Omada Group ApS

ANNUAL REPORT

2021

Approved at the Annual General Meeting on 24 May 2022

Chairman of the meeting: Gry Collignon

Omada

Omada Group ApS | Østerbrogade 135 | 2100 Copenhagen | Denmark
Company reg. no. 39969130

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OMADA AT A GLANCE

OMADA IS...

The **Leader** in Modern Identity Governance and Administration with the highest governance and audit standards in the industry

A growth company delivering YoY recurring revenue growth of **+65%**

A challenger with a diverse workplace of **>20** nationalities and where **>40%** of the company's leadership are women

A company, that in 2022 was named **Leader** in The Forrester Wave for Identity Management and Governan-

A company where Cloud implementations can be live in **<90** days

A company with a **120%** increase in the number of new Cloud logos

Market-leading levels of R&D investment of **>40%** of software revenue

A strong business partner with a Net Promoter Score of **>30** and a market leading focus on customer success

LETTER FROM THE CEO AND CHAIRMAN

Omada has accelerated growth further during 2021 building on the strong base established in 2020. The Group has seen growth in all regions and all segments with a strong demand for its SaaS platform, Omada Identity Cloud. Many organizations have now moved to an identity centric security model in response to the new remote working models. As part of this they have looked to replace legacy and high cost on-prem solutions with a modern cloud-based Identity Governance and Administration (IGA) platform with a full feature set and rapid time to value. Omada is uniquely positioned to address this market requirement.

During the year Omada continued to see high levels of new logo signings with multi-year commitments driving significant Annual Recurring Revenue growth of +65%. The company has transitioned fully to a recurring revenue model in 2021 driving an increasingly strong base for the business and fueling investment in innovation and further growth. Omada signed leading global brands during the year adding to its already outstanding customer portfolio.

The rapid growth and new logo acquisition has been complemented by investments in Customer Success and a strong focus on Net Promotor Score (NPS). NPS improvements during 2021 have seen quarter on quarter growth to now market leading levels for the software industry. The relentless focus on customer success and making every customer a reference is now an obsession which forms a cornerstone of the company culture and strategy.

Market recognition of Omada's impact has been acknowledged by leading analysts during 2021 with Forrester positioning Omada as a leader in its latest Wave report of the identity governance market. In addition, Omada won several industry awards and continues to see strong recognition from customers through PeerSpot and Gartner's Peer reviews.

As the market evolves Omada has laid out a clear long-term strategy based on Intelligent IGA that will deliver continuous innovation to our customers and the industry based on identity.

Michael Garrett
CEO

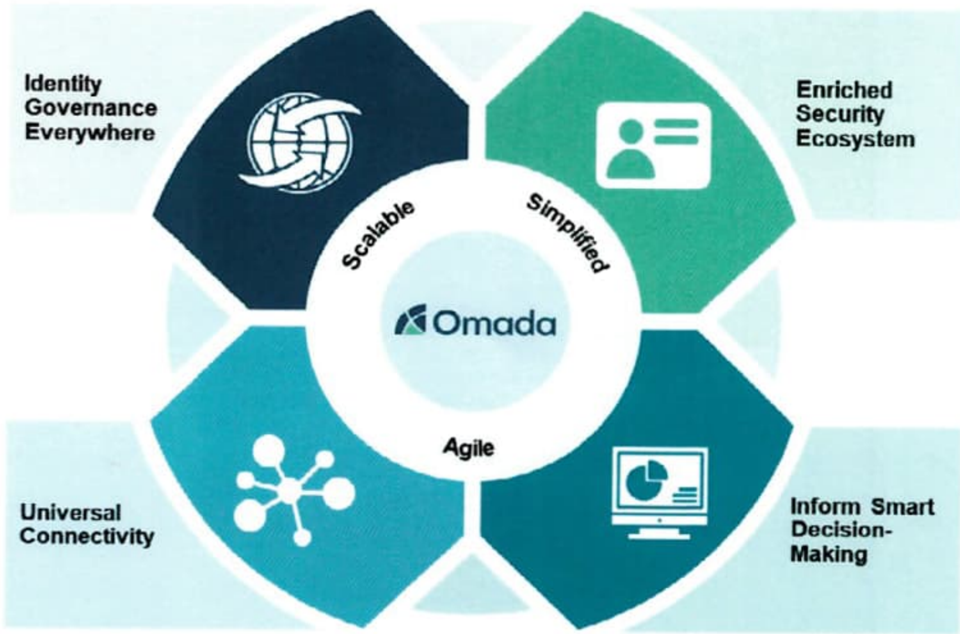
James Ernest Ousley
Chairman

LOOKING FORWARDS

Omada continues to innovate and develop capabilities that deliver on the requirements for modern Identity Governance and Administration (IGA). The IGA market continues to grow as digital transformation takes place and identity becomes the key to organizations cyber security strategies.

Looking forwards Omada is focused on delivering our vision of providing the worlds leading Intelligent IGA solution that:

- provides Identity Governance Everywhere by making Omada more accessible through an easy-to-use new interface, via a customer's chosen request applications, such as ServiceNow and through a mobile application.
- enriches the security ecosystem by enabling an identity-centric approach, combining Omada's strengths in identity governance with the best offerings within adjacent markets, including PAM, SIEM, CIEM, DAG, and Access Management.
- extends connectivity to empower customers to integrate the broadest set of connectors through a connectivity community, partnering with leading Integration Platform as a Service providers and deeper integrations with market-leading applications.
- informs smart decision making by leveraging intelligence and automation to ensure correct access, modeling, and roles through strong identity analytics. Omada is also automating core IGA tasks to minimize human decisions and enable an intelligent risk-based approach.



Omada is delivering on modern IGA today with a clear strategy to transform the market by reducing complexity and cost of ownership whilst innovating in Intelligent IGA.

SUSTAINABILITY AT OMADA

Acting responsibly is part of our DNA at Omada, as a company, as an employer, and as individual employees. Because everything counts.

We are a truly global organization committed to foster a diverse, equitable, and inclusive workplace, and we have our people at the core of everything we do.

In Omada, we have chosen to take on the responsibility to embed sustainability across all our businesses.

To succeed with this ambition, we have established a Cross-organizational Sustainability group to ensure transparency and accountability for the targets we set and to ensure we continuously are challenging ourselves to do better.

We will seek to drive positive change in the world through our efforts to reduce our own and our customers carbon footprint by amongst other leveraging the Cloud technology, buying green energy and utilizing other innovative technologies to travel less. Something that has left us with very low CO2 direct and indirect emission contributions.

Omada is also committed to embrace the principles of resource conservation though its internal operations and is continuously striving to prevent waste and pollution with harmful environmental impact.

Equally important to us as reducing our carbon footprint and preventing any harmful environmental impact, is our people, as they are the core of everything we do.

Hence, we continue to strive to ensure a healthy and secure workplace that is truly diverse and inclusive with equal opportunities, and where all find meaning in work.

Omada is a signatory to the UN Global Compact and actively supports its Ten Principles by integrating these into its processes and policies across the business.

Omada has been rated a silver medal rating in recognition of its sustainability achievement.


Our Mission
Empowering organizations to confidently do more with identity

FINANCIAL REVIEW

FINANCIAL REVIEW OF 2021 AND KEY FIGURES FOR 2018/19 TO 2021 - NON-GAAP MEASURES

Omada Group ApS is the holding company of the Omada Group. In the key financial highlights presented on this page we have adjusted the income statement figures for the impact of amortisation of acquisition values, from the acquisition of Omada A/S in 2018.

In 2021 Omada Group ApS realised an operating profit/loss (Adjusted EBITDA) of DKK (35,846), when excluding the amortisation of the acquired intangible assets "Customer relationships" and "Software" which were acquired as a part of the acquisition of Omada A/S.

The result for 2021 is mostly impacted by the ongoing transformation from sale of perpetual licenses to SaaS, which has deferred revenue to coming years and has made Omada Group ApS grow more than 65% in recurring revenue YoY.

For both 2021 and 2020 this has resulted in an increase of both operating profit/loss and profit/loss excluding amortisation, depreciation and share based payments for the year of total DKK 91,315 thousand in 2021 and DKK 85,252 in 2020.

CONSOLIDATED KEY FINANCIAL HIGHLIGHTS - NON-GAAP MEASURES

	GROUP			
DKK'000	**2021**	**2020**	**2019****	**2018/19***
Software revenue	82,951	79,430	66,867	87,984
Services revenue	119,308	112,351	141,436	147,500
Total revenue	**202,259**	**191,781**	**208,303**	**235,484**
Cost of sales	(129,655)	(117,034)	(150,149)	(151,804)
Gross profit	**72,605**	**74,747**	**58,154**	**83,680**
Sales & Marketing cost	(63,795)	(61,208)	(65,287)	(66,554)
Research & Development cost	(10,587)	(12,735)	(10,972)	(10,368)
General & Administrative cost	(30,815)	(35,520)	(31,438)	(33,246)
Other operating costs	(3,254)	(5,844)	-	(21,174)
Operating profit/loss (Adjusted EBITDA)	**(35,846)**	**(40,560)**	**(49,543)**	**(47,662)**
Annual recurring revenue (ARR)*** DKK'000	94,816	57,627	38,371	-
Annual recurring revenue (ARR) growth	65%	49%	27%	-

*) 2018/19 figures are for the period 25 October 2018 - 31 December 2019

**) Group figures for the period 1 January - 31 December 2019 are unaudited

***) ARR is defined as the value of the contracted recurring revenue components of our term subscriptions normalized to a one-year period.

FINANCIAL REVIEW

FINANCIAL REVIEW OF 2021 AND KEY FIGURES FOR 2018/19 TO 2021

Omada Group ApS is the holding company of the Omada Group. The financial statements includes acquisition values relating to the company's acquisition of Omada A/S. The group reported earnings after tax of DKK (79,186) thousand.

The result for 2021 was affected by the ongoing transformation from sale of perpetual licenses to SaaS, which has deferred revenue to coming years. Operating profit/loss (EBIT) of DKK (100,896) thousand is including amortisation and depriciation of DKK (89,723) thousand.

