - 2018 in the financial highlights have not been updated.

Financial highlights are defined and calculated in accordance with "Recommendations & Financial Ratios" issued by the Danish Finance Society. The ratios have been compiled in accordance with the following calculation formulas:

Return on assets	=	$\frac{\text{Net profit for the year} \times 100}{\text{Total assets}}$
Return on equity	=	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$
Solvency ratio	=	$\frac{\text{Equity} \times 100}{\text{Total assets}}$

Management commentary

Primary activities

The Entity's primary activity is to hold equity investments.

Development in activities and finances

The Entity's main priority is to hold equity investments and support subsidiaries in providing business critical IT solutions and related consulting services, maintenance and operation.

The Entity's income statement for 2019 shows a profit after tax of DKK 339k, and its balance sheet at 31 December 2019 shows equity of DKK 1,876m. The positive result is mainly due to financial income in 2019.

The Entity has successfully merged during 2019 with two Subsidiaries. The merger has increased the Entity's equity with a net of DKK 273m.

Particular risks

Financial exposures

The Entity's objective, at all times, is to limit the financial risks.

The Entity has a limited foreign exchange exposure. The main parts of purchases are executed in DKK.

Intellectual capital resources

The Entity has no employees.

Events after the balance sheet date

We refer to note 16 regarding events after the balance sheet date where it is disclosed that the COVID-19 outbreak is a non-adjusting global event. At the date of this report, there is uncertainty on how widespread the virus will be over time, how long the pandemic will last and what the medium to long term effect of this pandemic will be on the NC TopCo A/S business as a whole. However, to date, this has not had a material effect on the company's financial position or results for the year to date.

Statement of comprehensive income for 2019

	Notes	2019 <u>DKK'000</u>	2018 <u>DKK'000</u>
Administrative costs	4	-139	-5,177
Special items	5	-2,111	-33,001
Operating profit (EBIT)		<u>-2,251</u>	<u>-38,178</u>
Income from investments in subsidiaries	8	0	30,000
Financial income	6	30,336	407
Financial expenses	6	-27,056	-273
Profit / loss before tax		<u>1,030</u>	<u>-8,044</u>
Tax on profit / loss for the year	7	-691	1,483
Profit / loss for the year		<u>339</u>	<u>-6,561</u>
 <i>Other comprehensive income</i>		 <u>0</u>	 <u>0</u>
 Comprehensive income / loss for the year		 <u>339</u>	 <u>-6,561</u>

Balance sheet at 31 December 2019

Assets	Notes	2019 DKK'000	2018 DKK'000
Investments in subsidiaries	8	3,063,935	1,562,939
Financial assets		3,063,935	1,562,939
Non-current assets		3,063,935	1,562,939
Receivables from Group entities		311,740	43,014
Receivables		311,740	43,014
Cash	9	2,228	2,484
Current assets		313,968	45,498
Assets		3,377,903	1,608,437
Equity and liabilities	Notes	2019 DKK'000	2018 DKK'000
Share capital	10	72,132	72,132
Share-based Remuneration		12,214	2,849
Retained earnings		1,791,395	1,517,724
Equity		1,875,741	1,592,705
Payables to Group entities		1,373,364	4,291
Other payables		123,138	4,926
Tax payables		5,660	6,515
Current liabilities		1,502,162	15,732
Liabilities		1,502,162	15,732
Equity and liabilities		3,377,903	1,608,437

