



## Allgeier Enterprise Services Denmark A/S

Søndre Ringvej 55, 2605 Brøndby  
CVR No. 38450522

## Annual report 2019

The Annual General Meeting adopted the  
annual report on 07.02.2020

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**Bjarne Gammelgaard Moberg**  
Chairman of the General Meeting

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# Entity details

## Entity

Allgeier Enterprise Services Denmark A/S

Søndre Ringvej 55

2605 Brøndby

CVR No.: 38450522

Registered office: Brøndby

Financial year: 01.01.2019 - 31.12.2019

## Board of Directors

Michael Schmidt

Jörg Werner Dietmann, formand

Bjarne Gammelgaard Møberg

## Executive Board

Bjarne Gammelgaard Møberg, adm. dir.

Ole Sølvsten Hemmingsen, direktør

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Allgeier Enterprise Services Denmark A/S for the financial year 01.01.2019 - 31.12.2019.

The annual report is presented in accordance with 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 its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

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

Brøndby, 07.02.2020

## Executive Board

**Bjarne Gammelgaard Møberg**  
adm. dir.

**Ole Sølvsten Hemmingsen**  
direktør

## Board of Directors

**Michael Schmidt**

**Jörg Werner Dietmann**  
formand

**Bjarne Gammelgaard Møberg**

# Independent auditor's report

## To the shareholders of Allgeier Enterprise Services Denmark A/S

### Opinion

We have audited the financial statements of Allgeier Enterprise Services Denmark A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with 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 its operations for the financial year 01.01.2019 - 31.12.2019 accordance with 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.

### 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 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.

#### **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.

Copenhagen, 07.02.2020

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No.: 33963556

**Thomas Hermann**

State Authorised Public Accountant

Identification No (MNE) 26740

# Management commentary

## Primary activities

Allgeier Enterprise Services Denmark A/S delivers SAP Managed services, Consulting Support, and Compliance products.

## Description of material changes in activities and finances

The income statement for 2019 shows a profit of DKK 1.641.212 against a loss of DKK 734.627 last year.

This is in line with the expectations and the management regards the result as satisfactory.

We have found that the Company has suffered a capital loss. In accordance with the Danish Companies Act section 119 the management has prepared a plan to regain the capital with future profit.

## Allgeier Enterprise Services

Allgeier Enterprise Services Denmark was established in 2017 as an integrated entity of Allgeier Enterprise Services AG an innovation-driven full-service provider of solutions based on SAP and Microsoft technologies. The portfolio includes all services ranging from strategy and process consulting to implementation and operation of complex solutions.

Allgeier Enterprise Services is SAP Gold Partner, SAP Cloud Focus Partner and SAP Pinnacle Award winner. The company is part of Allgeier SE, headquartered in Munich with more than 135 locations in Europe, Asia, and America.

The Allgeier Group has more than 10.500 employees including more than 1.000 SAP Professionals in Europe.

## S/4HANA Platform management and Infrastructure services

In 2019 we experienced a strong growth in our business unit for S/4HANA Platform management and Infrastructure services. We continued to see a strong interest from the market in our highly automated SAP Platform services and Tier 3+ Data centers in Frankfurt all managed by Allgeier's SAP Operation Centre in Freiburg.

## Consulting Services

Allgeier have in 2019 invested in methodologies and tools for S/4HANA Conversions including advisory services regarding the usages of S/4HANA Cloud MT and ST solutions in future hybrid landscapes.

Part of this initiative was to internally implement a complete SAP landscape based on the S/4HANA Cloud MT solution for Professional Services which is today is used as an international reference case by SAP AG. Running our own business exclusively on SAP solutions give us valuable experience every day which we share with our customers.

We continue to see a strong demand for our Senior Consulting service to public customers. Allgeier Enterprise services AG have strengthen the position in the public industry with the recent acquisition of the public sector division of GES Systemhaus GmbH.

