
Manyone A/S

Rosenvængets Allé 25, 2., DK-2100 København Ø

Annual Report for 1 January - 31 December 2021

CVR No 38 16 65 14

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
27/6 2022

Søren L. Poulsen
Chairman of the General
Meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company Information	5
Financial Highlights	6
Management's Review	7
Consolidated and Parent Company Financial Statements	
Income Statement 1 January - 31 December	8
Balance Sheet 31 December	9
Statement of Changes in Equity	11
Notes to the Financial Statements	12

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Manyone A/S for the financial year 1 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and the Group and of the results of the Company and Group operations for 2021.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 27 June 2022

Executive Board

Lasse Jensby Dahl
CEO

Søren Lehmann Poulsen
Executive Officer

Board of Directors

David Fellah
Chairman

Søren Lehmann Poulsen

Morten Johnstad-Møller

Jens Martin Skibsted

Lasse Jensby Dahl

Kasper D. B. Rousøe

Therese Strange-Obel Johansen

Independent Auditor's Report

To the Shareholders of Manyone A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2021 and of the results of the Group's and the Parent Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Manyone A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company ("the Financial Statements").

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 Group 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.

Statement on Management's Review

Management is responsible for Management's Review.

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

In connection with our 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, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements

Independent Auditor's Report

Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Group or the 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.

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 Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

Independent Auditor's Report

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Hellerup, 27 June 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Flemming Eghoff
State Authorised Public Accountant
mne30221

Martin Birch
State Authorised Public Accountant
mne42825

Company Information

The Company

Manyone A/S
Rosenvængets Allé 25, 2.
DK-2100 København Ø

CVR No: 38 16 65 14
Financial period: 1 January - 31 December
Municipality of reg. office: Copenhagen

Board of Directors

David Fellah, Chairman
Søren Lehmann Poulsen
Morten Johnstad-Møller
Jens Martin Skibsted
Lasse Jensby Dahl
Kasper D. B. Rousøe
Therese Strange-Obel Johansen

Executive Board

Lasse Jensby Dahl
Søren Lehmann Poulsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial Highlights

Seen over a three-year period, the development of the Group is described by the following financial highlights:

	Group		
	2021 TDKK	2020 TDKK	2019 TDKK
Key figures			
Profit/loss			
Revenue	147,306	82,491	58,668
Operating profit/loss	9,231	-6,175	-4,207
Profit/loss before financial income and expenses	11,472	-6,175	-4,207
Net financials	-1,279	-1,257	-1,204
Net profit/loss for the year	7,498	-7,442	-5,502
Balance sheet			
Balance sheet total	142,641	91,299	82,202
Equity	30,434	11,650	17,005
Investment in property, plant and equipment	3,659	1,679	1,318
Number of employees	195	67	52
Ratios			
Gross margin	74.3%	62.5%	61.5%
Profit margin	7.8%	-7.5%	-7.2%
Return on assets	8.0%	-6.8%	-5.1%
Solvency ratio	21.3%	12.8%	20.7%
Return on equity	35.6%	-51.9%	-64.7%

This is the first consolidated statement the Group are presenting. Comparison figures has been established to 2019.

Management's Review

Key activities

The group's main objective is to deliver strategic, digital, and industrial design to clients and the parent company's main objective is to invest in entities that allow the group to have on its growth strategy devised by the board of directors.

Development in the year

The income statement of the Group for 2021 shows a profit of DKK 7,498,253, and at 31 December 2021 the balance sheet of the Group shows equity of DKK 30,434,456.

The group delivered a significant improvement in net profit of almost DKK 15m in 2021 from a loss of DKK 7.4m in 2020, mainly driven by a recovery in activity and the acquisition of Prime in Israel and, to a lesser degree, the Devo-team in Oslo.

The comparative figure has not been adjusted because of the acquisitions.

Outlook

The group will continue to grow in current markets and invest in business combinations and continue to offer the best solutions to clients locally and globally. We expect that, In Financial Year 2022, we expect to see a positive outcome from our investments and results between DKK 15-25m.

Knowledge resources

The most important knowledge resources are related to competencies within digital and industrial design.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

The group's international presence and investments in foreign entities expose its profit and loss, cash flow and capital to fluctuations in currency rates. Management continuously assesses this risk and decides on mitigating actions if necessary.

