

DIS Group II A/S

Ørstedsvvej 10, 8660 Skanderborg

CVR no. 39 06 64 91

Annual report 2019/20

Approved at the Company's annual general meeting on 21 October 2020

Chairman:


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Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 July 2019 - 30 June 2020	6
Income statement	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of DIS Group II A/S for the financial year 1 July 2019 - 30 June 2020.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2020 and of the results of the Company's operations for the financial year 1 July 2019 - 30 June 2020.

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

We recommend that the annual report be approved at the annual general meeting.

Skanderborg, 21 October 2020
Executive Board:



Michael Carsten Christian
Gadeberg

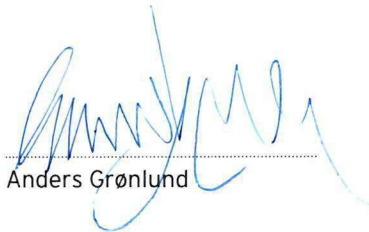
Board of Directors:



Søren Bunk Jensen
Chairman



Søren Henning Rudfred



Anders Grønlund



Michael Carsten Christian
Gadeberg



Willi Rudolf Zinnecker

Independent auditor's report

To the shareholders of DIS Group II A/S

Opinion

We have audited the financial statements of DIS Group II A/S for the financial year 1 July 2019 - 30 June 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 30 June 2020 and of the results of the Company's operations for the financial year 1 July 2019 - 30 June 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for 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 rules and requirements.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 the 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:

Independent auditor's report

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

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

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Aarhus, 21 October 2020
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Peter U. Faurschou
State Authorised Public Accountant
mne34502

Management's review

Company details

Name	DIS Group II A/S
Address, Postal code, City	Ørstedesvej 10, 8660 Skanderborg
CVR no.	39 06 64 91
Established	7 November 2017
Registered office	Skanderborg
Financial year	1 July 2019 - 30 June 2020
Board of Directors	Søren Bunk Jensen, Chairman Anders Grønlund Willi Rudolf Zinnecker Søren Henning Rudfred Michael Carsten Christian Gadeberg
Executive Board	Michael Carsten Christian Gadeberg
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management commentary

Business review

The company's principal activity is to hold investments and IP-rights in other companies and related activities.

Financial review

The income statement for 2019/20 shows a profit of DKK 13,351 thousand against a profit of DKK 24,154 thousand last year, and the balance sheet at 30 June 2020 shows equity of DKK 231,893 thousand.

Events after the balance sheet date

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

Financial statements 1 July 2019 - 30 June 2020

Income statement

Note	DKK	2019/20	2018/19
	Other external expenses	-13,804	-19,341
	Gross profit	-13,804	-19,341
2	Staff costs	0	0
	Amortisation/depreciation and impairment of intangible assets	-30,000	0
	Profit/loss before net financials	-43,804	-19,341
	Income from investments in group enterprises	13,520,706	24,218,970
3	Financial income	293,434	385,242
4	Financial expenses	-467,498	-449,272
	Profit before tax	13,302,838	24,135,599
5	Tax for the year	47,904	18,327
	Profit for the year	<u>13,350,742</u>	<u>24,153,926</u>
Recommended appropriation of profit			
	Proposed dividend recognised under equity	29,000,000	17,700,000
	Net revaluation reserve according to the equity method	-16,221,058	13,482,033
	Retained earnings/accumulated loss	571,800	-7,028,107
		<u>13,350,742</u>	<u>24,153,926</u>