Statement of changes in equity for 2019

	<i>Share capital DKK'000</i>	<i>Share-based Remuneration DKK'000</i>	<i>Retained earnings DKK'000</i>	<i>Total DKK'000</i>
Equity at 1 January 2018	71,607	0	1,517,860	1,589,467
Capital increase	525	0	6,425	6,950
Profit / loss for the year	0	0	-6,561	-6,561
Share-based Remuneration	0	2,849	0	2,849
Other comprehensive income / loss for the year	0	0	0	0
Equity at 31 December 2018	<u>72,132</u>	<u>2,849</u>	<u>1,517,724</u>	<u>1,592,705</u>
Equity at 1 January 2019	72,132	2,849	1,517,724	1,592,705
Net effect from merger	0	0	273,332	273,332
Profit / loss for the year	0	0	339	339
Share-based Remuneration	0	9,365	0	9,365
Other comprehensive income / loss for the year	0	0	0	0
Equity at 31 December 2019	<u>72,132</u>	<u>12,214</u>	<u>1,791,395</u>	<u>1,875,741</u>

Cash flow statement for 2019

	Notes	2019 DKK'000	2018 DKK'000
Operating profit (EBIT)		-2,251	-38,178
Working capital changes	11	4,989	-24,651
		<u>2,738</u>	<u>-62,829</u>
Income taxes received / paid		0	27,227
Financial income received		8,714	407
Financial expenses paid		-16,132	-273
Cash flows from operating activities		<u>-4,680</u>	<u>-35,468</u>
Dividend received		0	30,000
Cash flows from investing activities		<u>0</u>	<u>30,000</u>
Proceeds from issue of share capital		0	6,949
Cash flows from financing activities		<u>0</u>	<u>6,949</u>
Increase in cash and cash equivalents		<u>-4,680</u>	<u>1,481</u>
Cash and cash equivalents at 1 January		2,484	1,003
Cash and cash equivalents from merger		4,424	0
Cash and cash equivalents at 31 December		<u>2,228</u>	<u>2,484</u>

Notes to the financial statements

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Notes to the financial statements

1 Accounting policies

NC TopCo A/S presents the financial statements in accordance with the International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for financial statements governing reporting class C (medium) enterprises, see the Danish Executive Order on IFRS issued according to the Danish Financial Statements Act.

NC TopCo A/S is a company with its registered office in Denmark.

The financial statements are presented in DKK, which is considered the functional currency of the Entity's activities.

Consolidation

Pursuant to section 112(1) of the Danish Financial Statements Act, the Entity has not prepared any consolidated financial statements. Reference is made to the consolidated financial statement of Netcompany Group A/S, which includes NC TopCo A/S and its subsidiaries.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognised in the income statement of comprehensive income as financial income or financial expenses. Non-current assets and other nonmonetary assets that have been purchased in foreign currencies and are measured based on historical costs are translated using historical rates.

Statement of comprehensive income

Administrative costs

Administrative cost comprise corporate costs.

Staff costs

Staff costs comprise salaries and wages as well as social security costs, pension contributions etc.

Special items

Special items comprises of IPO and M&A activities.

Financial income and expenses

These items comprise interest income and expenses, realised and unrealised capital gains and losses on foreign currency transactions and tax surcharge and tax relief under the Danish Tax Prepayment Scheme.

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the profit/loss for the year by the portion attributable to the profit/loss for the year and recognised directly in other comprehensive income or equity by the portion attributable to entries recognised directly in other comprehensive income or equity.

Current tax payable and current tax receivable are recognised in the balance sheet, calculated as tax on taxable income for the year, adjusted for prepaid tax.

On calculation of current tax, the tax rates and rules applicable at the balance sheet date are used. Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities using the balance sheet liability method.

Deferred tax is calculated on the basis of the planned use of each asset and the settlement of each liability, respectively.

Deferred tax is measured using the tax rates and tax rules which – based on acts in force or acts actually in force at the balance sheet date – are expected to apply when the deferred tax is expected to crystallise as current tax. Changes in deferred tax resulting from changed tax rates or tax rules are recognised in profit/loss unless the deferred tax is attributable to transactions previously recognised directly in equity or other comprehensive income. In the latter case, such changes are also recognised directly in equity or other comprehensive income.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets to be set off against future positive taxable income. At each balance sheet date, it is considered whether sufficient taxable income is likely to arise in the future for the deferred tax asset to be used.