## ComplianceNow

The ComplianceNow team is dedicated to the challenges of the ever-increasing complexity of handling SAP compliance, getting processes aligned, increasing transparency, and automating costly manual processes.



From an innovation point of view, 2019 formed a clear roadmap to further address the S/4HANA compliance technology introduced as well as a ComplianceNow S/4HANA re-certification. Furthermore, ComplianceNow expanded the CN product suite with the new product Internal Control supporting the digitalization of enterprise risk management and internal controls.

There is an increasing pressure on companies to comply with higher standards preventing fraud, misuse of authority and cyber attacks. It is the management's expectation that ComplianceNow, as a SAP Certified and proven software supplier, will be one of the key vendors delivering software strengthening and automating the compliance processes for companies running SAP.

### **Outlook**

Management expects continuous growth in revenues in 2020 within all business areas mentioned above.

### **Events after the balance sheet date**

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

# Income statement for 2019

	Notes	2019 DKK	2018 DKK
<b>Gross profit/loss</b>		<b>25,244,471</b>	<b>21,432,244</b>
Staff costs	1	(21,950,402)	(20,615,268)
Depreciation, amortisation and impairment losses	2	(1,523,070)	(1,154,376)
<b>Operating profit/loss</b>		<b>1,770,999</b>	<b>(337,400)</b>
Other financial income		0	33,913
Financial expenses from group enterprises		0	(74,095)
Other financial expenses		(106,784)	(107,807)
<b>Profit/loss before tax</b>		<b>1,664,215</b>	<b>(485,389)</b>
Tax on profit/loss for the year	3	(23,003)	(249,238)
<b>Profit/loss for the year</b>		<b>1,641,212</b>	<b>(734,627)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		1,641,212	(734,627)
<b>Proposed distribution of profit and loss</b>		<b>1,641,212</b>	<b>(734,627)</b>

# Balance sheet at 31.12.2019

## Assets

	Notes	2019 DKK	2018 DKK
Completed development projects	5	5,028,719	5,006,349
<b>Intangible assets</b>	4	<b>5,028,719</b>	<b>5,006,349</b>
Other fixtures and fittings, tools and equipment		62,281	91,844
Leasehold improvements		73,565	143,152
<b>Property, plant and equipment</b>	6	<b>135,846</b>	<b>234,996</b>
Deposits		214,751	209,986
<b>Other financial assets</b>	7	<b>214,751</b>	<b>209,986</b>
<b>Fixed assets</b>		<b>5,379,316</b>	<b>5,451,331</b>
Trade receivables		15,797,498	7,678,679
Receivables from group enterprises		3,028	362,320
Other receivables		61,351	0
Prepayments		244,712	76,109
<b>Receivables</b>		<b>16,106,589</b>	<b>8,117,108</b>
<b>Cash</b>		<b>6,412,054</b>	<b>1,415,067</b>
<b>Current assets</b>		<b>22,518,643</b>	<b>9,532,175</b>
<b>Assets</b>		<b>27,897,959</b>	<b>14,983,506</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2019 DKK</b>	<b>2018 DKK</b>
Contributed capital		500,000	500,000
Retained earnings		(360,121)	(2,001,333)
<b>Equity</b>		<b>139,879</b>	<b>(1,501,333)</b>
Deferred tax		450,000	75,000
<b>Provisions</b>		<b>450,000</b>	<b>75,000</b>
Trade payables		908,044	1,043,050
Payables to group enterprises		14,532,626	5,123,510
Other payables	8	10,187,210	8,661,506
Deferred income		1,680,200	1,581,773
<b>Current liabilities other than provisions</b>		<b>27,308,080</b>	<b>16,409,839</b>
<b>Liabilities other than provisions</b>		<b>27,308,080</b>	<b>16,409,839</b>
<b>Equity and liabilities</b>		<b>27,897,959</b>	<b>14,983,506</b>

