

Belgravia Topco ApS

**CVR No 38 99 39 76
Englandsvej 14, 5700 Svendborg**

Annual report for

01.01.2021

-

31.12.2021

The Annual Report was presented and adopted at the Annual General Meeting of the Company on:
11 April 2022

Chairman

Kevin Kristoffer Ehnhuus Iermiin

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Company Information

Company

Belgravia Topco ApS
Englandsvej 14
DK-5700 Svendborg

Central Business Registration No 38 99 39 76
Registered in Svendborg

Executive Board

Kevin Kristoffer Ehnhuus Iermiin
Martin Nicholas Calderbank
Liam Stuart Goddard

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Munkebjergvænget 1, 3. og 4. sal, 5230 Odense M
DK-5000 Odense C

Key figures

	2021 TDKK	2020 TDKK	2019 TDKK	2018 TDKK	6/10-31/12 2017 TDKK
Financial highlights					
Profit and loss accounts					
Revenue	2.000.239	1.119.754	1.044.438	650.529	83.238
Gross profit	256.469	142.573	135.073	82.383	(14.359)
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	105.870	51.479	60.345	39.763	(17.819)
Operating profit	87.362	37.772	48.176	22.581	(19.568)
Net financials	(55.380)	(21.940)	(39.341)	(30.462)	(1.323)
Profit/loss before tax	31.982	15.832	8.835	(7.881)	(20.891)
Profit for the period	15.053	12.099	4.381	(8.345)	(22.846)
Balance sheet					
Total assets	1.112.258	638.830	664.999	507.215	513.985
Total equity	90.551	69.895	61.703	59.591	97.472
Cash flows					
Cash flows from:					
- operating activities	56.979	57.429	32.752	98.806	(5.905)
- investing activities	(135.048)	(6.694)	(97.699)	(1.446)	(235.410)
including investment in property, plant and equipment	(13.067)	(5.877)	(8.758)	(1.446)	(600)
- financing activities	93.745	(6.408)	(8.741)	(6.581)	209.971
Change in cash and cash equivalents for the year	15.676	44.327	(73.688)	90.779	(31.344)
Employees					
Average number of employees	192	133	125	66	60
Key Ratios					
Gross margin (%)	12,8%	12,7%	12,9%	12,7%	-17,3%
EBITDA margin (%)	5,3%	4,6%	5,8%	6,1%	-21,4%
Profit margin (%)	4,4%	3,4%	4,6%	3,5%	-23,5%
Return on assets (%)	7,9%	5,9%	7,2%	4,5%	-3,8%
Solvency ratio (%)	8,1%	10,9%	9,3%	11,7%	19,0%
Return on equity (%)	18,8%	18,4%	7,2%	-10,6%	-46,9%

For definitions, see under accounting policies.

Management's Review

Primary activities

Belgravia Topco ApS is a holding company which primary activity is owning shares in Danoffice IT Group. The Group's principal activities comprise of providing IT infrastructure and other high-technology solutions to international institutions and international B2B customers.

Development in activities and finances

The Groups revenue increased by 78% to DKK 2,000 million in 2021 (2020: DKK 1,120 million).

The positive development in 2021 derived from a combination of organic growth within the groups established markets and offerings of DKK 505 million and DKK 375 million from the newly acquired Edgemo A/S (acquired 30 June 2021) and Npvision Group A/S (acquired 1 January 2021).

With Npvision Group and Edgemo joining the group in 2021 major steps has been taken in further strengthening the Groups offerings on strategically important areas as circular economy IT solution, technical IT expertise and services offerings to the market.

Belgravia Topco Group realized a profit of TDKK 15,053 in 2021 (2020: TDKK 12,099), which was above the initial management expectations for the year.

Adjusted for non-recurring costs according to group policy, the 2021 EBITDA is DKK 111.3 million. (2020: DKK 57.9 million)

At 31 December 2021 the Equity amounts to TDKK 90,551 compared to an equity of TDKK 69,895 31 December 2020.

Outlook

The Group expects a positive development in 2022 and a net profit for the year in the range of DKK 15 - 25 million.

Risks***Currency risks***

A major part of the Group's sales are invoiced in USD. The goods sold in USD are, however, also purchased in USD resulting in a natural hedge to some extent. The Group does currently not hedge the resulting net exposure arising from the sales being higher than the purchases and the different payment terms for sales and purchases in USD.

Trade receivables

The Group is exposed to credit risk from the sale of goods. The majority of the Group's trade receivables are UN organizations, NGO's and large corporate organizations. UN is funded by national states and the credit risk is therefore considered very limited. The remaining trade receivable arise from sale to various corporates and IGO's.

Research and development

The Group does not have any research and development activities.

Statutory statement in accordance with section 99 a of the Danish Financial Statements Act***Business model***

The Group's principal activities comprise of providing IT infrastructure consultancy, service, and other high technology solutions to international institutions and B2B customers both local and international.

We work with leading global businesses, organizations, government departments and NGO's from our global presence. We have forged close relationships with our suppliers and manufacturers, and we deal with the major brands in IT hardware, software, and solutions. It means we can deliver a prompt, reliable and competitive service to our customers - wherever they are in the world.

Risk assessment

The Group complies with all relevant legislation in the markets where we are present. As signatories to the UN Global Compact, we take our responsibility towards the surrounding society seriously and maintain policies and efforts to minimize our negative impact and amplify our positive.

Our employees are our most important resource and being able to attract and maintain the right employees is of key importance.

When we assess climate change and environmental issues, the most material risks are the risks related to product shortages in the supply chain due to lack of mineral resources as well as our impact on the climate through energy consumption from our operations.

While there are risks related to human rights when it comes to working conditions in the supply chain, e.g. sourcing of minerals, we have limited impact on those risks due to size etc. Our main focus for human rights is therefore ensuring a diverse workplace free from harassment.

At Belgravia Topco Group we consider corruption as a substantial obstacle to economic and social development around the world. It has negative impacts on sustainable development and predominantly sustains poverty.

For further information on the Groups CSR/ESG related subjects please visit www.danofficeit.com/about/csr/ where you also find the latest Global Compact COP report.

Regarding climate change and environmental issues

We strive to minimize our negative impact on the environment and on climate change.

Since 2009 Danoffice IT has executed on our "Protect Mother Earth" recycling program. In partnership with our United Nations clients and our vendors, we collect used toners and cartridges from the UN missions all over the world and recycle them in Europe.

Internally, we have in 2021 continued to minimize our consumption of energy and resources through setting requirements for equipment and suppliers. As an example of the initiatives to reduce our carbon front is the CO2 neutral workspace program, where the Group neutralizes the carbon footprint of all internal workspace PCs and monitors via an UNFCCC program.