The group's activities are financed by a bank facility of MDKK 90 and an equity of DKK 627,768 thousand. The result for 2021 is in line with our expectations. In March 2022 the owners have done a capital increase of DKK 44 million to support the ongoing transition from perpetual to SaaS.

FOREIGN SUBSIDIARIES

The Group's activities are carried out through local subsidiaries established in Germany, United Kingdom, Poland, Sweden and the US. Omada has continued to grow its footprint internationally by successfully winning contracts with new strategic customers and partners.

KNOWLEDGE RESOURCES AND DEVELOPMENT ACTIVITIES

Omada continuously focuses on developing innovative products and services by attracting and retaining the very best talent in the marketplace.
The Company proactively works to retain and inspire employees by creating an attractive workplace and offering competitive terms as well as well-balanced incentive structures.

CONSOLIDATED KEY FINANCIAL HIGHLIGHTS

			GROUP	
DKK'000	**2021**	**2020**	**2019****	**2018/19***
Revenue	202,260	191,781	208,303	235,484
Cost of sales	(175,691)	(163,070)	(196,185)	(205,513)
Gross profit	**26,569**	**28,711**	**12,118**	**29,971**
Operating profit/loss (EBIT)	**(100,896)**	**(105,610)**	**(113,634)**	**(123,554)**
Financial income	-	-	69	421
Financial expenses	(2,542)	(2,743)	(1,364)	(1,392)
Profit/loss before tax	**(103,438)**	**(108,353)**	**(114,929)**	**(124,525)**
Tax on the profit/loss for the year	24,252	26,308	24,280	17,734
Profit/loss for the year	**(79,186)**	**(82,045)**	**(90,649)**	**(106,791)**
Total assets	878,587	915,319	946,879	946,879
Total equity	627,768	707,333	772,780	772,780
Return on assets	-9%	-11%	-12%	-13%
Solvency ratio	71%	77%	82%	82%
Return on equity	-12%	-14%	-15%	-16%
Average number of employees	207	183	186	186
Employees at the end of the year	213	182	179	179
EBIT before non-recurring items DKK'000***	(97,642)	(99,766)	(113,634)	(102,380)

*) 2018/19 figures are for the period 25 October 2018 - 31 December 2019

**) Comparative Group figures for the period 1 January - 31 December 2019 are unaudited

***) EBIT before non-recurring items contains of EBIT except Other operating costs.

FINANCIAL REVIEW

As a provider of software products and services, R&D activities are of key importance to Omada. Throughout 2021, Omada continued to invest significantly in improving and enhancing its award winning on-premises and SaaS product and IP. Omada will continue to further invest in innovative R&D and product development activities.

RISK MANAGEMENT

As Omada operates in a range of international markets, revenues and costs can be impacted by currency fluctuations. The fact that Omada has well-established local subsidiaries in Germany, UK, Poland, Sweden and the US reduces the risk, as both revenues and the cost base are, to a certain degree, in the same currency. Management evaluates the risk and potential risk mitigations on an ongoing basis.

EVENTS AFTER THE BALANCE SHEET DATE

Since the closing of the annual accounts, no events have occurred that could change the Company's financial position.
Management has assesed the potential financial impact from the crises in Ukraine. Currently, no significant impact is expected.
With effect from 1 January 2022, Omada A/S will be merged with Omada Services A/S with Omada A/S as the continuing company.

OUTLOOK

The Group expects to deliver continued strong recurring revenue growth in 2022 due to positive development in the market situation and an improved footprint. The impact on the business from Covid-19 is expected to be reduced as market conditions improve and the global economy recovers.

For 2022 a loss before tax before amortisation of intangible assets in the range of 35 - 40 mDKK is expected driven by continuous investment in product as we are in our ending stages of our perpetual to SaaS transformation. The loss before tax is expected to be in the range of 100 - 110 mDKK when including amortisation of acquired intangible assets. The increase of the revenue is expected to be in the range of 20% to 30% in 2022.

COMPANY DETAILS

NAME	Omada Group ApS
ADDRESS, POSTAL CODE, CITY	Østerbrogade 135, 2100 Copenhagen
CVR NO.	39 96 91 30
ESTABLISHED	25 October 2018
REGISTERED OFFICE	Copenhagen Municipality
FINANCIAL YEAR	1 January - 31 December
WEBSITE	www.omadaidentity.com
BOARD OF DIRECTORS	James Ernest Ousley, Chairman Morten Grube Weicher Sebastian Ramin Künne Lars Dybkjær John Dawson Clark Kevin Michael Hickey Franck Leon Cohen Bradley Hibbert
EXECUTIVE BOARD	Sebastian Ramin Künne, Executive Director Morten Grube Weicher, Executive Director
AUDITORS	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

The Board of Directors and the Executive Board have today discussed and approved the annual report of Omada Group ApS for the financial year 1 January – 31 December 2021.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2021 and of the results of their operations and cash flows for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, results for the year, cash flows and financial position as well as a description of material risks and uncertainties that the Group and the Parent Company face.

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

Copenhagen, 24 May 2022

EXECUTIVE BOARD:

Sebastian Ramin Künne
Executive Director

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Morten Grube Weicher
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Morten Grube Weicher
Executive Director

BOARD OF DIRECTORS:

James Ernest Ousley
Chairman

Morten Grube Weicher
Deputy Chairman

Sebastian Ramin Künne
Deputy Chairman

Lars Dybkjær
Board Member

John Dawson Clark
Board Member

DocuSigned by:
Kevin Michael Hickey
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Kevin Michael Hickey
Board Member

Franck Leon Cohen
Board Member

DocuSigned by:
Brad Hibbert
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Bradley Hibbert
Board Member

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Omada Group ApS

OPINION

We have audited the consolidated financial statements and the parent company financial statements of Omada Group ApS for the financial year 1 January – 31 December 2021, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies, for the Group and the Parent Company.
The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company on 31 December 2021 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2021 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "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 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.

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 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 our procedures, 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 Statements Act. We did not identify any material misstatement of the Management's review.

INDEPENDENT AUDITOR'S REPORT

MANAGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS
Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the 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 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 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 additional requirements applicable in Denmark, we exercise professional judgement 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 note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view

INDEPENDENT AUDITOR'S REPORT

- 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.

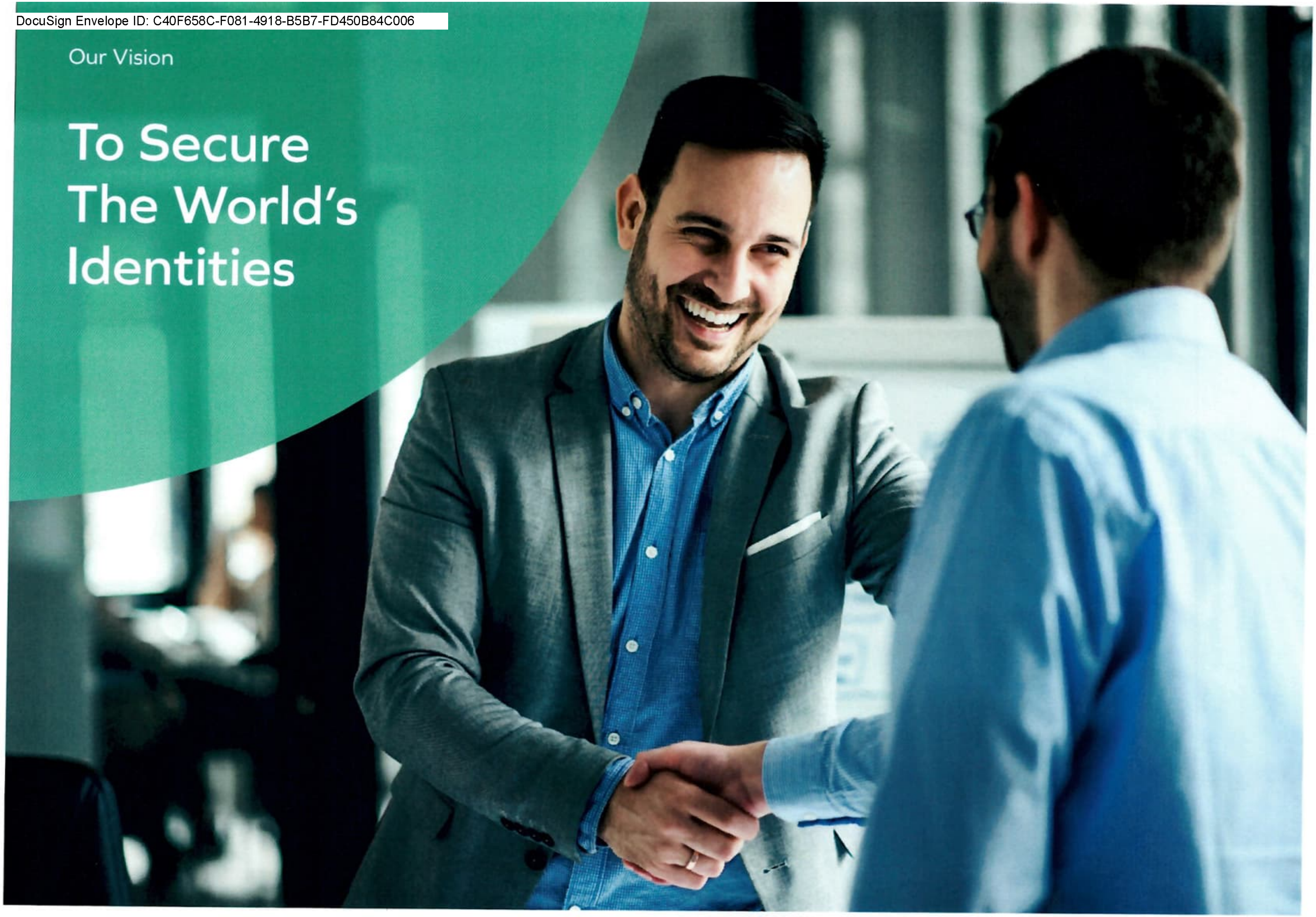
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 24 May 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Mikkel Sthyr State Authorised Public Accountant mne26693	Simon Blendstrup State Authorised Public Accountant mne44060