Financial statements 1 July 2019 - 30 June 2020

Balance sheet

Note	DKK	2019/20	2018/19
	ASSETS		
	Fixed assets		
	Intangible assets		
	Acquired intangible assets	120,000	0
		120,000	0
6	Investments		
	Investments in group enterprises	265,376,513	280,582,580
		265,376,513	280,582,580
	Total fixed assets	265,496,513	280,582,580
	Non-fixed assets		
	Receivables		
	Receivables from group enterprises	1,823,423	7,626,840
	Joint taxation contribution receivable	46,045	18,342
		1,869,468	7,645,182
	Cash	4,489,479	25,297
	Total non-fixed assets	6,358,947	7,670,479
	TOTAL ASSETS	271,855,460	288,253,059
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	500,000	500,000
	Net revaluation reserve according to the equity method	0	16,177,486
	Retained earnings	202,392,956	201,821,156
	Dividend proposed	29,000,000	17,700,000
	Total equity	231,892,956	236,198,642
	Provisions		
	Deferred tax	260,400	0
6	Provision, investments in group enterprises	485,547	655,435
	Total provisions	745,947	655,435
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Bank debt	3,314,618	628
	Trade payables	8,000	0
	Payables to group enterprises	23,529,251	18,990,854
	Payables to associates	0	26,244,000
	Other payables	12,364,688	6,163,500
		39,216,557	51,398,982
	Total liabilities other than provisions	39,216,557	51,398,982
	TOTAL EQUITY AND LIABILITIES	271,855,460	288,253,059

- 1 Accounting policies
- 8 Contractual obligations and contingencies, etc.
- 9 Collateral
- 10 Related parties

Financial statements 1 July 2019 - 30 June 2020

Statement of changes in equity

DKK	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Dividend proposed	Total
Equity at 1 July 2018	500,000	2,453,125	208,849,263	12,000,000	223,802,388
Transfer through appropriation of profit	0	13,482,033	-7,028,107	17,700,000	24,153,926
Adjustment of investments through foreign exchange adjustments	0	242,328	0	0	242,328
Dividend distributed	0	0	0	-12,000,000	-12,000,000
Equity at 1 July 2019	500,000	16,177,486	201,821,156	17,700,000	236,198,642
Transfer through appropriation of profit	0	-16,221,058	571,800	29,000,000	13,350,742
Adjustment of investments through foreign exchange adjustments	0	43,572	0	0	43,572
Dividend distributed	0	0	0	-17,700,000	-17,700,000
Equity at 30 June 2020	500,000	0	202,392,956	29,000,000	231,892,956

Financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

1 Accounting policies

The annual report of DIS Group II A/S for 2019/20 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flows are reflected in the consolidated cash flow statement.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income statement

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration etc.

Amortisation

The item comprises amortisation/depreciation and impairment of intangible assets.

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Trademarks	5 years
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Profit from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Investments in subsidiaries

Equity investments in subsidiaries and associates are measured according to the equity method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

1 Accounting policies (continued)

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Other payables

Other payables are measured at net realisable value.

Financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

2 Staff costs

The Company has no employees.

DKK	2019/20	2018/19
3 Financial income		
Interest receivable, group entities	293,434	385,242
	<u>293,434</u>	<u>385,242</u>
4 Financial expenses		
Interest expenses, group entities	393,389	197,204
Other financial expenses	74,109	252,068
	<u>467,498</u>	<u>449,272</u>
5 Tax for the year		
Deferred tax adjustments in the year	-1,900	0
Tax adjustments, prior years	41	15
Refund in joint taxation	-46,045	-18,342
	<u>-47,904</u>	<u>-18,327</u>

Financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

6 Investments

Name	Legal form	Domicile	Interest
Subsidiaries			
Dansk IngeniørService	A/S	Skanderborg	100.00%
Uni Consulting	ApS	Skanderborg	100.00%
CREADIS	GmbH	Germany	100.00%
CREADIS	Inc.	Chicago, US	100.00%
CREADIS Sp.	Zoo	Krakow, Poland	100.00%
CREADIS Development	S.A.	Alicante, Spain	100.00%
CREADIS UK	Ltd.	England	100.00%
DIS House	ApS	Skanderborg	100.00%
Inqba2r	ApS	Skanderborg	100.00%
Mpeople	A/S	Hillerød	100.00%

7 Share capital

The Company's share capital has remained DKK 500,000 over the past 3 years.

8 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its parent, DIS Group Holding A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2018 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 7 November 2017.

9 Collateral

The Company's shares in Dansk IngeniørService A/S and DIS House ApS have been provided as collateral for all bank balances.

The Company has provided suretyship to the bank for other group entities' debt.

Financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

10 Related parties

DIS Group II A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
DIS Group Holding A/S	Skanderborg	Participating interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
DIS Group Holding A/S	Skanderborg	Danish Business Authority

Ownership

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

Name	Domicile
DIS Group Holding A/S	Skanderborg
DIS Incentives ApS	Skanderborg