We plan to continue the work on improving and reducing our consumption of energy and resources in general in 2022.

Regarding human rights

In the Group we believe that all human beings are born free and equal in dignity and rights. We respect all people regardless of nationality, race, religion, class or political opinions. The Group promotes social interaction between people and cultures and aim at a mix organisational culture.

We embrace culture and have employees of more than 10 different nationalities, coming from South America, USA, Europe, and Middle East. Our organization mix is balanced with 28% women & 72% men and we span over various religions.

In 2021, we continued buying coffee beans through the NGO NGUVU who buys directly from local female farmers cutting all the middlemen giving the women higher yield. The women agree on a contract where the NGO secures education of their children and other necessities. This way we can support the women and their children with food, clean water, medical treatment, and education.

We plan to continue the work and focus on Human rights in 2022.

Regarding social and employee conditions

The Group has a work life balance policy encouraging flexible working hours and tolerance for personal and family issues and or needs.

Our staff is our most important resource wherefore we strive at keeping our staff mentally and physically fit. To support an active and healthy lifestyle, the Group encourage in 2021 employees to participate in Run for a Purpose as well as supporting local sports clubs in Denmark where employees can nominate relevant local projects/ clubs. In 2021, the TechGirls program via Peace Inooation foundation and the Danish nature fund received the Run for purpose donation from the Group.

As part of ensuring the best possible working conditions for our employees, individual employee interviews, workplace assessment and employee surveys are carried out on a regularly basis.

Efforts on social and employee conditions will continue in 2022.

Regarding anti-corruption

The Groups position on corruption is not take part, or to accept, any form of fraud or corruption.

The Group defines bribery as an act on offering or receiving money, goods or other forms of recompense from a business associate in exchange for an alteration of their behavior to the benefit or interest of the giver that the recipient would otherwise not alter.

The Group is determined to prevent, detect and deter any form thereof. This has been our position since our foundation in 1995 and we are proud to say that our company has never been involved, accused, or convicted of any form of fraud or corruption, neither in 2021. To ensure constant focus on preventing any form of fraud and corruption ISO 37001 (Anti-bribery management system) is implemented and certified by Bureau Veritas.

The Group whistleblower program has been in place for several years.

We plan to continue with the current efforts including ensuring a constant focus in the organization on preventing corruption.

Goal and policies regarding gender quotation

The supreme management body of Belgravia Topco ApS is the executive board, which include three male members. According to section 99b of the Danish Financial Statements Act concerning the statement of the underrepresented gender, Belgravia Topco ApS has set a target number to obtain a female member of the executive board before the end of 2022. This target number has not been achieved in 2021, which is due to the fact that there were no qualified female candidates in the owner group.

It is our policy, that the underrepresented gender should represent 50% of the Group's total members of the Executive Board and Day-to-day business management.

To balance the gender, the Group strive at having minimum one of each gender represented among the last three candidates in the hiring process.

In the day-to-day Management of the Group, 25% are female and 75% are male which is the same level as in 2020. The group expects to increase the level of female representation in the management of the day-to-day business to 35% by the end of 2023.

Statutory statement in accordance with section 99 d of the Danish Financial Statements Act

We comply with legal requirements and acknowledge and respect that our use of data (both personal data and non-personal data) may create risks for the users that applicable laws do not cover. We manage these risks by adhering to the principles described in our Data Ethics Policy which can be found here: www.danofficeit.com.

We have standards in relation to where we collect data and how we use the data:

- We refrain from extensive collection of data which may be characterised as data-driven surveillance
- We set standards on ourselves in collecting data from our assets and other sources

We will develop additional policies and procedures to ensure that we comply with the above-mentioned principles.

Uncertainty relating to recognition and measurement

The Group does not have any special uncertainties relating to recognition and measurement.

Unusual events

The Group has not been affected by any unusual events in the financial year ending 31 December 2021.

Management's Statement

The Executive Board have today considered and adopted the Annual Report of Belgravia Topco ApS for the financial year 1 January - 31 December 2021.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and the Parent Company Financial Statements have been prepared in accordance with the Danish Financial Statements Act. Management's Review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year 1 January - 31 December 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.

Svendborg, 11 April 2022

Executive Board

Kevin Kristoffer Ehnhuus Iermin

Martin Nicholas Calderbank

Liam Stuart Goddard

Independent Auditor's Report

To the Shareholders of Belgravia Topco ApS Group

Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 31 December 2021 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2021 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2021 and of the results of the Parent Company's operations for the financial year 1 January to 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 Belgravia Topco-Group 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, as well as statement of comprehensive income and cash flow statement for the Group ("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 Statement 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 that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of 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 Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

· Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Parent Company to cease to continue as a going concern.

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

· 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.

Odense, 11 April 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Line Hedam

State Authorised Public Accountant

mne27768

Claus Damhave

State Authorised Public Accountant

mne34166

Consolidated statement of profit and loss

	Notes	2021 TDKK	2020 TDKK
Revenue	4	2.000.239	1.119.754
Costs of goods sold		(1.716.412)	(958.774)
Other operating income		0	76
Other external expenses		(27.358)	(18.483)
Gross profit		256.469	142.573
Employee benefits expense	5	(150.599)	(91.094)
Earnings Before Interest, Taxes, Depreciation and Amortisation		105.870	51.479
Depreciation, amortisation and impairment losses	6	(18.508)	(13.707)
Other operating expenses		0	0
Operating profit		87.362	37.772
Finance income	7	9.406	25.161
Finance costs	8	(64.786)	(47.101)
Profit before tax		31.982	15.832
Income tax expense	9	(16.929)	(3.733)
Profit for the period		15.053	12.099
Profit is attributable to:			
Owners of Belgravia Topco ApS		8.710	7.030
Non-controlling interests		6.343	5.069
		15.053	12.099

Consolidated statement of comprehensive income

	Notes	2021 TDKK	2020 TDKK
Profit for the period		15.053	12.099
<i>Other comprehensive income</i>			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Exchange differences on translation of subsidiaries (net)		454	(485)
Hedging gains/losses transferred to the income statement, finance costs		3.393	(2.592)
Income tax relating to these items		(746)	570
Other equity movements		764	0
Other comprehensive income for the period, net of tax		3.865	(2.507)
Total comprehensive income for the period		18.918	9.592
Total comprehensive income for the period is attributable to:			
Owners of Belgravia Topco ApS		11.281	4.974
Non-controlling interests		7.636	4.618
		18.918	9.592