Our Vision

To Secure The World's Identities



FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED AND PARENT FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT INCOME STATEMENT

DKK'000	Note	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020
Revenue	3,4	202,260	191,781	-	-
Cost of sales	5,7	(175,691)	(163,070)	-	-
Gross profit		**26,569**	**28,711**	**-**	**-**
Sales & Marketing cost	5,7	(73,425)	(70,838)	-	-
Research & Development cost	5,7	(19,971)	(22,119)	-	-
General & Administrative cost	5,7	(30,815)	(35,520)	(130)	(500)
Other operating costs	6	(3,254)	(5,844)	-	-
Operating profit/loss (EBIT)		**(100,896)**	**(105,610)**	**(130)**	**(500)**
Income from investment in subsidiaries	13	-	-	(79,430)	(81,553)
Financial income	8	-	-	446	4
Financial expenses	9	(2,542)	(2,743)	(7)	(3)
Profit/loss before tax		**(103,438)**	**(108,353)**	**(79,121)**	**(82,052)**
Tax on the profit/loss for the year	10	24,252	26,308	(65)	7
Profit/loss for the year		**(79,186)**	**(82,045)**	**(79,186)**	**(82,045)**

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT COMPREHENSIVE INCOME STATEMENT	**GROUP**		**PARENT**	
DKK'000	**2021**	**2020**	**2021**	**2020**
Profit/loss for the year	**(79,186)**	**(82,045)**	**(79,186)**	**(82,045)**
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss:				
Exchange rate adjustments relating to foreign entities	(1,474)	1,728	(1,474)	1,728
Other comprehensive income after tax	**(1,474)**	**1,728**	**(1,474)**	**1,728**
Total comprehensive income	**(80,660)**	**(80,317)**	**(80,660)**	**(80,317)**

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT BALANCE SHEET: ASSETS AT 31 DECEMBER		GROUP		PARENT	
DKK'000	**Note**	**2021**	**2020**	**2021**	**2020**
Goodwill		471,900	471,900	-	-
Customer relations		136,187	163,699	-	-
Software		100,952	137,055	-	-
Completed development projects		37,241	18,496	-	-
Development projects in progress		2,636	8,153	-	-
Intangible assets	11	**748,916**	**799,303**	**-**	**-**
Other fixtures and fittings, tools and equipment		2,455	1,942	-	-
Right-of-use assets		16,557	15,520	-	-
Property, plant and equipment	12	**19,013**	**17,462**	**-**	**-**
Investment in subsidiaries (equity method)	13	-	-	654,406	689,988
Deposits		1,107	982	-	-
Other receivables	19	5,352	5,352	-	-
Deferred tax assets	10	-	157	-	-
Other non-current assets		**6,459**	**6,491**	**654,406**	**689,988**
Total non-current assets		**774,388**	**823,256**	**654,406**	**689,988**
Receivables	14,19	57,520	42,405	-	-
Contract assets	15	4,151	170	-	-
Receivables from subsidiaries	19	-	-	3,819	14,424
Income tax receivables	10	5,809	1,328	-	7
Other receivables	19	6,723	-	37	30
Prepayments		4,309	1,630	-	-
Cash at bank and in hand	19	25,687	46,530	430	3,238
Total current assets		**104,199**	**92,063**	**4,286**	**17,699**
Total assets		**878,587**	**915,319**	**658,692**	**707,687**

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT BALANCE SHEET: EQUITY AND LIABILITIES AT 31 DECEMBER

DKK'000	Note	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020
Equity					
Share capital	16	9,105	9,092	9,105	9,092
Reserve for loans and security		5,352	5,352	5,352	5,352
Translation reserve		(486)	988	(486)	988
Retained earnings		613,797	691,901	613,797	691,901
Total equity		**627,768**	**707,333**	**627,768**	**707,333**
Deferred tax	10	36,370	53,218	-	-
Lease liabilities	17,19,22	12,544	11,658	-	-
Other liabilities	19	6,369	5,876	-	-
Financial institutions	19,22	72,695	49,146	-	-
Contract liabilities	15	-	-	-	-
Total non-current liabilities		**127,978**	**119,898**	**-**	**-**
Prepayments on contract assets	15	3,848	2,236	-	-
Trade payables	19	27,387	20,850	222	354
Payables to subsidiaries	19	-	-	30,641	-
Income tax payables		1,471	580	61	-
Other liabilites	19	25,371	19,262	-	-
Lease liability	17,19,22	4,774	4,356	-	-
Contract liabilities	15	59,990	40,800	-	-
Total current liabilities		**122,841**	**88,088**	**30,924**	**354**
Total liabilities		**250,819**	**207,986**	**30,924**	**354**
Total equity and liabilities		**878,587**	**915,319**	**658,692**	**707,687**

FINANCIAL STATEMENTS

CONSOLIDATED AND PARENT CASH FLOW STATEMENT		GROUP		PARENT	
DKK'000	Note	2021	2020	2021	2020
Profit/loss for the year		(79,186)	(82,045)	(79,186)	(82,045)
Adjustments for non-cash transactions:					
Income from investment in subsidiaries	13	-	-	79,430	81,553
Finance income	8	-	-	(446)	(4)
Finance expenses	9	2,542	2,743	7	3
Income tax	10	(24,252)	(26,308)	65	(7)
Other adjustments		-	-	(13)	-
Share based payments	7	1,294	2,493	-	-
Amortisation, depreciation and impairment losses	5	89,723	82,759	-	-
Changes in net working capital	21	5,439	42,357	41,107	(5,497)
Cash generated from primary activities		**(4,440)**	**21,999**	**40,964**	**(5,997)**
Interest received	8	-	-	446	4
Interest paid	9	(2,542)	(2,743)	(7)	(3)
Corporation tax paid		3,970	4,390	3	-
Cash flow from operating activities		**(3,012)**	**23,646**	**41,406**	**(5,996)**
Capital contribution subsidiaries	18,	-	-	(40,000)	-
Acquisition of intangible assets	11	(33,929)	(26,362)	-	-
Acquisition of Other fixtures and fittings, tools and equipment	12	(1,355)	(1,489)	-	-
Acquisition and remeasurement of rights-of-use assets	12	(5,492)	(2,656)	-	-
Acquisition of other non-current assets		(125)	(5,617)	-	-
Cash flow from investing activities		**(41,011)**	**(35,664)**	**(40,000)**	**-**
Increase in share capital	16	1,311	8,786	1,311	8,786
Purchase/disposal of treasury shares	16	(1,510)	3,591	(5,525)	-
Repayment of lease liabilities	22	(5,034)	(1,427)	-	-
Additions and remeasurement of lease liabilities	22	6,338	-	-	-
Loan proceeds	22	23,549	42,063	-	-
Cash flow from financing activities		**24,654**	**53,013**	**(4,214)**	**8,786**
Total cash flow		**(19,369)**	**40,995**	**(2,808)**	**2,790**
Cash at bank and in hand begin of period		46,530	3,363	3,238	448
Exchange rate adjustments		(1,474)	2,172	-	-
Cash funds at the end of the period		**25,687**	**46,530**	**430**	**3,238**

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	GROUP					
DKK'000	**Share capital**	**Share premium**	**Reserve for loans and security**	**Translation reserve**	**Retained earnings**	**Total**
Equity at 31 December 2019	**8,813**	**-**	**-**	**(740)**	**764,707**	**772,780**
Total comprehensive income in 2020			-			
Profit/loss for the year	-	-	-	-	(82,045)	(82,045)
Other comprehensive income:			-			
Exchange rate adjustments relating to foreign entities	-	-	-	1,728	-	1,728
Total other comprehensive income	-	-	-	1,728	-	1,728
Total comprehensive income for the period	-	-	-	1,728	(82,045)	(80,317)
Transaction with owners:			-			
Capital increase	279	8,507	-	-	-	8,786
Transfer	-	(8,507)	5,352	-	3,155	-
Purchase/disposal of Treasury shares/warrants	-	-	-	-	3,591	3,591
Share based payments	-	-	-	-	2,493	2,493
Total transactions with owners	279	-	5,352	-	9,239	14,870
Equity at 31 December 2020	**9,092**	**-**	**5,352**	**988**	**691,901**	**707,333**
Total comprehensive income in 2021			-			
Profit/loss for the year	-	-	-	-	(79,186)	(79,186)
Other comprehensive income:			-			
Exchange rate adjustments relating to foreign entities	-	-	-	(1,474)	-	(1,474)
Total other comprehensive income	-	-	-	(1,474)	-	(1,474)
Total comprehensive income for the period	-	-	-	(1,474)	(79,186)	(80,660)
Transaction with owners:			-			
Capital increase	13	1,298	-	-	-	1,311
Transfer	-	(1,298)	-	-	1,298	-
Purchase/disposal of Treasury shares/warrants	-	-	-	-	(1,510)	(1,510)
Share based payments	-	-	-	-	1,294	1,294
Total transactions with owners	13	-	-	-	1,082	1,095
Equity at 31 December 2021	**9,105**	**-**	**5,352**	**(486)**	**613,797**	**627,768**