The consolidated assets, liabilities and financial position have not been affected by unusual events in 2021. The group has managed a relatively strong recovery from the global corona downturn.

Subsequent events

Other than events recognized and disclosed in the consolidated financial statements, no events have occurred after 31 December 2021, which could have a significant impact on the consolidated financial statements.

Income Statement 1 January - 31 December

	Note	Group		Parent Company	
		2021 DKK	2020 DKK	2021 DKK	2020 DKK
Revenue		147,305,799	82,490,765	62,290,479	27,237,811
Other operating income		2,411,808	0	2,411,808	0
Expenses for raw materials and consumables		-28,911,474	-19,038,151	-41,852,184	-14,708,049
Other external expenses		-11,388,101	-11,887,644	-7,249,908	-4,277,106
Gross profit/loss		109,418,032	51,564,970	15,600,195	8,252,656
Staff expenses	1	-88,685,005	-51,012,829	-17,678,791	-14,684,096
Resultat før afskrivninger		20,733,027	552,141	-2,078,596	-6,431,440
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	-9,089,842	-6,727,203	-961,537	-772,052
Impairment of current assets		0	0	0	-2,236,813
Other operating expenses		-171,329	0	0	0
Resultat før finansielle poster		11,471,856	-6,175,062	-3,040,133	-9,440,305
Income from investments in subsidiaries		0	0	11,000,000	-22,479
Financial income	3	117,455	42,912	99,188	411
Financial expenses	4	-1,396,851	-1,300,241	-2,528,863	-1,811,695
Profit/loss before tax		10,192,460	-7,432,391	5,530,192	-11,274,068
Tax on profit/loss for the year	5	-2,694,207	-9,132	1,663,644	2,435,253
Net profit/loss for the year		7,498,253	-7,441,523	7,193,836	-8,838,815

Balance Sheet 31 December

Assets

	Note	Group		Parent Company	
		2021 DKK	2020 DKK	2021 DKK	2020 DKK
Acquired other similar rights		426,474	838,621	426,474	838,621
Goodwill		75,265,293	44,429,255	0	0
Intangible assets	6	75,691,767	45,267,876	426,474	838,621
Other fixtures and fittings, tools and equipment		2,863,252	1,538,912	909,804	831,012
Leasehold improvements		1,437,794	1,431,434	453,798	245,302
Property, plant and equipment	7	4,301,046	2,970,346	1,363,602	1,076,314
Investments in subsidiaries	8	0	0	108,757,625	69,532,813
Other investments	9	518,371	518,371	518,371	518,371
Deposits	9	1,478,159	1,083,712	465,678	292,229
Fixed asset investments		1,996,530	1,602,083	109,741,674	70,343,413
Fixed assets		81,989,343	49,840,305	111,531,750	72,258,348
Trade receivables		33,240,736	21,338,558	15,141,792	6,583,307
Contract work in progress	10	1,023,013	1,981,105	79,500	196,904
Receivables from group enterprises		0	9,883	4,711,088	4,767,198
Other receivables		4,443,389	194,930	61,386	9,399
Deferred tax asset	11	1,943,267	692,658	812,602	743,687
Corporation tax		860,467	0	0	0
Corporation tax receivable from group enterprises		6,600	0	1,612,694	2,378,327
Prepayments	12	1,164,364	1,482,081	182,898	1,057,024
Receivables		42,681,836	25,699,215	22,601,960	15,735,846
Cash at bank and in hand	13	17,969,973	15,759,060	5,236,845	9,705,202
Currents assets		60,651,809	41,458,275	27,838,805	25,441,048
Assets		142,641,152	91,298,580	139,370,555	97,699,396