Consolidated balance sheet

	Notes	2021 TDKK	2020 TDKK
Goodwill	10	351.126	279.714
Customer contracts	10	1.210	2.430
Customer relations	10	94.948	34.976
Software	10	2.421	4.053
Property, plant and equipment	11, 12	35.382	5.649
Other receivables		2.141	1.668
Total non-current assets		487.228	328.490
Inventories	16	226.130	80.250
Trade receivables	17	288.733	139.904
Other receivables		14.956	10.697
Prepayments		538	492
Cash and cash equivalents		94.673	78.997
Total current assets		625.030	310.340
Total assets		1.112.258	638.830

Consolidated balance sheet

	Notes	2021 TDKK	2020 TDKK
Share capital	19	1.618	1.618
Reserves		(1.558)	(12.839)
Equity attributable to equity holders of the parent		60	(11.221)
Non-controlling interests		90.491	81.116
Total equity		90.551	69.895
Borrowings	20	308.656	228.647
Lease obligations	12	13.235	2.849
Payables to owner and Management	20, 21	95.216	84.848
Deferred tax liabilities	15	22.692	9.695
Other payables		56.770	8.161
Total non-current liabilities		496.569	334.200
Borrowings	20	18.648	6.050
Lease obligations	12	6.490	1.638
Trade payables		423.381	199.781
Corporation tax		21.379	2.648
Other payables		54.313	24.410
Deferred revenue		927	208
Total current liabilities		525.138	234.735
Total liabilities		1.021.707	568.935
Total equity and liabilities		1.112.258	638.830

Consolidated statement of changes in equity

		Share capital	Retained earnings	Reserve for hedging transactions	Foreign currency translation reserve	Equity attributable to share- holders of the parent	Non- controlling interests	Total
	Notes	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 01.01.2020		1.618	(14.605)	(1.549)	(1.660)	(16.196)	76.350	60.154
Profit for the period		0	7.030	0	0	7.030	5.069	12.099
Fair value adjustment of hedging instruments, beginning of year		0	0	1.986	0	1.986	2.753	4.739
Fair value adjustment of hedging instruments, end of year		0	0	(4.259)	0	(4.259)	(3.072)	(7.331)
Tax on adjustment of hedging instruments for the year		0	0	500	0	500	70	570
Exchange adjustments relating to foreign entities		0	0	0	(282)	(282)	(203)	(485)
Total comprehensive income for the period		0	7.030	(1.773)	(282)	4.975	4.617	9.592
<i>Transactions with owners in their capacity as owners</i>								
Capital increase		0	0	0	0	0	149	149
Equity at 31.12.2020		1.618	(7.575)	(3.322)	(1.942)	(11.221)	81.116	69.895
Profit for the period		0	8.710	0	0	8.710	6.343	15.053
hedging instruments, beginning of year		0	0	4.259	0	4.259	3.072	7.331
Fair value adjustment of hedging instruments, end of year		0	0	(2.279)	0	(2.279)	(1.659)	(3.938)
Tax on adjustment of hedging instruments for the year		0	0	(436)	0	(436)	(311)	(746)
Exchange adjustments relating to foreign entities		0	0	0	263	263	191	454
Other equity movements		0	764	0	0	764	0	764
Total comprehensive income for the period		0	9.474	1.545	263	11.281	7.636	18.918
<i>Transactions with owners in their capacity as owners</i>								
Capital increase		0	0	0	0	0	1.738	1.738
Equity at 31.12.2021		1.618	1.898	(1.777)	(1.679)	60	90.491	90.551

Consolidated statement of cash flows

	Notes	2021 TDKK	2020 TDKK
Profit for the period		15.053	12.099
Financial income		(9.406)	(25.161)
Financial expenses		64.786	47.101
Depreciation and amortisation expense		18.508	13.707
Tax on profit/loss for the year		16.929	3.733
Change in net working capital	25	(18.947)	32.584
Cash flows from primary operating activities		86.923	84.063
Interests received		9.406	3.289
Interests paid		(29.109)	(23.591)
Income taxes paid		(10.241)	(6.332)
Net cash flow from operating activities		56.979	57.429
Purchase of business		(122.757)	0
Purchase of intangible assets		(326)	(1.813)
Purchase of property, plant and equipment		(13.067)	(5.877)
Sale of property, plant and equipment		1.102	146
Sale of fixed asset investments		0	850
Net cash flow from investing activities		(135.048)	(6.694)
Proceeds from borrowings	20	62.700	0
Proceeds from other long-term debt	20	41.000	0
Repayment of borrowings	20	(6.350)	(6.357)
Repayment from owner and management	20	(123)	(56)
Minority interests		2.502	149
Lease instruments		(5.984)	(144)
Cash flow from financing activities		93.745	(6.408)
Net cash flow for the year		15.676	44.327
Cash and cash equivalents, beginning of the year		78.997	34.670
Cash and cash equivalents at end of the year		94.673	78.997

Notes

1. Accounting policies
2. Critical accounting estimates and judgements
3. Events after the balance sheet date
4. Revenue
5. Employee benefits expense
6. Amortisation, depreciation and impairment losses
7. Financial income
8. Financial expenses
9. Income tax expense
10. Intangible assets
11. Property, plant and equipment
12. Leases
13. Investments i subsidiaries
14. Business combination
15. Deferred tax
16. Inventories
17. Trade receivables
18. Categories of financial instruments and fair values
19. Share capital
20. Borrowings
21. Related parties
22. Fee to auditors appointed at the general meeting
23. Commitments and contingent liabilities
24. Financial risk management
25. Changes in net working capital

Notes

1. Accounting policies

The Financial Statements for Belgravia Topco ApS have been prepared in accordance with International Financial Reporting Standards (IFRS) is issued by the International Accounting Standards Board (IASB) and as adopted by the European Union as well as additional Danish disclosure requirements applying to entities of reporting class C for large enterprises.

The financial statements are presented in Danish kroner (DKK). The financial statements have been rounded to the nearest thousand.

With regards to the true and fair view of the financial statements, certain reclassifications have been made in the balance sheet and notes. Comparative figures have been adjusted accordingly. The changes has no effect on equity and result.

New standards not yet effective

There are no IFRSs or IFRIC interpretations that are not yet effective that is expected to have a material impact on the Company.

Basis of consolidation

The consolidated financial statement comprise the parent company and enties over which it has control.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively. As further described in note 13 the non controlling interests hold preference shares in the Danoffice Group. The terms are equal to the term under the loan from the parent company, and profit/loss is attributed between the owners of the parent company and the non controlling taking into economic effect of the loan.