FINANCIAL STATEMENTS

PARENT STATEMENT OF CHANGES IN EQUITY

DKK'000	Share capital	Share premium	Reserve for loans and security	Translation reserve	Retained earnings	Total
	PARENT					
Equity at 31 December 2019	**8,813**	**-**	**-**	**(740)**	**764,707**	**772,780**
Total comprehensive income in 2020						
Profit/loss for the year	-	-	-	-	(82,045)	(82,045)
Other comprehensive income:						
Exchange rate adjustments relating to foreign entities	-	-	-	1,728	-	1,728
Total other comprehensive income	-	-	-	1,728	-	1,728
Total comprehensive income for the period	-	-	-	1,728	(82,045)	(80,317)
Transaction with owners:						
Capital increase	279	8,507	-	-	-	8,786
Transfer	-	(8,507)	5,352	-	3,155	-
Purchase/disposal of Treasury shares/warrants	-	-	-	-	3,591	3,591
Share based payments	-	-	-	-	2,493	2,493
Total transactions with owners	279	-	5,352	-	9,239	14,870
Equity at 31 December 2020	**9,092**	**-**	**5,352**	**988**	**691,901**	**707,333**
Total comprehensive income in 2021						
Profit/loss for the year	-	-	-	-	(79,186)	(79,186)
Other comprehensive income:						
Exchange rate adjustments relating to foreign entities	-	-	-	(1,474)	-	(1,474)
Total other comprehensive income	-	-	-	(1,474)	-	(1,474)
Total comprehensive income for the period	-	-	-	(1,474)	(79,186)	(80,660)
Transaction with owners:						
Capital increase	13	1,298	-	-	-	1,311
Transfer	-	(1,298)	-	-	1,298	-
Purchase/disposal of Treasury shares/warrants	-	-	-	-	(1,510)	(1,510)
Share based payments	-	-	-	-	1,294	1,294
Total transactions with owners	13	-	-	-	1,082	1,095
Equity at 31 December 2021	**9,105**	**-**	**5,352**	**(486)**	**613,797**	**627,768**

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

CORPORATE INFORMATION

Omada Group ApS is incorporated and domiciled in Denmark. The Company's registered office is located at Østerbrogade 135, 2100 København Ø.

BASIS FOR PREPARATION

The financial statements for the period 1 January - 31 December 2021 for Omada Group ApS, which include financial statements for the Parent Company Omada Group ApS and consolidated financial statements for the Omada Group ApS have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU as well as additional Danish disclosure requirements applying to entities of reporting class medium C. Further they are prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

The consolidated and Parent Company's financial statements are presented in Danish Kroner (DKK), which is the presentation currency for the Group's activities and the functional currency of the parent.

The consolidated and Parent Company's financial statements have been prepared based on historical cost convention, except where IFRS explicitly requires use of other values. The main elements of the accounting policies and changes compared to last year due to new and amended standards are described below. The accounting policies are also disclosed in note 26.

In preparing the consolidated and Parent Company's financial statements, the management makes various accounting judgements that form the basis of presentation, recognition and measurement of the Group's assets and liabilities.

The most significant estimates and judgements are presented in note 2.

THE EFFECT OF NEW ACCOUNTING STANDARDS

All new and revised standards, which entered into force with effect from fiscal periods beginning at 1 January 2021, and interpretations that are relevant to the Omada Group ApS are used in preparing the financial statements.

ADOPTION OF NEW AND AMENDED STANDARDS

IASB has issued a number of new or amended standards and interpretations which have not yet entered into force, and which have consequently not been incorporated into the consolidated financial statements for 2021. The Group expects to implement the new applicable and approved, not yet effective accounting standards and interpretations, as they take effect. None of the changed standards or interpretations are expected to have significant monetary effect on the statements of the Groups's and parent's results, assets and liabilities, equity or cash flows.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

By applying the Group's accounting policies as described in note 26, it is necessary that the management performs judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The performed estimates and assumptions are based on historical experience and other factors that management considers reasonable under the circumstances, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may occur.

The estimates and underlying assumptions are reviewed regularly. Changes to accounting estimates are recognized in the accounting period in which the change occurs and in future periods if the change affects both the period, in which the change occurs and subsequent accounting periods.

The most significant accounting estimates and judgements relate to the following areas.

RECOVERABLE AMOUNT OF GOODWILL

The determination of impairment of recognized goodwill requires determination of the value of the cash generating units to which the goodwill is allocated. Determination of the value requires an estimate of expected future cash flows of each cash-generating unit and a reasonable discount rate. At 31 December 2021, the carrying value of goodwill is DKK 471,900k (2020: DKK 471,900k).

Our presumption of the valuation is, among other, built on the expected transformation to SaaS revenue. The expected growth in revenue in the period 2022-2030 is in the range of 15-30% annually. A sensitivity analysis has been prepared, and even though the revenue would turn out to be 10% lower each year than expected, there still would not be indications of impairment.

Similarly, we have prepared a sensitivity analysis of the effect of changes in the WACC. If the WACC should change by 2% points, there would still not be indications of impairment, for which reason there is solid headroom at year-end.

For a more detailed description of methods and assumptions for impairment of goodwill, see note 11.

RECOVERABILITY AND INTANGIBLE DEVELOPMENT PROJECTS GENERATED INTERNALLY IN THE GROUP

The management's assessment regarding completed development projects is that no impairment indicators exist.
At the annual impairment test of ongoing development projects, or when there is indication of impairment, an estimate is made of how the parts of the business (cash-generating units) that ongoing development projects are related to will be able to generate sufficient cash flows in the future to support the value of ongoing development projects and other net assets in the relevant part of the business. Management closely monitors developments in the ongoing development projects, and will make adjustments to the carrying amounts if required as a result of the development.

REVENUE RECOGNITION

Management are required to make a number of judgements, which may be finely balanced, in respect of revenue recognition.

These judgements include the likelihood of the recoverability of amounts receivable from customers under sales contracts, deciding whether the goods and services in each sales contract with customers are separate performance obligations

NOTES TO FINANCIAL STATEMENTS

and the allocation of the total transaction price to separate performance obligations. Allocation of the transaction price may require management's judgement in certain circumstances, such as when an extension option exists and a part of the transaction price must be allocated to this future performance obligation. A decision to allocate revenue to future licenses, covered by an extension option, has the impact of deferring a portion of revenue to a later point in time. Management's assessments of these areas may have an impact on both the amount and timing of revenue recognised.

Deciding whether multiple contracts with the same customer should be combined requires judgement to assess whether the contracts are negotiated with a single commercial objective, whether the considerations in the individual contracts depend on one another, and whether the goods or services in the contracts are a single performance obligation. This assessment may also affect the amount and timing of revenue recognised by the Group.

To estimate the percentage of completion, the Group must assess the progress of underlying projects, in order to determine the amount and timing of revenue recognition. The performance obligations generally satisfied over time relate to implementation, maintenance, Software as a Service and service desk support. Any changes in management's assessment of the percentage of completion, and the associated revenue recognised, are accounted for as cumulative catch up adjustments.

For Omada, the primary estimates include evaluating contracts with customers, and ensure how the performance obligations shall be recognized. Such agreements are individually evaluated to determine if revenue is recognized at a point in time or over time.

Revenue from customers can sometimes include several components. Subscription, maintenance, updates, support and implementation. The fees allocated to the different performance obligations are recognized separately. Some performance obligations are recognized over time and some are recognized at point of time.

UTILIZATION OF TAX LOSS CARRY FORWARDS

Deferred tax assets are recognized for all unused tax losses and deductable temporary differences to the extent it is deemed likely that within the foreseeable future taxable profits will be realized in which the losses and the temporary differences can be utilized. Determining the size of the amount that can be recognized for deferred tax assets is based on management's estimate of the likely time and amount of future taxable profits. At 31 December 2021, the carrying value of recognized tax was DKK 0 (2020: 157 thousand).

NOTES TO FINANCIAL STATEMENTS

NOTE 3. SEGMENT INFORMATION

The Group's operations are reported on the basis of one single operating segment in accordance with the definition of an operating segment in IFRS 8, Operating Segments. Management has assessed that the Group has only one operating segment on the basis that internal reporting presented to and followed-up on by the Group's chief operating decision maker (CODM), which is the executive board and the board of directors, is presented to the Group as a whole. The Group's core business is to develop, sell and implement the "Omada Identity" software.

GEOGRAPHIC INFORMATION

External revenue is distributed on individual countries when the Group generates more than 10% of consolidated revenue in that country. Other revenue is shown under 'Other countries'. Revenue is broken down geographically on the basis of customers' geographical location. Non-current assets are broken down on the basis of physical location.

MAJOR CUSTOMERS

No single customer accounted for more than 10% of consolidated revenue in 2020 and 2021.

	2021		2020	
DKK'000	**Revenue**	**Non-curent assets**	**Revenue**	**Non-curent assets**
Denmark	30,818	765,860	47,540	815,750
Rest of Scandinavia	30,088	-	24,635	-
Germany	76,736	2,653	69,694	3,006
USA	34,338	2,723	27,900	2,192
Other countries	30,280	3,151	22,012	2,696
Total	**202,260**	**774,387**	**191,781**	**823,644**

NOTE 4. REVENUE

Revenue from software is primarily recognised over time while consultant services are primarily recognised at point of time. For a detailed description of accounting policies, see note 26.