The Entity is part of a joint taxation arrangement. The current income tax is allocated among the jointly taxed companies in proportion to their taxable income (“full allocation method”).

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are recognised and measured at cost. Dividend is recognised as income when the right to receive payment is established.

The carrying amount of investments in subsidiaries is examined at the balance sheet date in order to determine if there is any indication of impairment.

The Entity has merged with two subsidiaries as of 31/5 2019. The value arising from the difference between net assets transferred and the original cost price of the investments is recognised within Equity. Comparative figures have not been adapted.

Notes to the financial statements

1 Accounting policies (continued)

Receivables

Receivables include receivables from sale of services and other receivables.

Receivables are measured at fair value on initial recognition and subsequently at amortised cost, usually equalling nominal value less write-downs for bad debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting.

Financial liabilities

Financial liabilities are measured at amortised cost.

Share Based Remuneration

In connection with the IPO of the Parent company, a Long term incentive program was established. The Group parent company is granting RSU's (Restricted Stock Units), in the operating entities. This affects all companies in the Group.

In 2019 a total of 105,470 RSU's (142,055 RSU's) were granted to Executive Management and Key Management Personnel and other employees in the Group. The fair value of the RSU's at grant date was DKK 43,5 million (DKK 22 million). The cost associated herewith is expensed over the vesting period in the consolidated financial statements of Netcompany Group A/S. Cost related to RSU's recognised in 2019 are recognised within Equity, and as an addition to investments in subsidiaries. The numbers of shares granted is determined by the stock price on the current day, measured against the value of grant for each person. The share-based incentive program based on RSU's will continue in 2020.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes as well as financial income, financial expenses and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, as well as dividends received from subsidiary.

Cash flows from financing activities comprise changes in the size or composition of the Entity's share capital and related costs as well as the raising of loans, instalments on interest-bearing debt, purchase of treasury shares and dividends paid to the shareholder.

Cash and cash equivalents comprise bank deposits.

2 Significant accounting estimates, assumptions and uncertainties

When applying the Entity's accounting policies, Management has to make judgements and estimates of and assumptions about the carrying amount of assets and liabilities that cannot be directly derived from other sources. Such estimates and assumptions are based on historical experience and other relevant factors. The actual results may deviate from such estimates. Estimates made and the underlying assumptions are reassessed on a regular basis. Any changes in the accounting estimates made are recognised in the accounting period in which the change was made as well as in future accounting periods if the change affects the period in which it was made as well as subsequent accounting periods.

The Entity has a number of financial assets not recognised at fair value such as receivables from group entities and other receivables. For all of these items, it is estimated that the carrying amounts approximates, in all material respects, their fair value (level 3 of the IFRS fair value hierarchy).

The Entity also has financial liabilities in the form of other payables recognised at amortised cost. The carrying amount of payables to subsidiaries and other payables too is estimated to equal fair value (level 3 of the IFRS fair value hierarchy).

Impairment losses on assets

The carrying amount of investment in subsidiaries is examined at the balance sheet date in order to determine whether there is any indication of impairment. If this is the case, the recoverable amount of the asset is determined in order to determine the need for any write-down and the extent thereof. Impairment losses are recognised in the income statement. On any subsequent reversal of impairment losses arising from changes in the assumptions used to determine the recoverable amount, the asset's carrying amount to the adjusted recoverable amount, however, not exceeding the carrying amount that the asset would have had if the impairment had not been made.

Notes to the financial statements

3 Effect of the change in accounting policies

Revised and new standards and interpretations issued, but not yet effective or approved by the EU at the time of publication of this Annual Report 2019, have not been incorporated into this report.

Changes to the accounting standards IFRS 3 Business combinations, IAS 1 and IAS 8 Definition of Material are endorsed by the EU and effective from 1 January 2020. The changes to these standards are not expected to have a significant impact on the Entity.