Business combinations

Acquisitions

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group, and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred

The excess of the:

- consideration transferred, and
- amount of any non-controlling interest in the acquired entity

Over the fair value of the net identifiable assets acquired is recognized as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured at fair value, with changes in fair value recognized in profit or loss.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Danish Kroner (DKK), which is Belgravia Topco ApS's functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Foreign currency translation (continued)

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

Hedge accounting

Derivates financial instruments are recognised on the trade date and measured at fair value on initial recognition. They are subsequently, measured at fair value. The effective portion of fair value changes on derivate financial instruments designated as cash flow hedges is recognized in other comprehensive income and classified in a separate reserve. The gain or loss in transferred from this reserve to the income statement along with recognition of the hedged item.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- b) income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- c) all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Revenue recognition

Revenue consist primarily of sale of goods. Revenue is measured at the transaction price which is the consideration agreed exclusive VAT and less discounts, if any. Revenue is recognized when the customer obtains control over the goods which is typically on transfer of risk to the customer.

Costs of goods sold

Costs of goods sold comprises the carrying amount of inventories sold during the year.

Other external expenses

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

Employee benefits expense

Employee benefits expenses comprise wages and salaries as well as other payroll expenses.

Fair value of equity instrument granted as compensation is recognised as an expense over the period in which the participants become entitled to the instruments. If the instruments vest immediately, the expense is recognised at grant date.

Depreciation, amortisation and impairment losses

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

Financial income and expenses

Financial income and expenses include interest, financial gains and expenses with respect to debt, realised and unrealised exchange adjustments, amortisation of mortgage loans as well as additional payments and repayment under the tax prepayment scheme.

Income tax and deferred tax

The company is jointly taxed with the Danish subsidiaries. The Danish income tax payable is allocated between the jointly taxed Danish companies based on their proportion of taxable income (full absorption including reimbursement of tax deficits). The jointly taxed companies are taxed under the Danish Tax Payment Scheme. Additions, deductions and allowances are recognised under financial income or financial costs.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Intangible assets

Goodwill is measured at cost less impairment losses. Goodwill is tested for impairment annually or in case of indications of an impairment.

Customer contracts on business combinations are measured at cost less accumulated amortisation. Customer relations are amortised over the expected useful life of 1-10 years.

Software is measured at cost less accumulated amortisation. Software is amortised over the expected useful life of 3-5 years.

Property, plant and equipment

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

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values over their estimated useful lives, as follows:

Leased assets	1-6 years
Other fixtures and equipment	3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Impairment of assets

The carrying amount of intangible assets, property, plant and equipment are reviewed for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Where there are indications of impairment, an impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

Inventory

Inventories comprise of goods for resale and are measured at the lower of cost under the FIFO method and net realisable value.

The cost of goods for resale comprise of landed cost after deducting rebates and discounts.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

Trade receivables

Trade receivables are recognised initially at fair value . Subsequently, receivables are measured at amortised cost which is usually equal to the nominal amount less allowance for expected credit losses. The Group applies the simplified approach and measures all credit losses as the life time expected credit losses.

Transferred receivables

Trade receivables are derecognised when they are legally transferred and the buyer assumes substantially all risks and rewards such as credit risk and late payment risk. If some of the risks are retained, a portion of the receivables reflecting the retained interest is not derecognized.

Other receivables

Other receivables are initially recognised at fair value adjusted for any transaction costs. Subsequently, receivables are measured at amortised cost, which usually corresponds to the nominal value. Write-down is made to net realisable value to provide for expected losses.

Prepayments

Prepayments, sorted under current assets, comprise costs incurred concerning subsequent financial years.

Equity***Retained earnings***

Retained earnings comprises of cumulative earnings less dividend distributed.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 2, Foreign currency translation and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Reserve for hedging transactions

Cash flow hedge reserve comprises of the effective part of fair value changes on derivate financial instruments qualifying for cash flow hedge accounting.

Non-controlling interests

Non-controlling interests comprises of the proportion of equity in subsidiaries held by non-controlling owners.

Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost which is generally equal to the nominal amount of the liability.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. On subsequent recognition, the borrowings are measured at amortised cost, corresponding to the capitalised value, using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Leases and lease obligations

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments
- the exercise price of a purchase or extension option if the lessee is reasonably certain to exercise that option

The lease payments are discounted using the group's incremental borrowing rate.

Right-of-the-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease obligation
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and restoration costs.

Statement of cash flow

The cash flow statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt, lease payments (excluding interest) as well as payments to and from shareholders.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and current bank deposits.

Consolidated Key Figures

The key figures and financial ratios have been prepared on a consolidated basis. The financial ratios have been computed in accordance with the latest Guidelines issued by the Danish Finance Society.

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

2. Critical accounting estimates and judgements

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The judgments, estimates and assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical judgments, estimates and assumptions for the individual items are described below.

The Group is also subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

Impairment test

Determining the value in use of goodwill is associated with significant estimation uncertainty. As of 31 December 2021, the impairment test shows that no reasonably possible adverse change in the key assumptions applied to determine the cash flows would lead to an impairment. Consequently, the estimation uncertainty related to determining the carrying amount of goodwill is limited as of 31 December 2021. Refer to note 10.

Notes

3. Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

4. Revenue

	2021 TDKK	2020 TDKK
Asia Pacific	65.945	55.102
Europe, Middle East and Africa	1.446.460	914.738
North and South America	487.834	149.914
	2.000.239	1.119.754

The revenue is divided based on the geographical delivery destination.

The group has entered into long term supply agreements with customers. The agreements are framework agreements and consequently, no amount for unsatisfied performance obligations at the balance sheet date is disclosed.

	2021	2020
	TDKK	TDKK
5. Employee benefits expense		
Wages and salaries	132.368	82.634
Pensions	9.527	4.082
Other social security expenses	1.584	984
Other staff expenses	7.120	3.394
	150.599	91.094
Average number of employees	192	133

Key Management Compensation

Key Management consists of Executive Board and other key personnel. The compensation paid or payables to key management for employee services is shown below:

Remuneration of management in total:

Wages and salaries	9.035	8.086
Pension costs	418	412
	9.453	8.498

The Executive Board is not separately remunerated as payment is included in the Management fee paid to Agilitas 2015 private Equity Fund L.P. 1.041 TDKK (2020: 1.043 TDKK) of the Management fee is estimated to be attributable to remuneration of the Executive Board

Share incentive plan for key management

Key management and certain other employees holds shares in the group, cf. note 13

In order to retain the Groups Key management personnel, Key management personnel has been offered to become shareholders of the Belgravia Midco Group.