	GROUP		PARENT	
DKK'000	**2021**	**2020**	**2021**	**2020**
Software licenses	49,864	43,853	38,387	34,444
Software maintenance, updates & support	33,088	35,577	31,128	30,956
Revenue from software	**82,951**	**79,430**	**69,516**	**65,400**
Sales value of finished projects	136,129	129,395	116,873	47,285
Change in contract assets net	(16,821)	(17,044)	(19,364)	(20,108)
Revenue from implementation services	**119,308**	**112,351**	**97,509**	**27,177**
Total Revenue	**202,260**	**191,781**	**167,025**	**92,577**
Contract assets, net beginning of period	(42,866)	(21,589)	(36,941)	(16,833)
Contract assets, end of period	(59,687)	(42,866)	(56,305)	(36,941)
Total change in contract assets, net	**(16,821)**	**(21,277)**	**(19,364)**	**(20,108)**
Revenue recognised over time	79,108	59,502	64,277	44,754
Revenue recognised at point of time	123,242	132,279	102,748	47,823
Total Revenue	**202,260**	**191,781**	**167,025**	**92,577**

NOTES TO FINANCIAL STATEMENTS

NOTE 5. OPERATING COSTS

DKK'000	Staff and external costs	Amortisation & depreciation	GROUP Total	PARENT Total
2021				
Cost of goods sold	112,923	62,768	175,691	-
Sales & marketing	62,882	10,543	73,425	-
Research & development	4,857	15,114	19,971	-
General & administrative	29,517	1,298	30,815	130
Total	**210,179**	**89,723**	**299,902**	**130**
2020				
Cost of goods sold	105,163	57,907	163,070	-
Sales & marketing	60,451	10,387	70,838	-
Research & development	8,651	13,468	22,119	-
General & administrative	34,523	997	35,520	500
Total	**208,788**	**82,759**	**291,547**	**500**

NOTE 6. OTHER OPERATING COSTS

DKK'000	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020
Costs in relation to restructuring after the acquisition	-	5,844	-	-
Costs in relation to financial security	3,254	-	-	-
Total	**3,254**	**5,844**	**-**	**-**

NOTES TO FINANCIAL STATEMENTS

NOTE 7. STAFF EXPENSES AND REMUNERATION COSTS

	GROUP		PARENT	
DKK'000	**2021**	**2020**	**2021**	**2020**
Wages and salaries	172,463	170,366	-	-
Defined contribution plans	2,206	2,256	-	-
Other social security expenses	334	1,111	-	-
Share-based payment	1,592	2,493	-	-
Wages/salaries in the group capitalised as development projects	(26,322)	(20,125)	-	-
Staff expenses	**150,272**	**156,101**	-	-
Average number of employees	207	183	-	-

GROUP STAFF EXPENSES AND REMUNERATION COSTS ATTRIBUTABLE TO:

DKK'000	**Executive Board**	**Board of Directors**	**Other key employees**
2021			
Wages and salaries, etc.	-	985	17,543
Defined contribution pension plans	-	-	723
Share-based payment	-	-	897
Total	**-**	**985**	**19,163**

DKK'000	**Executive Board**	**Board of Directors**	**Other key employees**
2020			
Wages and salaries, etc.	-	843	14,878
Defined contribution pension plans	-	-	525
Share-based payment	-	-	2,080
Total	**-**	**843**	**17,483**

The executive board consist of members from the majority shareholders while other key employees consist of the executive management team of Omada A/S.

Performance-based bonus schemes have been set up for key employees who also participate in multi-year share option schemes and incentive plans.

The service contracts for other key employees contain terms, including for notice of termination, which are customary for members of the executive board in similar companies.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. FINANCIAL INCOME

	GROUP		PARENT	
DKK'000	**2021**	**2020**	**2021**	**2020**
Interest income from subsidiaries	-	-	446	-
Foreign exchange gains	-	-	-	4
Total financial income	**-**	**-**	**446**	**4**

NOTE 9. FINANCIAL EXPENSES

	GROUP		PARENT	
DKK'000	**2021**	**2020**	**2021**	**2020**
Interest expenses, banks etc.	1,564	1,627	7	3
Lease interest	722	568	-	-
Amortisation of loan cost	-	58	-	-
Interest expenses on financial liabilities not measured at fair value in the income statement	**2,286**	**2,253**	**7**	**3**
Foreign exchange loss	256	490	-	-
Total financial expenses	**2,542**	**2,743**	**7**	**3**

NOTES TO FINANCIAL STATEMENTS

NOTE 10. CORPORATE TAX

DKK'000	GROUP 2021	GROUP 2020	PARENT 2021	PARENT 2020
Corporation tax is specified as follows:				
Tax on profit/loss for the year	24,252	26,308	(65)	7
Total	**24,252**	**26,308**	**(65)**	**7**
Corporation tax is specified as follows:				
Current tax on profit/loss for the year	3,700	4,425	(61)	7
Deferred tax on profit/loss for the year	20,764	21,099	-	-
Adjustments relating to previous years (net)	(212)	784	(4)	-
Total	**24,252**	**26,308**	**(65)**	**7**
Analysis of tax on profit/loss:				
22% tax of profit/loss before tax	22,756	23,838	17,407	(18,051)
Tax effect of result of investments in subsidiaries	-	(152)	(17,474)	17,942
Write down of deferred tax assets	-	(198)	-	117
Deferred tax asset - Investment grant	2,061	1,501	-	-
Non-tax deductible transaction expenses	-	-	-	-
Non-tax deductible expenses	(353)	(18)	-	-
Other, including prior year adjustments	(212)	941	2	-
Total	**24,252**	**26,308**	**(65)**	**7**
Effective tax rate	23.4%	24.3%	(0.1%)	0.0%

Income tax receivables of DKK 5.8 million mainly contains of expected tax receivable from Danish Tax Authorities relating to tax credit scheme.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. CORPORATE TAX

	GROUP		PARENT	
DKK '000	**2021**	**2020**	**2021**	**2020**
Deferred tax at begin of period	53,061	74,145	-	-
Currency adjustment				
Deferred tax, acquisition of subsidiaries	-	-	-	-
Adjustment relating to previous years	(10)	15	-	-
Reclassification from other accounts regarding net classification of deferred tax	4,083	-	-	-
Deferred tax on profit/loss for the year	(20,764)	(21,099)	-	-
Deferred tax at 31 December (net)	**36,370**	**53,061**	**-**	**-**
Deferred tax is recognized in the balance as follows:				
Deferred tax assets	-	(157)	-	-
Provision for deferred tax	36,370	53,218	-	-
Deferred tax at 31 December (net)	**36,370**	**53,061**	**-**	**-**
Deferred tax concerns:				
Intangible assets	60,401	77,033	-	-
Property, plant and equipment	(17)	(52)	-	-
Trade receivables	383	376	-	-
Tax loss	(24,397)	(24,296)	-	-
	36,370	**53,061**	**-**	**-**

The recognised value of tax losses derives from the financial results of the Danish companies that are taxed jointly with Omada Group ApS.

The Group's capitalised tax assets are expected to be realisable on the basis of current updated budgets for the next five years.

Tax losses in foreign subsidiaries are not included in the estimated deferred tax assets of the Group. Whether the losses can be used to offset against expected future income within the limitation periods applying in the countries where the losses were incurred is subject to uncertainty.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

	GROUP					
DKK'000	**Goodwill**	**Customer Relationships**	**Software**	**Completed development projects**	**Development projects in progress**	**Total**
2021						
Cost at 1 January	471,900	220,100	222,475	32,478	8,153	980,501
Additions	-	-	3,112	-	30,817	33,929
Transfer	-	-	-	36,334	(36,334)	-
Cost at 31 December	**471,900**	**220,100**	**225,587**	**68,812**	**2,636**	**1,014,430**
Amortisation and impairment losses at 1 January	-	56,401	85,420	13,982	-	181,198
Amortisation for the year	-	27,512	39,215	17,589	-	84,316
Amortisation and impairment at 31 December	**-**	**83,913**	**124,635**	**31,571**	**-**	**265,514**
Carrying amount at 31 December	**471,900**	**136,187**	**100,952**	**37,241**	**2,636**	**748,916**
Internally generated assets included above	-	-	-	37,241	2,636	62,709
Amortisation period	-	8 years	3-5 years	5 years	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

	GROUP					
DKK'000	**Goodwill**	**Customer Relationships**	**Software**	**Completed development projects**	**Development projects in progress**	**Total**
2020						
Cost at 1 January	471,900	220,100	218,859	13,325	4,560	928,744
Additions	-	-	3,616	-	22,746	26,362
Transfer	-	-	-	19,153	(19,153)	-
Cost at 31 December	**471,900**	**220,100**	**222,475**	**32,478**	**8,153**	**955,106**
Amortisation and impairment losses at 1 January	-	28,889	47,159	1,405	-	77,453
Amortisation for the year	-	27,512	38,261	12,577	-	78,350
Amortisation and impairment at 31 December	**-**	**56,401**	**85,420**	**13,982**	**-**	**155,803**
Carrying amount at 31 December	**471,900**	**163,699**	**137,055**	**18,496**	**8,153**	**799,303**
Internally generated assets included above	-	-	-	18,496	8,153	26,649
Amortisation period	-	8 years	3-5 years	5 years	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE 11. INTANGIBLE ASSETS

GOODWILL, CUSTOMER RELATIONSHIPS AND SOFTWARE

As of 31 December 2021, management performed an impairment test of the carrying amount of goodwill (DKK 471,900 thousand), customer relationships (DKK 136,187 thousand), and software (DKK 93,101 thousand) relating to the acquisition of Omada A/S and its subsidiaries. The acquisition is monitored as a single cash-generating unit.

The impairment test performed on the above mentioned cash-generating unit is conducted by comparing the recoverable amount (value in use) with the carrying amount of the cash-generating unit. Recoverable amounts are based on the value in use, calculated as the discounted value of the expected future cash flows on the basis of management's budgets for 2022-2025 and business plans for 2026-30.

The most important parameters are revenue, cost related to operations, applied working capital, expected investment in the further development of products as well as growth assumptions. Market research estimates that the market for Identity Software will continue to grow. Growth in annual revenue for the Group is expected to be an average of 32.7% during the period 2022-25 and an average of 21% in 2026-30. Beyond this period, a growth rate of 2% has been applied. In calculating the recoverable amount, the charge in costs relating to operations has been estimated at an average EBIT margin of 15%.

To determine any indication of impairment, a discount rate of 12.7% was applied in the calculation of the recoverable amount.

Our presumption of the valuation is, among other, built on the expected transformation to SaaS revenue. The expected growth in revenue in the period 2022-2030 is in the range of 15-30%. A sensitivity analysis has been prepared, and even though the revenue would turn out to be 10% lower each year than expected, there still would not be indications of impairment.

Similarly, we have prepared a sensitivity analysis of the effect of changes in the WACC. If the WACC should change by 2% points, there would still not be indications of impairment, for which reason there is solid headroom at year-end.

Based on the impairment test performed, management believes that goodwill is not impaired.

DEVELOPMENT PROJECTS IN PROGRESS

Costs relating to development projects in progress of DKK 2,636 thousand (31 December 2020: DKK 8,153 thousand) have been recognised in the consolidated financial statements. The costs relate to the further development of the Group's core products. The development projects were tested for indications of impairment at the end of the financial year, which did not lead to any writedown.