# Statement of changes in equity for 2019

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500,000	(2,001,333)	(1,501,333)
Profit/loss for the year	0	1,641,212	1,641,212
<b>Equity end of year</b>	<b>500,000</b>	<b>(360,121)</b>	<b>139,879</b>

# Notes

## 1 Staff costs

	2019 DKK	2018 DKK
Wages and salaries	17,547,447	18,385,761
Pension costs	1,857,606	1,686,919
Other social security costs	72,161	209,775
Other staff costs	2,473,188	332,813
	<b>21,950,402</b>	<b>20,615,268</b>
Average number of full-time employees	<b>21</b>	<b>20</b>

## 2 Depreciation, amortisation and impairment losses

	2019 DKK	2018 DKK
Amortisation of intangible assets	1,357,630	1,018,552
Depreciation of property, plant and equipment	165,440	148,994
Profit/loss from sale of intangible assets and property, plant and equipment	0	(13,170)
	<b>1,523,070</b>	<b>1,154,376</b>

## 3 Tax on profit/loss for the year

	2019 DKK	2018 DKK
Change in deferred tax	23,003	249,238
	<b>23,003</b>	<b>249,238</b>

## 4 Intangible assets

	Completed development projects DKK
Cost beginning of year	6,649,878
Additions	1,380,000
<b>Cost end of year</b>	<b>8,029,878</b>
Amortisation and impairment losses beginning of year	(1,643,529)
Amortisation for the year	(1,357,630)
<b>Amortisation and impairment losses end of year</b>	<b>(3,001,159)</b>
<b>Carrying amount end of year</b>	<b>5,028,719</b>

## 5 Development projects

ComplianceNow is a SAP certified product-suite consisting of 6 products for optimization of companies SAP compliance operations and security measures. Innovation and maintenance of ComplianceNow is an ongoing process, where the direction of the technological and functional development is defined by the overall direction SAP. Key focus of 2019 innovation was to support the new topics of introduction of S/4HANA.

The innovative product roadmap of ComplianceNow is strongly influenced by the demand in the market. Allgeier Enterprise Services deliver products that not only competes with the already existing players on the market, but also new and unique products supporting and automating companies different processes involving SAP Risk Management and Compliance.

ComplianceNow has been sold in 12 different countries, including the United States, to more than 150 companies like Ørsted, Goodyear Rubber and Tire Company and Electrolux.

## 6 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improvements DKK</b>
Cost beginning of year	199,313	257,934
Additions	66,290	0
<b>Cost end of year</b>	<b>265,603</b>	<b>257,934</b>
Depreciation and impairment losses beginning of year	(107,469)	(114,782)
Depreciation for the year	(95,853)	(69,587)
<b>Depreciation and impairment losses end of year</b>	<b>(203,322)</b>	<b>(184,369)</b>
<b>Carrying amount end of year</b>	<b>62,281</b>	<b>73,565</b>

## 7 Financial assets

	<b>Deposits DKK</b>
Cost beginning of year	209,986
Additions	4,765
<b>Cost end of year</b>	<b>214,751</b>
<b>Carrying amount end of year</b>	<b>214,751</b>

**8 Other payables**

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
VAT and duties	3,773,975	1,586,712
Wages and salaries, personal income taxes, social security costs, etc payable	3,736,866	3,811,606
Holiday pay obligation	2,393,955	2,786,550
Other costs payable	282,414	476,638
	<b>10,187,210</b>	<b>8,661,506</b>



# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Recognition and measurement

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

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

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

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost.

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

**Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

**Other financial income**

Other financial income comprises including interest income on payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

**Financial expenses from group enterprises**

Financial expenses from group enterprises comprise interest expenses etc from payables to group enterprises.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies and tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss for the year**

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

**Balance sheet****Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

### **Property, plant and equipment**

ther fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	1-5 years
Leasehold improvements	1-5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

### **Prepayments**

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

### **Cash**

Cash comprises bank deposits.

### **Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, 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.

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

**Deferred income**

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.