As of 1 January 2019, NC TopCo A/S adopted the interpretation IFRIC 23, which clarifies the accounting treatment for uncertainties in income taxes within the scope of IAS 12 "Income taxes". The application of IFRIC 23 had no effect on NC TopCo AS' financial statements.

There have been no further changes in accounting policies in 2019.

Notes to the financial statements

	<u>2019</u> <u>DKK'000</u>	<u>2018</u> <u>DKK'000</u>
4 Administrative costs		
Administrative costs	139	3,740
Fee board members	0	1,437
	<u>139</u>	<u>5,177</u>

The previous Board of Directors have, since IPO June 7 2018, been compensated from parent company. The current Board of Directors does not receive compensation. Management are being compensated in another Group Entity.

	<u>2019</u> <u>DKK'000</u>	<u>2018</u> <u>DKK'000</u>
5 Special items		
Expenses cover IPO activities	0	33,001
Expenses cover strategic consideration and M&A activities	2,111	0
Total special items	<u>2,111</u>	<u>33,001</u>

	<u>2019</u> <u>DKK'000</u>	<u>2018</u> <u>DKK'000</u>
6 Financial income and expenses		
Financial income		
Intra-group interest income	8,595	407
Exchange rate income	21,741	0
Other interest income	0	0
	<u>30,336</u>	<u>407</u>
Financial expenses		
Intra-group interest expenses	15,952	273
Exchange rate expenses	11,056	0
Other financial expenses	47	0
	<u>27,056</u>	<u>273</u>

	<u>2019</u> <u>DKK'000</u>	<u>2018</u> <u>DKK'000</u>
7 Tax		
Current tax	691	-1,483
	<u>691</u>	<u>-1,483</u>

The current corporation tax rate is 22%

Profit/loss before tax	1,030	-8,044
Tax at a rate of 22%	227	-1,769
Tax-based value of non-deductible expenses	465	6,886
Tax-based value of non-taxable income	0	-6,600
	<u>691</u>	<u>-1,483</u>

Effective tax rate	67.1%	18.4%
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Notes to the financial statements

	<u>2019</u> <u>DKK'000</u>	<u>2018</u> <u>DKK'000</u>
8 Investments in subsidiaries		
Cost at 1 January	1,562,939	1,560,090
Additions through merger	1,491,631	0
Share-based remuneration	9,365	2,849
Cost at 31 December	<u>3,063,935</u>	<u>1,562,939</u>
Carrying amount at 31 December	<u>3,063,935</u>	<u>1,562,939</u>

	<i>Form of enterprise</i>	<i>Owner- ship</i>	<u>2019</u> <u>Equity</u> <u>DKK'000</u>	<u>2019</u> <u>Result</u> <u>DKK'000</u>
Subsidiaries:				
Netcompany A/S, Copenhagen, Denmark	A/S	100%	1,127,091	450,133
Netcompany AS, Oslo, Norway	AS	100%	49,904	21,290
Netcompany Netherlands B.V., Delft, Netherlands (2018)	B.V.	100%	1,433	-2,406
Netcompany UK Holding Ltd., London, United Kingdom (2018)	Ltd	100%	64,073	-11,125

As of 31 May 2019 the Entity was merged with NC NewCo A/S and Netcompany Holding I A/S. The merged has increased the value of investment in subsidiaries by DKK'000 1,491,631. The net effect from the merger has increased the equity with a net of DKK'000 273,332.

	<u>2019</u> <u>DKK'000</u>	<u>2018</u> <u>DKK'000</u>
Income from investments in subsidiaries		
Dividend income	0	30,000
	<u>0</u>	<u>30,000</u>

	<u>2019</u> <u>DKK'000</u>	<u>2018</u> <u>DKK'000</u>
9 Cash and cash equivalents		
Deposits at bank	2,228	2,484
	<u>2,228</u>	<u>2,484</u>

The carrying amounts for cash and cash equivalents assumed to equal the fair value. The Entity's cash and cash equivalents consist of deposits in well-reputed banks. Therefore, cash and cash equivalents are not subject to credit risk.