OTHER INTANGIBLE ASSETS

Management assessed at the end of the financial year that the remaining assets show no indications of impairment.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

	GROUP			
DKK'000	**Other fixtures and fittings, tools and equipment**	**Right-of-use assets (Offices)**	**Right-of-use assets (Cars)**	**Total**
2021				
Cost at 1 January	5,816	18,835	2,080	27,325
Exchange rate adjustments	-	112	19	131
Additions	1,355	784	341	2,480
Remeasurement	-	4,367	-	4,367
Disposals	(161)	-	(188)	(349)
Cost at 31 December	**7,010**	**24,097**	**2,846**	**33,953**
Depreciation and impairment losses at 1 January	3,874	5,155	834	9,863
Depreciation for the year	842	3,608	957	5,407
Reversal of depreciation of disposals in the year	(161)	-	(168)	(329)
Depreciation and impairment at 31 December	**4,555**	**8,763**	**1,623**	**14,941**
Carrying amount at 31 December	**2,455**	**15,334**	**1,223**	**19,013**
Depreciation period	3-5 years	2-7 years	2-4 years	-

Remeasurement is evaluated yearly and for 2021 the remeasurement relates primarily to the expected lease period.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PROPERTY, PLANT AND EQUIPMENT

	GROUP			
DKK'000	Other fixtures and fittings, tools and equipment	Right-of-use assets (Offices)	Right-of-use assets (Cars)	Total
2020				
Cost at 1 January	4,327	19,102	2,080	25,509
Exchange rate adjustments	-	(499)	(5)	(504)
Additions	1,489	1,387	1,269	4,145
Disposals	-	(1,155)	(670)	(1,825)
Cost at 31 December	**5,816**	**18,835**	**2,674**	**27,325**
Depreciation and impairment losses at 1 January	3,254	3,362	723	7,339
Exchange rate adjustments	-	(58)	(2)	(60)
Depreciation for the year	620	3,006	783	4,409
Reversal of depreciation of disposals in the year	-	(1,155)	(670)	(1,825)
Depreciation and impairment at 31 December	**3,874**	**5,155**	**834**	**9,863**
Carrying amount at 31 December	**1,942**	**13,680**	**1,840**	**17,462**
Depreciation period	3-5 years	2-7 years	2-4 years	-

Low value assets expensed amounts to DKK 17 thousand in 2021 (2020 DKK 0) and short term leases expensed amounts to DKK 0 (2020 DKK 0).
Lease payments amount to DKK 5,034 thousand (2020 DKK 4,080 thousand).

NOTES TO FINANCIAL STATEMENTS

NOTE 13. INVESTMENTS IN SUBSIDIARIES

DKK'000	PARENT 2021	2020
Cost at begin of period	876,696	876,696
Capital increase	40,000	
Cost at 31 December	**916,696**	**876,696**
Value adjustments at begin of period	(186,708)	(112,968)
Exchange rate adjustments	(1,474)	(234)
Share of the profit/loss for the year	(79,430)	(81,553)
Share based payments	1,294	2,493
Treasury shares/warrants recognised in equity	4,028	3,592
Value adjustments at 31 December	**(262,290)**	**(186,708)**
Carrying amount at 31 December	**654,406**	**689,988**

NAME	REGISTERED ADDRESS	INTEREST HELD 2021	INTEREST HELD 2020
Gubernare BidCo ApS	Copenhagen	100%	100%
Omada A/S	Copenhagen	100%	100%
Omada Services A/S	Copenhagen	100%	100%
Omada Solutions Inc	USA	100%	100%
Omada GmbH	Germany	100%	100%
Omada Solutions Ltd	UK	100%	100%
Omada Poland S.P.z.o.o	Poland	100%	100%
Omada Sweden AB	Sweden	100%	-

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RECEIVABLES

	GROUP	
DKK'000	**2021**	**2020**
Trade receivables from customers	53,918	39,369
Accrued revenue	3,816	3,250
Loss allowances	(214)	(214)
Total receivables	**57,520**	**42,405**
Receivables (gross) at begin of the period	42,619	65,113
Exchange rate adjustments	259	(487)
Change in receivables during the period	14,856	(22,007)
Receivables (gross) at 31 December	**57,734**	**42,619**
Provisions for bad debt at begin of period	214	559
Change in provisions for bad debt during the period	113	(198)
Loss realized during the period	(113)	(147)
Provisions for bad debt at 31 December	214	214
Carrying amount at 31 December	**57,520**	**42,405**

Provisions for bad debt are made based on the lifetime expected credit losses (simplified method) in line with the Group's accounting policies.

The Group's currency and credit risks relating to receivables are described in note 19.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RECEIVABLES

DKK'000	2021	2020
Age of trade receivables (gross):		
Not due	53,676	31,401
0-30 days	2,021	6,225
31 - 60 days	1	411
61 - 90 days	980	3,456
91 - 180 days	1,056	1,126
181 - 275 days	-	-
276 - 360 days	-	-
Above 360 days	-	-
Total	**57,734**	**42,619**
Age of impairment:		
Not due	77	-
0-30 days	5	12
31 - 60 days	-	2
61 - 90 days	26	86
91 - 180 days	107	113
181 - 275 days	-	-
276 - 360 days	-	-
Above 360 days	-	-
Total	**214**	**214**

NOTES TO FINANCIAL STATEMENTS

NOTE 14. RECEIVABLES

DKK'000	2021	2020
Provision matrix:		
Not due	0.15%	0.0%
0-30 days	0.25%	0.2%
31 - 60 days	0.50%	0.5%
61 - 90 days	2.50%	2.5%
91 - 180 days	10.0%	10.0%
181 - 275 days	25.0%	25.0%
276 - 360 days	50.0%	50.0%
Above 360 days	100.0%	100.0%

NOTES TO FINANCIAL STATEMENTS

NOTE 15. CONTRACT ASSETS AND CONTRACT LIABILITIES

DKK'000	GROUP 2021	2020
Balance at begin of the period	(42,866)	(25,823)
Acquisition of subsidiaries	-	-
Changes in contract assets during the period	(26,093)	15,778
Changes on account billing and prepayments during the period	9,272	(32,821)
Balance at 31 December	**(59,687)**	**(42,866)**
Work in progress	4,151	30,244
On account billing and prepayments	(63,838)	(73,110)
Balance at 31 December	**(59,687)**	**(42,866)**
The net value is included in the balances as follows		
Contract assets	4,151	170
Prepayment on contract assets	(3,848)	(2,236)
Contract liabilities	(59,990)	(40,800)
Balance at 31 December	**(59,687)**	**(42,866)**

Contract assets exist whenover a payment for a service or good is to be received in the future upon completion of performance obligations. Upon completion, the amounts recognised as contract assets are reclassified to trade receivables. Contract assets are recognised from implementation services where the receipt of consideration is dependent on a successful completion.

Contract liabilities exist whenever the customer pays for a good or service in advance of receiving it and the performance obligation has not yet been satisfied. Contract liabilities are recognised from service desk support, maintenance, payment for SaaS or subscription licenses and where the payment for the perpetual licenses are made prior to the transfer of the license. The majority of contract liabilities consist of prepayments for licenses and maintenance where the performance obligation is fulfilled over 12 months compared to payment terms of 30-60 days.

Contract assets has been tested for impairment in line with the Group's accounting policies. The result of the impairment test was insignificant in relation to the Group's consolidated financial statement and did not give rise to any impairment of the contract work in progress.

The transaction price allocated to the remaining performance obligations (either unsatisfied or partially unsatisfied) as of 31 December 2021 totals DKK 59.7 millions (31 December 2020: 43 million) of which DKK 54.5 million is expected to be recognised as revenue in 2022 (31 December 2020: DKK 36 million was expected to be recognised as revenue in 2021).

Unsatisfied or partly unsatisfied performance obligations relate to SaaS and maintenenace, and support agreements.

NOTES TO FINANCIAL STATEMENTS

NOTE 16. SHARE CAPITAL

SHARE CAPITAL

The Company was incorporated with a share capital of DKK 50,000 on 25 October 2018 and subsequently the share capital was increased to DKK 9,105,768. The share capital consists of 910,576,851 shares with a nominal value of DKK 0.01 each. Shares are divided into three classes. All shares rank equally except for the fact that only A-shares have voting rights. Shares are non-negotiable instruments and any transfer, pledge or other form of creation of rights attaching to the company's shares requires the prior written consent of the board of directors. No shares are subject to restrictions on transferability or voting rights.

Doing 2021 there have been two capital increases on a total of DKK 1,311k where DKK 13k relates to share capital and DKK 1,298k relates to share premium. The increase in share capital is paid at rate 10,000. The share capital is fully paid up.

	NOMINEL VALUE	
	2021	2020
A Shares - 849,099,547 shares of DKK 0.01 each	8,490,995	8,490,995
B Shares - 9,339,225 shares of DKK 0.01 each	93,392	93,392
C Shares - 30,604,079 shares of DKK 0.01 each	306,041	292,966
D Shares - 21,534,000 shares of DKK 0.01 each	215,340	215,340
31 December	**9,105,768**	**9,092,693**

As of 31 December, the company has acquired the following shares / warrants in the company from employees who have left the Group. The Value of the acquired shares / warrants are recorded directly in equity. The intention is to sell the treasury shares / warrants to employees joining the Group.

	GROUP		PARENT	
DKK'000	**2021**	**2020**	**2021**	**2020**
Treasury shares and warrants 1 January	4,015	7,606	-	-
Purchase from subsidiary	-	-	4,015	-
Purchases	3,012	820	3,012	-
Disposals	(1,502)	(4,411)	(1,502)	-
Treasury shares and warrants 1 January	**5,525**	**4,015**	**5,525**	-

In 2021, treasury shares and warrants of DKK 4,015 thousands are transferred from a subsidiary to the parent company reducing the parent company's equity value. The transfer of the treasury and warrants has increased the equity value of the subsidiary by DKK 4,015 thousands. Hence the impact on equity value of the parent company is nil.