The scheme set-forth that shares are traded on market values. Reference is made to note 13 Share based payments.

	2021 TDKK	2020 TDKK
6. Amortisation, depreciation and impairment losses		
Amortisation	10.374	6.357
Depreciation	8.134	7.350
	18.508	13.707
7. Financial income		
Interest income	0	849
Exchange rate adjustments	9.406	24.312
	9.406	25.161
8. Financial expenses		
Interest expenses	43.635	38.219
Exchange rate adjustments	21.151	8.882
	64.786	47.101

	2021 TDKK	2020 TDKK
9. Income tax expense		
<i>Current tax</i>		
Current tax on profits for the year	15.844	4.102
Adjustment for current tax of prior periods	3.010	1.092
Total current tax expense	18.854	5.194
<i>Deferred tax</i>		
Decrease/(increase) in deferred tax liabilities	(1.925)	(1.443)
Other adjustments	0	(18)
Total deferred tax expense/(benefit)	(1.925)	(1.461)
Income tax expenses	16.929	3.733
The effective tax rate is determed as follows:		
Calculated 22.0% tax on profit for the year before income tax	7.036	3.483
Tax effects of:		
Non-deductible expenses and interests	6.883	235
Adjustment for current tax of prior periods in foreign jurisdictions	3.010	0
Deferred tax assets for the year not recognised	0	15
	16.929	3.733
Effective tax rate	53%	24%

Notes

10. Intangible assets

	Goodwill TDKK	Customer contracts TDKK	Customer relations TDKK	Software TDKK
Cost:				
At 01.01.2021	279.714	21.900	39.100	9.923
Additions through business combinations	0	0	0	2.761
Additions during the year	71.412	0	66.630	326
Transfers for the year	0	0	0	(624)
At 31.12.2021	<u>351.126</u>	<u>21.900</u>	<u>105.730</u>	<u>12.386</u>
Depreciation and impairment:				
At 01.01.2021	0	19.470	4.124	5.870
Depreciations through business combinations	0	0	0	1.264
Depreciation for the year	0	1.220	6.658	2.496
Transfers for the year	0	0	0	335
At 31.12.2021	<u>0</u>	<u>20.690</u>	<u>10.782</u>	<u>9.965</u>
Carrying amount 31.12.2021	<u>351.126</u>	<u>1.210</u>	<u>94.948</u>	<u>2.421</u>
Cost:				
At 01.01.2020	279.714	21.900	39.100	6.109
Additions through business combinations	0	0	0	1.813
Additions	0	0	0	2.001
At 31.12.2020	<u>279.714</u>	<u>21.900</u>	<u>39.100</u>	<u>9.923</u>
Depreciation and impairment:				
At 01.01.2020	0	17.850	1.517	2.502
Depreciation for the year	0	1.620	2.607	2.130
Reversals regarding disposals	0	0	0	1.238
At 31.12.2020	<u>0</u>	<u>19.470</u>	<u>4.124</u>	<u>5.870</u>
Carrying amount 31.12.2020	<u>279.714</u>	<u>2.430</u>	<u>34.976</u>	<u>4.053</u>

10. Intangible assets (continued)

Impairment test for goodwill

Goodwill related to Danoffice IT Group

Danoffice IT Group's activities comprise of sales of IT equipment and software primarily to international institutions and local and global public and corporate organizations. No part of the Group's activities are managed and monitored separately financially, and consequently, the Group has only one operation segment comprising all activities of the Danoffice IT Group. The carrying amount of goodwill is 351 MDKK as of 31 December 2021. The Group determines value in use based on a 2 year forecast period based on a 2022 budget approved by Management.

The key assumptions for determining the forecasted cash flows are:

1. Revenue development
2. Gross margin

Management expects a moderate increase in revenue in the first years of the forecast period with a decrease down to terminal period growth rate of 1.5% (2020: 1.5%). Management expects a stable gross margin in the forecast period. The expectations to revenue growth and the gross margin are primarily based on the current portfolio of long-term customer contracts, expectations to additional sales, the renewal rate of such contracts and expectations regarding obtaining new contracts in tenders. The expectations to the development in these assumptions are based on historical experience. The terminal period growth rate is determined on the basis of general global growth expectations. The Management has applied a discount rate of 9% (2020: 9%) after tax (approx. 11.54% before tax) based on what market participants would require in return for investments in similar entities.

As of 31 December 2021, no reasonably possible change in one of the key assumptions for determining future cash flows will result in an impairment.

11. Property, plant and equipment

	Land and buildings TDKK	Leased assets TDKK	Other fixtures and fittings, tools and equipment TDKK	Total TDKK
Cost:				
At 01.01.2021	0	13.241	4.049	17.290
Additions through business combinations	0	0	8.358	8.358
Additions during the year	12.074	21.222	993	34.289
Disposals during the year	0	(7.268)	(387)	(7.655)
Transfers for the year	0	0	(230)	(230)
At 31.12.2021	12.074	27.195	12.783	52.052
Depreciation and impairment:				
At 01.01.2021	0	8.861	2.780	11.641
Depreciations through business combinations	0	0	5.736	5.736
Depreciation for the year	13	6.109	2.012	8.134
Reversals regarding disposals	0	(7.268)	(384)	(7.652)
Transfers for the year	0	0	(1.189)	(1.189)
At 31.12.2021	13	7.702	8.955	16.670
Carrying amount 31.12.2021	12.061	19.493	3.828	35.382

11. Property, plant and equipment (continued)

	Leased assets TDKK	Other fixtures and fittings, tools and equipment TDKK	Total TDKK
Cost:			
At 01.01.2020	9.474	5.924	15.398
Additions through business combinations	0	0	0
Additions during the year	5.410	467	5.877
Disposals during the year	(1.643)	(341)	(1.984)
Transfers for the year	0	(2.001)	(2.001)
At 31.12.2020	13.241	4.049	17.290
Depreciation and impairment:			
At 01.01.2020	4.942	2.501	7.443
Depreciation for the year	5.562	1.788	7.350
Reversals regarding disposals	(1.643)	(271)	(1.914)
Transfers for the year	0	(1.238)	(1.238)
At 31.12.2020	8.861	2.780	11.641
Carrying amount 31.12.2020	4.380	1.269	5.649

12. Leases

Amounts recognised in the balance sheet

The balance show the following amounts relating to leases:

	2021 TDKK	2020 TDKK
Right-of-use assets		
Land and buildings	12.263	1.047
Equipment	7.230	3.333
	19.493	4.380
Lease liability		
Current	6.490	1.638
Non-current	13.235	2.849
	19.725	4.487

12 . Leases (continued)

Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	2021 TDKK	2020 TDKK
Depreciation charge of right-of-use assets		
Land and buildings	3.020	3.629
Equipment	3.089	1.933
	6.109	5.562
Interest expenses relating to recognised leases at the balance sheet	649	274
Expenses relating to short-term leases	0	0
Expenses relating to low-value-assets (that are not short-term leases)	0	0
Expense relating to variable lease payments (not included in lease liabilities)	0	0
	649	274

The group does not have significant short-term leases or low-value assets related to lease agreements.