10 Share capital

The share capital equals DKK 72,132k divided into shares of DKK 1k each or multiples hereof. The shares have not been divided into classes.

Notes to the financial statements

	<u>2019</u> <u>DKK'000</u>	<u>2018</u> <u>DKK'000</u>
11 Working capital changes		
Change in receivables	-268,726	-29,386
Change in trade payables, etc.	273,714	4,735
	<u>4,989</u>	<u>-24,651</u>
	<u>2019</u> <u>DKK'000</u>	<u>2018</u> <u>DKK'000</u>
12 Financial risks and financial instruments		
Categories of financial instruments		
Receivables from Group entities	311,740	43,014
Cash	2,228	2,484
Financial assets measured at amortised cost	<u>313,968</u>	<u>45,498</u>
Payables to Group entities	1,373,364	4,291
Other payables	123,138	4,925
Financial liabilities measured at amortised cost	<u>1,496,502</u>	<u>9,216</u>

Policy for management of financial risks

The Entity's objective at all times is to limit the entities financial risks.

The Entity manages the financial risks and coordinates cash management and management of interest rate and currency risks based on financial risk policies agreed with the Board of Directors of the parent company.

Liquidity risks

The Entity is part of a Group credit facility. At 31 December 2019, the Group has unutilised credit facilities of a total of DKK 534.8m (2018: DKK 244.9m), which the Entity has the option to use.

Credit risks

In 2019, the Entity has not had any expected credit losses and no credit risk is deemed to exist on the Entity's receivables at 31 December 2019.

Currency risks

The Entity is only to a limited extent exposed to foreign currency risks. The main part of the Entity's transactions is in DKK.

Optimisation of the capital structure

The Entity regularly assesses whether the Entity's capital structure is in accordance with the Entity's and the owners' interests. The overall objective is to ensure a capital structure that supports long-term growth whilst maximising returns for the Entity's owners by optimising the equity-to-debt ratio.

Notes to the financial statements

13 Related parties

Related parties with a controlling interest

<i>Name of company</i>	<i>Registered office</i>	<i>Basis of control</i>
Netcompany Group A/S	Copenhagen	Immediate parent and Ultimate controlling

Transactions with related parties

There have not been any transactions other than interest income & expenses due to loans within the Group

14 Collateral provided and contingent liabilities

The Entity is part of a Group credit facility, the total carrying amount at 31 December 2019 is DKK 958,6m (DKK 1.105,8m). The Entity provides full guarantee for the credit facility.

The Entity was administration company of a National Danish joint taxation with Danish subsidiaries. As a consequence, the Company is liable, as of 01.02.2016, until 06.06.2018 for any obligation to withhold tax on interest, royalties and dividends for jointly taxed companies. The liability only constitutes an amount to the share of the capital in the company which is owned directly or indirectly.

The Entity is part of a National Danish joint taxation with Netcompany Group A/S as a management company. As a consequence, the Company is liable, as of 07.06.2018 for any obligation to withhold tax on interest, royalties and dividends for jointly taxed companies. The liability only constitutes an amount to the share of the capital in the company which is owned directly or indirectly.

15 Consolidation

NC TopCo A/S and its subsidiaries are included in the consolidated financial statements of Netcompany Group A/S, Business Registration No. 39 48 89 14.

16 Events after the balance sheet date

No events have occurred after the balance sheet date, which would influence the evaluation of this annual report. We do draw attention to the exceptional global pandemic of COVID-19. This event is a non-adjusting post balance sheet event which does not alter these financial statements. So far, the COVID-19 outbreak has not had any material effect on the NC TopCo A/S financial position or results for the year to date. The Entity is closely monitoring any potential impact from the COVID-19 on the Entity's business. Material disruptions to the Entity's business, if any, will be reported by the ultimate parent Netcompany Group A/S through 2020.