MANAGING CAPITAL

The Group's capital structure is based almost entirely on the equity. Executive management and the board of directors regularly assess whether the capital structure is in accordance with the interest of the Group and the shareholders. The overall goal is to ensure a capital structure which support long-term financial growth, and at the same time maximizes the return to the Group's stakeholders through optimization of the debt and equity balance. Evaluations of the capital structure are based on the Group's budgets and strategic plans. The Group expects to finance its current strategy through operations.

NOTES TO FINANCIAL STATEMENTS

NOTE 17. LEASE LIABILITIES, RIGHT-OF-USE ASSETS

	GROUP		
DKK'000	Cars	Offices	Total
2021			
Less than 1 year	806	3,968	4,774
Between 1 and 5 years	442	12,102	12,544
Total	**1,248**	**16,070**	**17,318**

	GROUP		
DKK'000	Cars	Offices	Total
2020			
Less than 1 year	879	3,477	4,356
Between 1 and 5 years	990	10,668	11,658
Total	**1,869**	**14,145**	**16,014**

NOTES TO FINANCIAL STATEMENTS

NOTE 18. SHARE BASED PAYMENTS

The Board of Directors has implemented incentive plans, based on the company's share price, for the executive board of Omada A/S and other employees in the Group, as part of the overall remuneration strategy adopted by the Group. The inclusion of an element of remuneration that is linked to share price performance is an important part of the Board of Directors aligning decision-making with the principle goal of long-term Group profitability, and is an appropriate element of the overall rewards structure of the Group.

Warrants of Omada Group ApS have been granted the executive board of Omada A/S and other employees in the Group in December 2018. The warrants can only be exercised in case of a sale or IPO. Additionally, vesting of the warrants is dependent on the internal rate of return (IRR) for the investment in the Omada Group ApS. Employees must remain in service from the grant date until the vesting conditions are met.

The fair value of warrants granted is estimated at the date of grant using a Black-Scholes model, taking into account the terms and conditions on which the warrants were granted. The model simulates the IRR. It takes into account historical and expected dividends, and the share price volatility of the Group relative to that of its competitors so as to predict the share performance.

Each of the warrants entitles the participants to subscribe for one C-share in Omada Group ApS. The exercise price of the warrants is based on the market price of the underlying shares on the date of grant.

The Group accounts for the warrants as an equity-settled plan.

A total of 68,626,527 warrants, divided equally into three series, were granted in December 2018 for an aggregate value of DKK14,141 thousand. The estimated market value of the warrants is based on Black & Scholes calculation at the grant date. The calculation is based on an average share price of DKK 1, weighted average exercise price of DKK 1.76, dividend per share of 0%, volatility of 50% and a risk-free interest rate of -0.32% and an expected life of the warrants of 4 years.

The expected life of the warrants is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The estimated expected life of the warrants of 4 years is determined by Management's estimate of the likely time horizon for a future sale of Omada Group ApS.

The warrants vest over a period of 4 years beginning December 2018 at 1/48 for each month the warrant holder is employed by the Group. On 12 December 2018 the warrant holders paid DKK 4,463 thousand to acquire the warrants. An amount of DKK 9,678 was expected to be accrued over the vesting period as share based payments in the income statement.

In 2020 and 2021, the company bought back warrants from resigning Executives/employees and sold most of the warrants to new executives/employees of the Group.

As per 31 December 2021, an amount of DKK 7,708 thousand (31 December 2020 DKK 8,848 thousand) is expected to be accrued over the entire vesting period as share-based payments in the income statement. As per 31 December 2021 DKK 1,781 thousand is expected to be expensed over the remaning vesting period (31 December 2020 DKK 4,215 thousand).

In 2021, the Group expensed DKK 1,294 thousand (2020 DKK 2,493 thousand) in share-based payment relating to equity instruments.

NOTES TO FINANCIAL STATEMENTS

NOTE 18. SHARE BASED PAYMENTS

DKK	Average exercise price per warrant	Board of directors	Executive board	Other key employees*	Other employees	Total
Warrant program						
Outstanding at 1 Januar 2020	1.76	-	-	25,955,985	20,580,342	46,536,327
Reclassification during the period	1.76	-	-	(7,179,315)	7,179,315	-
Granted during the period	1.76	-	-	25,456,443	3,367,749	28,824,192
Forfeited during the period	1.76	-	-	(9,388,335)	(3,225,672)	(12,614,007)
Outstanding at 31 December 2020	1.76	**-**	**-**	**34,844,778**	**27,901,734**	**62,746,512**

	Average exercise price per warrant	Board of directors	Executive board	Other key employees	Other employees*	Total
Warrant program						
Outstanding at 1 Januar 2021	1.76	-	-	34,844,778	27,901,734	62,746,512
Reclassification during the period	1.76	-	-	-	-	-
Granted during the period	1.76	-	-	-	4,250,850	4,250,850
Forfeited during the period	1.76	-	-	(4,694,166)	(7,643,715)	(12,337,881)
Outstanding at 31 December 2021	1.76	**-**	**-**	**30,150,612**	**24,508,869**	**54,659,481**

Total warrants which can be exercised 31 December 2020 and 31 December 2021	-	-	-	-	-	-
Weighted average remaining contractual life (years) as per 31 December 2020	-	-	-	1.9	1.9	1.9
Weighted average remaining contractual life (years) as per 31 December 2021	-	-	-	0.9	0.9	0.9
Range of exercise price per warrant	**-**	**-**	**-**	**1.46 - 2.07**	**1.46 - 2.07**	**1.46 - 2.07**

* Other key employees are executive management team of Omada A/S.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE GROUP

Due to the nature of its operations, investments and financing activities, the Group is exposed to a number of financial risks. These risks relate to market risk, which consists of foreign exchange and interest rate risk, as well as credit risk and liquidity risk.

It is the Group's policy not to actively speculate in financial instruments. The sole purpose of the Group's financial management is to manage and reduce financial risk.

Management monitors the risks the Group is exposed to and aligns policies to hedge such risks.

Management is authorised to enter into forward currency contracts, but the Group was not party to any derivatives at the balance sheet dates.

LIQUIDITY RISK MANAGEMENT

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continously monitoring forecast of cash flows, and by matching the maturity profiles of financial assets and liabilities. For all the primary financial instruments, the carrying amounts are equivalent to the fair value.

The below maturity analysis for the Group is based on the undiscounted cash flow including interest.

DKK'000	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
2021				
Receivables	57,520	-	-	57,520
Other receivables	6,723	5,352		12,075
Cash and bank balances	25,687	-	-	25,687
Total financial assets	**89,930**	**5,352**	**-**	**95,282**
Financial institutions	-	72,695	-	72,695
Trade payables	27,387	-	-	27,387
Other liabilities	25,371	250	6,119	31,740
Lease liability	4,774	12,544	-	17,318
Total financial liabilities	**57,532**	**85,489**	**6,119**	**149,140**
Ratio				0.6
2020				
Receivables	42,405	-	-	42,405
Other receivables	-	5,352	-	5,352
Cash and bank balances	46,530	-	-	46,530
Total financial assets	**88,935**	**5,352**	**-**	**94,287**
Financial institutions	-	49,146	-	49,146
Trade payables	20,850	-	-	20,850
Other liabilities	19,262	250	5,626	25,138
Lease liability	4,356	11,658	-	16,014
Total financial liabilities	**44,468**	**61,054**	**5,626**	**111,148**
Ratio				0.8

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE GROUP

Financial facilities

DKK'000	2021	2020
Cash and bank balances	25,687	46,530
Unused credit facilities	17,305	10,854
Total	**42,992**	**57,384**

The Group has a revolving credit facility with Nordea of DKK 90 million (31 December 2020: DKK 60 million) of which DKK 73 million is drawn 31 December 2021 (31 December 2020: DKK 49 million). Cash reserves and expected cash flow for 2022 are considered to be adequate to meet the obligations of the Group as they fall due. In March 2022 the owners have done a capital increase of DKK 44 million.

Cash reserves comprise cash and cash equivalents and unutilised credit facilities. The Group aims to have sufficient cash reserves to allow it to continue to operate adequately in case of unforseen fluctuations in cash.

The revolving credit facility will be gradually reduced from 2023 towards the final maturity date which is December 2024. The group expects that external credit facilities will not be needed after that date, but expects to ensure financing through profit and positive cash-flow.

CURRENCY RISK

The Group is exposed to currency fluctuations from individual Group companies conducting purchase and sales transactions and have receivables and debt in currencies other than their own functional currency.

In 2021, the Group invoiced approx. 15% (2020: 25%) of its sale in DKK, 54% (2020: 47%) in EUR, 17% (2020: 15%) in USD and the remaining 14% (2020: 13%) in various currencies.

As parent company is incorporated in Denmark, a large part of the costs are incurred i DKK corresponding to approx. 63% (2020: 34%), approx. 14% (2020: 37%) in EUR, approx. 10% (2020: 16%) in USD and approx. 13% (2020: 13%) in various currencies.

The Group's foreign exchange exposure is primarily in EUR and USD. Management does not believe that EUR exposure involves particular risk. As regards USD, mangement monitors the situation and consider whether hedging would be appropriate. No hedging contracts were entered into at the balance sheet dates.

Value adjustment of investments in foreign group undertakings using functional currencies other than DKK is taken directly to equity and is shown in the statement of comprehensive income. Related foreign exchange risk is not hedged. A sensitivity analysis shows that had the USD/DKK exchange rate been 10% lower in 2021, EBIT would have been DKK 0.2 million lower (2020: DKK 0.1 million lower).

Currency risk 31 December

DKK'000 Currency	Payment/ maturity	Receivable	Cash at bank and in hand	Debt	Net position
31 December 2021 USD	< 1 year	2,078	268	4,657	(2,311)
31 December 2020 USD	< 1 year	4,441	4,846	7,012	2,275

A decrease in the USD/DKK exchange rate of 10% at 31 December 2021 would reduce the negative value of the financial instruments, net by approx. 0.2 million (31 December 2020 a decrease in the value of the Groups financial instruments, net of 0.2 million. Income statement would not be affected.