Amounts recognised in the balance sheet

The balance show the following amounts relating to leases:

	Land and buildings TDKK	Equipment TDKK	Total TDKK
Right-of-use assets			
Carrying amount 1 January 2021	1.045	3.335	4.380
Additions	15.026	6.196	21.222
Depreciation for the year	-3.020	-3.089	-6.109
Carrying amount 31 December 2021	13.051	6.442	19.493
	Land and buildings TDKK	Equipment TDKK	Total TDKK
Right-of-use assets			
Carrying amount 1 January 2020	3.032	1.500	4.532
Additions	1.642	3.768	5.410
Depreciation for the year	-3.629	-1.933	-5.562
Carrying amount 31 December 2020	1.045	3.335	4.380

13. Investments i subsidiaries

Investments in subsidiaries are specified as follows:

Name	Place of Registered Office	Vote and Owner-ship	Share Capital
Belgravia Midco ApS	Svendborg, Denmark	77% ¹⁾	TDKK 2,273
Belgravia Midco 2 ApS	Svendborg, Denmark	77% ¹⁾	TDKK 2,273
Belgravia Bidco ApS	Svendborg, Denmark	77% ¹⁾	TDKK 2,273
Danoffice IT ApS	Svendborg, Denmark	77% ¹⁾	TDKK 250
Edgemo A/S	Hinnerup, Denmark	77% ¹⁾	TDKK 500
Npvision Group A/S	Aarhus, Denmark	77% ¹⁾	TDKK 500
Danoffice IT SA	Rolle, Switzerland	77% ¹⁾	TCHF 100
Danoffice IT Inc.	Newark, Delaware, USA	77% ¹⁾	USD 30
Danoffice IT PTE. LTD	Singapore	77% ¹⁾	TSGD 220

1) Belgravia Midco holds 100% of the shares in Belgravia Midco 2 and Belgravia Midco 2 holds 100% of the shares i Belgravia Bidco, which holds 100% of the shares in Danoffice IT and its fully owned subsidiaries.

Management and investors holds a non controlling interest in the Group through ownership of non voting preference shares in Belgravia Midco ApS. The activities of this subgroup comprises in all material respect the activities of the Group as a whole. Consequently, no summarized financial information is provided for subsidiaries with significant non controlling interests.

If a Management member leave the Group, the parent company is entitled but not obligated to buy the shares held by the leaving member or arrange purchase by another party. If the Group elects not to exercise its option, other management members will be entitled to buy the shares. The repurchase price is generally fair value but in some instances lower of fair value and cost price. The arrangement has no incremental value for the participants in the arrangement, and consequently, no remuneration expense has been recognized.

14. Business combination

The subsidiary Danoffice IT ApS acquired on 1 January 2021 all of the shares in Npvision Group A/S and on 1 June 2021 all of the shares in Edgemo A/S for a total cash consideration of 111.0 MDKK, a deferred payment of 0.95 MDKK falling due to interim period earnings and contingent consideration in the amount of up to 36.8 MDKK. Contingent consideration for both acquisitions is determined based EBITDA in the financial year ending 31 December 2021. An amount of 30 MDKK was paid, and due to the short period between signing and completion of the period whose earnings the consideration is determined, the amount paid is considered fair value as of the acquisition date.

Npvision Group A/S is acquiring, grading, and selling used equipment and services relating to secure disposal of used equipment for large and medium-sized businesses.

Edgemo A/S supplies business-critical IT infrastructure, software and consulting services for multinational enterprises, large, and medium-sized businesses.

The total goodwill of 71.4 MDKK is attributable to operating synergies and an assembled workforce. Goodwill is not deductible for tax purposes.

The following table summarises the consideration paid for Npvision Group A/S and Edgemo A/S and the fair value of assets acquired and liabilities assumed as of the acquisition dates.

Fair value of the shares was determined on the basis of the equity values of Npvision Group A/S and Edgemo A/S forming the basis for the purchase price.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	Fair value TDKK
Purchase consideration:	
Cash paid	111.000
Deferred payment	951
Fair value of contingent consideration	36.800
Total consideration	148.751

14. Business combination (continued)

The assets and liabilities recognised as a result of the acquisitions are as set out below. Fair value of customer relations is determined based on a multiple excess earnings approach (“Meem”) taking into accounting current earnings and the expected churn rate of the customer base.

Customer relations	66.630
Deferred tax related to customer relations	(14.650)
Intangible assets	1.496
Property, plant and equipment	2.621
Deposit	245
Leased assets	14.182
Inventories	52.594
Deferred tax	(272)
Trade receivables, other receivables and prepayments	113.120
Cash and cash equivalents	19.194
Lease obligations	(14.182)
Other liabilities	(163.642)
Net identifiable assets acquired	77.336
Goodwill	71.415
Total consideration	148.751
	Fair value TDKK
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	148.751
Less: Balances acquired	
Cash less bank overdraft	(19.194)
Unpaid contingent consideration	(6.800)
	(25.994)
Net outflow of cash - investing activities	122.757

14. Business combination (continued)

Settlement of deferred consideration, 0.95 MDKK and contingent consideration, 36.8 MDKK are included in cash flows from financing activities

Acquired receivables

The nominal value of acquired receivables amounts to TDKK 109,574 compared to the carrying amount of TDKK 109,574.

The nominal value of acquired receivables amounts to TDKK 2,547 compared to the carrying amount of TDKK 2,547.

Revenue and profit contribution

Edgemo A/S has contributed with revenue for 2021 of 333 MDKK and profit before tax of 13 MDKK.

Npvision Group A/S has contributed with revenue for 2021 of 43 MDKK and profit before tax of 9 MDKK.

Had Edgemo A/S been owned from 1 January 2021, it would have contributed to revenue with 708 MDKK and contributed to profit before tax with 23.5 MDKK.

Acquisition-related costs

Costs incurred to effect the business combinations amounts to 1,955 TDKK. The costs are included in the line item Other external expenses.