Balance Sheet 31 December

Liabilities and equity

	Note	Group		Parent Company	
		2021 DKK	2020 DKK	2021 DKK	2020 DKK
Share capital		2,687,209	2,553,571	2,687,209	2,553,571
Retained earnings		22,110,769	9,095,933	23,140,688	9,748,294
Equity attributable to shareholders of the Parent Company		24,797,978	11,649,504	25,827,897	12,301,865
Minority interests		5,636,478	0	0	0
Equity		30,434,456	11,649,504	25,827,897	12,301,865
Credit institutions		13,467,895	23,053,152	13,467,895	23,053,152
Other payables, longterm		40,318,963	23,551,868	39,135,908	21,057,510
Long-term debt	15	53,786,858	46,605,020	52,603,803	44,110,662
Credit institutions	15	7,384,982	4,538,964	7,389,586	4,538,964
Prepayments received from customers		175,625	0	0	0
Trade payables		8,157,224	5,073,791	1,426,272	1,366,710
Contract work in progress, liabilities	10	4,204,436	7,025,629	4,204,436	1,736,880
Payables to group enterprises		0	0	40,021,865	29,968,403
Payables to owners and Management		0	20,740	0	0
Corporation tax		2,663,688	394,146	0	0
Payables to group enterprises relating to corporation tax		0	11,599	0	0
Other payables	15	35,553,894	14,780,502	7,649,421	3,190,105
Deferred income	16	279,989	1,198,685	247,275	485,807
Short-term debt		58,419,838	33,044,056	60,938,855	41,286,869
Debt		112,206,696	79,649,076	113,542,658	85,397,531
Liabilities and equity		142,641,152	91,298,580	139,370,555	97,699,396
Distribution of profit	14				
Contingent assets, liabilities and other financial obligations	17				
Related parties	18				
Accounting Policies	19				

Statement of Changes in Equity

Group

	Share capital	Share premium	Retained	Equity excl.	Minority	Total
	DKK	account	earnings	minority	interests	DKK
	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	2,553,571	0	9,095,936	11,649,507	0	11,649,507
Exchange adjustments	0	0	-981,916	-981,916	0	-981,916
Cash capital increase	133,638	6,198,555	3,003,987	9,336,180	2,886,184	12,222,364
Other equity movements	0	0	-2,831,675	-2,831,675	2,877,923	46,248
Net profit/loss for the year	0	0	7,625,882	7,625,882	-127,629	7,498,253
Transfer from share premium account	0	-6,198,555	6,198,555	0	0	0
Equity at 31 December	2,687,209	0	22,110,769	24,797,978	5,636,478	30,434,456

Parent Company

Equity at 1 January	2,553,571	0	9,748,297	12,301,868	0	12,301,868
Cash capital increase	133,638	6,198,555	0	6,332,193	0	6,332,193
Net profit/loss for the year	0	0	7,193,836	7,193,836	0	7,193,836
Transfer from share premium account	0	-6,198,555	6,198,555	0	0	0
Equity at 31 December	2,687,209	0	23,140,688	25,827,897	0	25,827,897

Notes to the Financial Statements

	Group		Parent Company	
	2021 DKK	2020 DKK	2021 DKK	2020 DKK
1 Staff expenses				
Wages and salaries	82,257,555	47,369,393	16,647,429	13,903,093
Pensions	3,383,747	2,225,906	637,052	408,025
Other social security expenses	2,031,931	1,182,462	189,487	137,910
Other staff expenses	1,011,772	235,068	204,823	235,068
	88,685,005	51,012,829	17,678,791	14,684,096
Including remuneration to the Executive Board and Board of Directors of:				
Executive Board	2,287,281	2,133,597	2,287,281	2,133,597
Supervisory Board	4,590,895	2,975,413	4,160,205	2,421,604
	6,878,176	5,109,010	6,447,486	4,555,201
Average number of employees	195	67	15	15
2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment				
Amortisation of intangible assets	7,722,941	5,748,430	412,147	412,147
Depreciation of property, plant and equipment	1,328,791	978,773	511,280	359,905
Gain and loss on disposal	38,110	0	38,110	0
	9,089,842	6,727,203	961,537	772,052
3 Financial income				
Interest received from group enterprises	0	0	0	411
Exchange gains	117,455	42,912	99,188	0
	117,455	42,912	99,188	411

Notes to the Financial Statements

4 Financial expenses	Group		Parent Company	
	2021	2020	2021	2020
	DKK	DKK	DKK	DKK
Interest paid to group enterprises	0	0	1,322,461	664,825
Other financial expenses	1,333,728	1,230,183	1,206,402	1,146,870
Exchange loss	63,123	70,058	0	0
	1,396,851	1,300,241	2,528,863	1,811,695