15. Deferred tax

	2021 TDKK	2020 TDKK
Deferred tax at 01.01.2021	9.695	11.138
Additions through business combinations	14.650	0
Deferred tax recognised in the income statement	(1.653)	(1.443)
Deferred tax at 31.12.2021	22.692	9.695
Deferred tax relates to:		
Property, plant and equipment	(438)	(549)
Intangible assets	22.835	9.121
Tax loss carry-forwards	0	0
Other liabilities	295	1.123
	22.692	9.695
Of which presented as deferred tax assets	0	0
Of which presented as deferred tax liabilities	22.692	9.695

16. Inventories

	2021 TDKK	2020 TDKK
Goods for resale	226.130	80.250
	226.130	80.250

17. Trade receivables

The Group has a trade receivable transfer arrangement under which certain trade receivables are legally transferred to a financial counterparty. The buyer takes on 95% on the credit risk and the Group retains late payment risk up until a deemed default date. Management has determined that the Group has neither transferred nor retained substantially all risks and rewards related to the transferred receivables. As of 31 December 2021, an amount of 57.7 MDKK has been transferred to the financial counterparty. An amount of 2.9 MDKK has been recognised as a receivable and a corresponding liability to reflect the continuing involvement.

Furthermore, the group companies Edgemo A/S and Npvision Group A/S have trade receivable insurances where the insurance company takes on 90% of the risk. The Companies do not insure all trade receivables, however an individual assessment is made of the specific customer.

18. Categories of financial instruments and fair values

The table below sets out the financial instruments held by the Group at the carrying amount:

	2021 TDKK	2020 TDKK
Trade receivables	288.733	139.904
Other receivables	17.097	12.365
Cash and cash equivalents	94.673	78.997
Financial assets at amortised cost	400.503	231.266
Borrowings (non-current)	308.656	228.647
Payable to owner and Management	95.216	84.848
Other payables (non-current)	56.770	8.161
Borrowings (current)	18.648	6.050
Trade payables	423.381	199.781
Corporation tax	21.379	2.648
Financial liabilities at amortised cost	924.050	530.135
Interest rate swaps	3.938	7.331
Financial liabilities at fair value through profit or loss	3.938	7.331

Financial instruments measured at fair value can be divided into three levels:

Level 1 - Quoted prices in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included in level 1 that are observable for the asset or liability

Level 3 - Inputs for the asset or liability that are not based on observable market data.

Fair values are approximately corresponding to the carrying amounts. All financial instruments are classified within level 2.

19. Share capital

The share capital consists of 1 share of a nominal value of TDKK 1.618. No shares carry any special rights.

Capital management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. Similar to other investments held by venture capital organizations, this results in a relatively high leverage. Capital is managed on a debt to equity ratio.

20. Borrowings

The borrowings comprise of acquisition related loans as well as revolving facilities to fund the ongoing operations. The group is funded by external bank loans and by shareholder loans. There are covenants attached to the bank facilities.

	Beginning of year	Cash flows	Forreign currency changes	Accrued interests	Year end
Non-current borrowings	228.647	43.752	20.827	15.430	308.656
Current borrowings	6.050	12.598	0	0	18.648
Other payables	0	41.000	0	0	41.000
Payables to owner and Management	84.848	(123)	0	10.491	95.216
Cash flow from financing activities at 31.12.2021	319.545	97.227	20.827	25.921	463.520

	Beginning of year	Cash flows	Forreign currency changes	Accrued interests	Year end
Non-current borrowings	241.919	(6.357)	(19.926)	13.011	228.647
Current borrowings	6.618	0	(568)	0	6.050
Payables to owner and Management	75.532	(56)	0	9.372	84.848
Cash flow from financing activities at 31.12.2020	324.069	(6.413)	(20.494)	22.383	319.545

21. Related parties

The group is controlled by the following entities:

	Basis
Belgravia Holding Sàrl, Luxembourg	Majority owner
Agilitas 2015 Private Equity Fund L.P., United Kingdom	Ultimate owner

The party exercising control of Belgravia Topco ApS' is its majority shareholder Agilitas 2015 private Equity Fund L.P. via its holding in Belgravia Holding S.a.r.l. (Luxembourg)

Other related parties comprise Belgravia Topco ApS' Executive Board and key management.

The following transactions were carried through in 2021 with related parties:

The group has expensed DKK 1.7m in fees for services rendered to Agilitas Private Equity LLP. Agilitas Private Equity LLP is the general partner of Agilitas 2015 Private Equity Fund L.P, majority shareholder of Belgravia Topco ApS.

The group has expensed DKK 0.6m in fees for services rendered to other minority shareholders.

The group has expensed Interest DKK 10.5m on loans to Agilitas 2015 Private Equity Fund L.P. and other minority shareholders. The balance of the loans 31 December 2021 is DKK 95.2m.

Transactions with key management personnel consist of remuneration, which is disclosed in note 5.

No other transactions have taken place during the year with Executive Board, major shareholders or other related parties.

All related party transactions has been made on an arm's length basis.

22. Fee to auditors appointed at the general meeting

	2021 TDKK	2020 TDKK
PricewaterhouseCoopers		
Audit fee	400	230
Other assurance engagements	0	0
Tax advisory services	428	170
Non-audit services	1.016	899
	1.844	1.299

23. Commitments and contingent liabilities

Contingent liabilities

Group

As part of the group's ordinary business procedures, bank guarantees have been provided to third parties. At 31 December 2021, bank guarantees amounted to TDKK 33,342 (2020: TDKK 27,324).

The following assets have been placed as security with bankers (credit facilities totaling TDKK 331,550 as per 31 December 2021).

	2021 TDKK	2020 TDKK
Net assets in the companies Danoffice IT ApS, Belgravia Bidco ApS and Belgravia Midco 2 ApS with a carrying value of	404.399	318.659

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the 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.

Notes

24. Financial risk management

The group's activities expose it to a variety of financial risks: market risk (currency and interest risk), credit risk and liquidity risk.

The Financial risks of the group are managed centrally. The overall risk management guidelines and policies have been approved by the board of directors. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The CFO manages contracts and risk exposures in accordance with the guidelines and policies and reports to the board of directors on a regular basis.

Currency risk

A significant of the Group's sales are invoiced in USD. The goods sold in USD are, however, also purchased in USD resulting in a natural hedge to some extent. The Group does currently not hedge the resulting net exposure arising from the sales being higher than the purchases and the different payment terms for sales and purchases in USD.

As of 31 December 2021 and 2020 respectively, the Group's borrowings are mainly in USD and DKK. It is the Group's policy not to hedge these loans. The loans form a "natural hedge" of the unhedged commercial exposure discussed above.