5 Tax on profit/loss for the year

Current tax for the year	2,773,906	-2,891	-1,612,694	-2,378,327
Deferred tax for the year	-97,678	-62,887	-68,915	-132,578
Adjustment of tax concerning previous years	17,979	74,910	17,965	75,652
	2,694,207	9,132	-1,663,644	-2,435,253

6 Intangible assets

Group	Acquired other similar rights	Goodwill
	DKK	DKK
Cost at 1 January	1,318,109	55,139,998
Exchange adjustment	0	9,400
Additions for the year	0	38,197,103
Cost at 31 December	1,318,109	93,346,501
Impairment losses and amortisation at 1 January	479,488	10,710,743
Exchange adjustment	0	59,671
Amortisation for the year	412,147	7,310,794
Impairment losses and amortisation at 31 December	891,635	18,081,208
Carrying amount at 31 December	426,474	75,265,293

Notes to the Financial Statements

6 Intangible assets (continued)

Parent Company

	Acquired other similar rights DKK
Cost at 1 January	1,318,109
Cost at 31 December	1,318,109
Impairment losses and amortisation at 1 January	479,488
Amortisation for the year	412,147
Impairment losses and amortisation at 31 December	891,635
Carrying amount at 31 December	426,474

7 Property, plant and equipment

Group

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost at 1 January	3,821,591	2,235,946
Additions for the year	3,141,716	315,852
Disposals for the year	-194,220	-22,904
Cost at 31 December	6,769,087	2,528,894
Impairment losses and depreciation at 1 January	2,153,932	804,511
Net effect from merger and acquisition	618,304	144,697
Depreciation for the year	1,186,899	141,892
Reversal of impairment and depreciation of sold assets	-53,300	0
Impairment losses and depreciation at 31 December	3,905,835	1,091,100
Carrying amount at 31 December	2,863,252	1,437,794

Notes to the Financial Statements

7 Property, plant and equipment (continued)

Parent Company

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost at 1 January	1,223,828	308,888
Additions for the year	642,400	297,088
Disposals for the year	-194,220	0
Cost at 31 December	1,672,008	605,976
Impairment losses and depreciation at 1 January	392,816	63,586
Depreciation for the year	422,688	88,592
Reversal of impairment and depreciation of sold assets	-53,300	0
Impairment losses and depreciation at 31 December	762,204	152,178
Carrying amount at 31 December	909,804	453,798

Notes to the Financial Statements

8 Investments in subsidiaries

	Parent Company	
	2021 DKK	2020 DKK
Cost at 1 January	69,555,292	62,035,343
Net effect from merger and acquisition	0	-50,000
Additions for the year	39,224,812	7,569,949
Cost at 31 December	108,780,104	69,555,292
Value adjustments at 1 January	-22,479	0
Other adjustments	0	-22,479
Value adjustments at 31 December	-22,479	-22,479
Carrying amount at 31 December	108,757,625	69,532,813

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Manyone B.V.	Rotterdam	TEUR 4	100%	-258,390	-5,303
Manyone Denmark ApS	Copenhagen	TDKK 80	100%	23,182,711	11,896,254
Manyone GmbH	Frankfurt	TEUR 25	100%	228,179	453,426
Manyone London Ltd	London	TGBP 515	100%	1,144,720	276,826
Manyone Oslo AS	Oslo	TNOK 500	51%	1,144,720	-27,254
Manyone OY	Helsinki	TEUR 0	100%	0	-737
Manyone Prime	Tel Aviv	TILS 27	100%	15,347,729	298,052

9 Other fixed asset investments

	Group		Parent Company	
	Other investments DKK	Deposits DKK	Other investments DKK	Deposits DKK
Cost at 1 January	518,371	1,083,712	518,371	465,678
Additions for the year	0	394,447	0	0
Cost at 31 December	518,371	1,478,159	518,371	465,678
Carrying amount at 31 December	518,371	1,478,159	518,371	465,678

Notes to the Financial Statements

	Group		Parent Company	
	2021 DKK	2020 DKK	2021 DKK	2020 DKK
10 Contract work in progress				
Selling price of work in progress	2,680,393	43,810,652	1,736,880	15,201,564
Payments received on account	-5,861,816	-48,855,176	-5,861,816	-16,741,540
	-3,181,423	-5,044,524	-4,124,936	-1,539,976
Recognised in the balance sheet as follows:				
Contract work in progress recognised in assets	1,023,013	1,981,105	79,500	196,904
Prepayments received recognised in debt	-4,204,436	-7,025,629	-4,204,436	-1,736,880
	-3,181,423	-5,044,524	-4,124,936	-1,539,976

11 Deferred tax asset

Deferred tax asset at 1 January	692,658	671,116	743,687	611,109
Amounts recognised in the income statement for the year	97,678	62,887	68,915	132,578
Addition from acquisition om subsidiaries	1,152,931	-41,345	0	0
Deferred tax asset at 31 December	1,943,267	692,658	812,602	743,687

The deferred tax asset expect to be utilised within the next years.

12 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

13 Cash at bank and in hand

Cash and cash equivalents include a deposited account which amounts to TDKK 7,467.

Notes to the Financial Statements

14 Distribution of profit	Group		Parent Company	
	2021	2020	2021	2020
	DKK	DKK	DKK	DKK
Minority interests' share of net profit/loss of subsidiaries	-127,629	0	0	0
Retained earnings	7,625,882	-7,441,523	7,193,836	-8,838,815
	7,498,253	-7,441,523	7,193,836	-8,838,815

15 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Credit institutions

Between 1 and 5 years	13,467,895	23,053,152	13,467,895	23,053,152
Long-term part	13,467,895	23,053,152	13,467,895	23,053,152
Other short-term debt to credit institutions	7,384,982	4,538,964	7,389,586	4,538,964
	20,852,877	27,592,116	20,857,481	27,592,116

Other payables, longterm

After 5 years	4,621,037	0	0	0
Between 1 and 5 years	35,697,926	23,551,868	39,135,908	21,057,510
Long-term part	40,318,963	23,551,868	39,135,908	21,057,510
Other short-term payables	35,553,891	14,780,503	7,649,419	3,190,106
	75,872,854	38,332,371	46,785,327	24,247,616

16 Deferred income

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

17 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Notes to the Financial Statements

	Group		Parent Company	
	2021	2020	2021	2020
	DKK	DKK	DKK	DKK
17 Contingent assets, liabilities and other financial obligations (continued)				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	3,235,056	1,772,415	1,929,034	0
Between 1 and 5 years	18,788,106	6,191,365	17,992,619	0
After 5 years	22,540,481	1,002,065	22,537,773	0
	44,563,643	8,965,845	42,459,426	0

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to DKK 1,804k. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

18 Related parties

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Strategic Design Group Holding ApS
 Think! Digital Holding ApS
 Dafe Holding ApS
 GiancarloAhohakoOle ApS

Notes to the Financial Statements

19 Accounting Policies

The Annual Report of Manyone A/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated and Parent Company Financial Statements for 2021 are presented in DKK.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Strategic Design Group Holding ApS, the Company and the Group have not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Manyone A/S, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Compa-

Notes to the Financial Statements

19 Accounting Policies (continued)

ny's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Pooling of interests

Intragroup business combinations are accounted for under the pooling-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied at the date of acquisition, and comparative figures have not been restated.

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

Business acquisitions

Minority interests are initially measured at fair value. In this way, goodwill related to the minority interests' share of the entity acquired is recognised.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Notes to the Financial Statements

19 Accounting Policies (continued)

Translation policies

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

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

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

Income Statement

Revenue

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the consumption of external consultants and components used to achieve revenue for the year.

Other external expenses

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

Staff expenses

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

Notes to the Financial Statements

19 Accounting Policies (continued)

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

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

Income from investments in subsidiaries

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

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 10 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time

Notes to the Financial Statements

19 Accounting Policies (continued)

when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5	years
Leasehold improvements	5-8	years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Assets with a useful life of more than 1 year are capitalized and depreciated over their useful lives

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in

Fixed asset investments

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Notes to the Financial Statements

19 Accounting Policies (continued)

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Notes to the Financial Statements

19 Accounting Policies (continued)

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

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

Deferred income

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

Financial Highlights

Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$