As of 31 December, a 10% increase in USD vs. DKK would have a (negative) impact on profit before tax of 26.0 MDKK.

The Group has no significant exposures to any other currencies.

Interest rate risk EUR

The Group is exposed to interest rate risk through its floating rate borrowings. As of 31 December 2021 and 2020 respectively, all borrowing are floating rate borrowings.

The group generally hedges floating interest rate into fixed rate.

As of 31 December 2021, the Group has two interest rate swaps under which the interest rate on part of the borrowings is fixed for the remaining term. The two interest rate swaps have a fixed average interest of 2.88%. The interest rate swaps expire by the end of 2024.

As of 31 December 2021, an 1% increase in interest rates would have a negative impact on profit with 1.8 MDKK and affect other comprehensive income positively with 0.0 TDKK.

The notional amount on the interest swaps as of 31 December 2021 is 1.125 MUSD. In the period 2021-2025 the notional amount will be reduced by 3.75 MUSD.

Credit risk

The Group is exposed to credit risk from the sale of goods. The majority of the Group's trade receivables are vs. UN organisations. Due to the fact that UN is funded by national states, the credit risk is considered very limited. The remaining trade receivable arise from sale to various corporates.

The credit risk vs. financial counter parties is limited as the group is primarily borrower.

Liquidity risk

The Group manages is liquidity risk by monitoring the changes in working capital and by ensuring adequate funding is in place. Based on the Group's cash management principle - cash concentration.

The Group has loans which is subject to covenant compliance. The includes that the Group has to comply with debt ratios. Management continuously monitor abd forecast on the ratios. No breach of covenants have occured.

The group has undrawn borrowing facilities of 43.8 MDKK that may be available for future operating activities and to settle capital commitments.

Notes

24. Financial risk management (continued)

The table below analyses the group's non-derivative and derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

For floating rate borrowings, the rate at the balance sheet date has been applied.

	Less than 1 year TDKK	1-5 years TDKK	>5 years TDKK	Total TDKK
As at 31.12.2021				
Non-derivatives				
Credit institutions	18.648	308.656	0	327.304
Trade payables	423.381	0	0	423.381
Payables to shareholders	0	0	95.216	95.216
Lease obligations	6.490	10.331	2.904	19.725
Other payables	54.313	41.000	15.770	111.083
	502.832	359.987	113.890	976.709
Derivatives				
Interest rate swaps	3.938	0	0	3.938
As at 31.12.2020				
Non-derivatives				
Credit institutions	6.050	58.077	170.570	234.697
Trade payables	199.781	0	0	199.781
Payables to owners and Management	0	0	84.848	84.848
Lease obligations	1.638	2.849	0	4.487
Other payables	24.410	0	8.161	32.571
	231.879	60.926	263.579	556.384
Derivatives				
Interest rate swaps	7.331	0	0	7.331

	2021 TDKK	2020 TDKK
25. Changes in net working capital		
Changes in inventories	(93.286)	(7.394)
Changes in trade receivables	(37.992)	56.966
Changes in other receivables	(3.487)	10.775
Changes in prepayments	(46)	298
Changes in trade and other payables	112.471	(25.468)
Derivater	3.393	(2.593)
	(18.947)	32.584

Statement of profit and loss (Parent company)

1 January - 31 December

	Notes	2021 TDKK	2020 TDKK
Gross profit		(248)	(232)
Other operating expenses		0	0
Operating profit		(248)	(232)
Finance income	3	10.748	10.440
Finance costs	4	(10.544)	(9.398)
Profit before tax		(44)	810
Income tax expense	5	2	1
Profit for the period		(42)	811
Distribution of profit			
Retained earnings		(42)	811
		(42)	811

Balance Sheet (Parent company) 31 December

Assets	Notes	2021 TDKK	2020 TDKK
Investments in subsidiaries		4.154	1.599
Receivables from group enterprises		96.482	85.734
Fixed asset investments		100.636	87.333
Fixed assets		100.636	87.333
Receivables from group enterprises		1.406	425
Corporation tax receivable from group enterprises		1.456	883
Receivables		2.862	1.308
Cash at bank and in hand		970	207
Currents assets		3.832	1.515
Assets		104.468	88.848
Liabilities and equity			
Share capital		1.618	1.618
Retained earnings		4.249	899
Equity		5.867	2.517
Payables to owners and Management		95.216	84.848
Long-term debt	6	95.216	84.848
Payables to group enterprises		3.053	1.333
Other payables		332	150
Short-term debt		3.385	1.483
Debt		98.601	86.331
Liabilities and equity		104.468	88.848
Key activities	2		
Contingent assets, liabilities and other financial obligations	7		
Accounting Policies	1		

Statement of Changes in Equity (Parent company)

	Share capital TDKK	Retained earnings TDKK	Total TDKK
Equity at 1 January	1.618	899	2.517
Other equity movements	0	3.392	3.392
Net profit/loss for the year	0	(42)	(42)
Equity at 31 December	1.618	4.249	5.867

Notes (Parent company)

1. Accounting Policies
2. Key activities
3. Financial income
4. Financial expenses
5. Tax on profit/loss for the year
6. Long-term debt
7. Contingent assets, liabilities and other financial obligations

Notes to the Financial Statements

1. Accounting Policies

The Annual Report of Belgravia Topco ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in TDKK.

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.

Income Statement

Other external expenses

Other external expenses comprise office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of other external expenses.

Other operating income and expenses

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

1. Accounting Policies (continued)

Financial income and expenses

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

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.

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 enterprises in proportion to their taxable incomes.

Balance Sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Other fixed asset investments

Other fixed asset investments consist of loans to subsidiaries.

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.

Financial debts

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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

Notes

2. Key activities

The purpose of the company is to invest in and own shares in other companies and related activities.

	2021 TDKK	2020 TDKK
3. Financial income		
Interest received from group enterprises	10.748	10.440
	10.748	10.440
4. Financial expenses		
Other financial expenses	10.544	9.398
	10.544	9.398
5. Tax on profit/loss for the year		
Current tax for the year	(2)	(1)
	(2)	(1)

	2021 TDKK	2020 TDKK
6. Long-term debt		
Debt falling due after 5 years	95.216	84.848
	95.216	84.848

7. Contingent assets, liabilities and other financial obligations

Contingent liabilities

The group companies are jointly and severally liable for tax on the Danish jointly taxed incomes etc of the Group. The total amount of Danish corporation tax payable by the Group amounts to TDKK 17.067. Moreover, the 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.