The Group has no USD denominated receivables or debt falling due after more than 12 months apart from deposits paid on inception of leases, which amounts are not included in the sensitivity analysis.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE GROUP

Interest rate risk

Fluctuations in interest rates have an effect on the Group's financial instruments. By the end of 2021, an increase in interest rates of half a percentage point would increase the Group's financial interests by less than DKK 0.3 million (2020: DKK 0.1 million). Net position with financial institutions are used in the analysis.

Credit risk

The Group's credit risk primarily derive from receivables. Receivables are distributed between many customers and geografical areas. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

The maximum credit risk at the balance sheet date equals the carrying amount of the Group's total financial assets, cf below table.

No customer represents more than 10% of the total trade receivables from clients as per 31 December 2021 (31 December 2020: 10%).

DKK'000	2021	2020
Categories of Financial instruments		
Other non-current financial assets	6,459	6,334
Trade receivables	57,520	42,405
Other receivables	12,075	5,352
Cash at bank and in hand	25,687	46,530
Measured at amortised cost (receivables and deposits)	**101,741**	**100,621**
Financial institutions	72,695	49,146
Trade payables	27,387	20,850
Other liabilities	31,740	25,138
Lease liabilities	17,318	16,014
Measured at amortised cost (loans and other debt)	**149,140**	**111,148**

The fair value of financial assets and liabilities is assessed not to deviate significantly from the carrying values.

NOTES TO FINANCIAL STATEMENTS

NOTE 19. FINANCIAL RISK AND FINANCIAL INSTRUMENTS

INFORMATION FOR THE PARENT COMPANY

The maturity analysis below is based on the undiscounted cash flow including interest.

DKK'000	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
2021				
Receivables from Group subsidiaries	3,819	-	-	3,819
Other receivables	37	-	-	37
Cash and bank balances	430	-	-	430
Total financial assets	**4,286**	**-**	**-**	**4,286**
Trade payables	222	-	-	222
Payables to subsidiaries	30,641			30,641
Total financial liabilities	**30,863**	**-**	**-**	**30,863**
Ratio				0.1
2020				
Receivables from Group subsidiaries	14,424	-	-	14,424
Cash and bank balances	3,238	-	-	3,238
Total financial assets	**17,662**	**-**	**-**	**17,662**
Trade payables	354	-	-	354
Total financial liabilities	**354**	**-**	**-**	**354**
Ratio				49.9

The fair value of financial assets and liabilities is assessed not to deviate significantly from the carrying values.

DKK'000	2021	2020
Categories of Financial instruments		
Receivables from Group subsidiaries	3,819	14,424
Other receivables	37	30
Cash at bank and in hand	430	3,238
Measured at amortised cost (receivables and deposits)	**4,286**	**17,692**
Trade payables	222	354
Payables to subsidiaries	30,641	-
Measured at amortised cost (loans and other debt)	**30,863**	**354**

NOTES TO FINANCIAL STATEMENTS

NOTE 20. RELATED PARTY TRANSACTIONS

Gubernare Holdings Jersey Limited and GRO Holding VII ApS have significant influence in Omada Group ApS and are considered a related party together with its board of directors.

Other related parties are Omada Group ApS' and Omada A/S' Board of Directors and Executive Board and key employees of the Group as well as close relatives of these persons and companies owned by them. Apart from ordinary remuneration and payment of travel costs there were no other transactions. No member of the Board were employed with the Group during the financial years.

A loan is granted to an "Other Key Employee (cf. note 7)". The loan is remunerated on market terms and matures upon the earlist of the following to occur: 1) Termination of employment, 2) Sale of Omada Group ApS or 3) on 31 December 2025.

TRANSACTIONS WITH RELATED PARTIES:

	PARENT	
DKK'000	**2021**	**2020**
Interests received	446	-
Receivables from group entities	3,819	14,424
Payables to group entities	(30,641)	-

NOTE 21. CHANGES IN WORKING CAPITAL

	GROUP		PARENT	
DKK'000	**2021**	**2020**	**2021**	**2020**
Change in receivables and contract assets	(19,096)	22,290	10,605	(5,740)
Change in other receivables	(9,402)	2,131	(7)	(30)
Change in payables and contract liabilities	27,339	14,821	(132)	273
Change in other liabilities	6,598	3,115	30,641	-
Cash flow from changes in working capital	**5,439**	**42,357**	**41,107**	**(5,497)**

NOTES TO FINANCIAL STATEMENTS

NOTE 22. CASH FLOW FROM FINANCING ACTIVITIES

The table below specify changes in liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flow will be, classified in the cash flow statement as cash flow from financing activities.

GROUP			ADJUSTMENTS FOR NON-CASH TRANSACTIONS		
DKK'000	1 January 2021	Cash flows	Addition of right-of-use assets	Other	31 December 2021
Income Statement					
Lease liabilities	16,014	(5,034)	5,603	734	17,317
Financial institutions	49,146	23,549	-	-	72,695
Total	**65,160**	**18,515**	**5,603**	**734**	**90,012**

GROUP			ADJUSTMENTS FOR NON-CASH TRANSACTIONS		
DKK'000	1 January 2020	Cash flows	Addition of right-of-use assets	Other	31 December 2020
Income Statement					
Lease liabilities	17,440	(1,427)	2,656	(2,655)	16,014
Financial institutions	7,083	42,063	-	-	49,146
Total	**24,523**	**40,636**	**2,656**	**(2,655)**	**65,160**

NOTE 23. CONTINGENT LIABILITIES

As management company, Omada Group ApS is jointly taxed with other Danish group entities. The Company is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2019 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 25 October 2018.

NOTE 24. SECURITY

As security for debt to financial institutions, Omada A/S has entered an agreement of floating charges with a value of DKK 30,000 thousand in the company's basic receivables, inventories (if any), fixed assets or similar and goodwill.

In addition, there are no collateral.

NOTE 25. EVENTS AFTER THE REPORTING PERIOD

No significant events requiring specific metioning in the financial report have occured in 2022.

Management has assesed the potential financial impact from the crises in Ukraine. Currently, no significant impact is expected.

With effect from 1 January 2022, Omada A/S will be merged with Omada Services A/S with Omada A/S as the continuing company.

In March 2022 the owners have done a capital increase of DKK 44 million to support the ongoing transition from perpetual to SaaS.

NOTES TO FINANCIAL STATEMENTS

NOTE 26. ACCOUNTING POLICIES

In addition to the description in Note 1, the accounting policies are as described below.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the financial statements of the Parent Company and subsidiaries controlled by the Parent Company.

Control means a parent company's power to direct a subsidiary's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment and be able to affect those returns through its power over the investee.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra group income and expenses, shareholdings, intra group balances and dividends, and realised and unrealised gains on intra group transactions are eliminated.

In the consolidated financial statements, the accounting items of subsidiaries are recognised in full.

PRINCIPLES OF CONSOLIDATION

Newly acquired or newly established subsidiaries are consolidated from the date of acquisition or formation. The acquisition date is the date on which the Omada Group ApS obtains control of the acquiree. Divested companies are included in the consolidated financial statements until the date of disposal or winding up. Disposal is the date when control is actually transferred to third parties.

Acquisition of new companies or activities in which the Group obtains control will be accounted for under the acquisition method, so that the identified assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identified intangible assets are recognized separately from goodwill if they are separable or arise from a contractual right. Non-current assets which are held for sale are measured at fair value less estimated selling costs. Restructuring liabilities are only recognized in the acquisition balance sheet if they represent a liability to the acquired company. Account is taken for the tax effect of the restatements. The purchase consideration for a company is the fair value of the consideration paid for the acquired company. If the final determination is subject to one or more future events, the contingent consideration is recognized at the fair value on the acquisition date. The contingent consideration that is not classified as equity is subsequently measured at fair value through profit or loss for each period. Costs directly attributable to the acquisition are recognized directly in the income statement as incurred.

Positive differences (goodwill) between, on one hand, the purchase price of an acquired company, the value of non-controlling interests in the acquiree and the fair value of previously held equity interests, and on the other hand, the fair value of the identifiable assets, liabilities and contingent liabilities is recognized as goodwill under intangible fixed assets. Goodwill is not amortized but is tested annually for impairment. The first impairment test is performed before the end of the year of acquisition.

NOTES TO FINANCIAL STATEMENTS

If at the time of acquisition there is an uncertainty about the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration, initial recognition is based on preliminary fair values. The preliminary calculated amounts can be adjusted, or additional assets or liabilities can be recognized until one year after the purchase date, if new information on conditions that existed at the acquisition date is obtained, which would have affected the calculation of values at the acquisition date, had the information been known.

FOREIGN CURRENCY TRANSLATION

Transactions in currencies other than the Group's functional currency are translated initially at the transaction date. Receivables and payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated at the closing rate. Gains and losses arising from the difference between the exchange and the transaction date are recognized in the income statement as financial items.

Tangible and intangible assets, inventories and other non-monetary assets acquired in a foreign currency and measured at historical cost are translated at the transaction date. Non-monetary items revalued at fair value are translated using the exchange rate at the date of revaluation.

Translation of foreign subsidiaries

On recognition in the consolidated financial statements of foreign subsidiaries with a functional currency other than Danish kroner (DKK), income statements are translated at average exchange rates for the months unless these deviate significantly from the actual exchange rates at the transaction dates. In the latter case, the actual exchange rates are used. Assets and liabilities for each balance sheet presented are translated at the closing exchange rates. All resulting differences are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that foreign operation is reclassified to profit or loss.

CONSOLIDATED INCOME STATEMENT

Revenue

Omada's revenue from contract with customers comes mainly from providing perpetual or fixed-term (rental) software licenses, software as a service (SaaS), software maintenance services, implementation services and service desk support. If a sales contract consists of several performance obligations, the total contract revenue is allocated to the individual performance obligations prior to revenue recognition.

For a contract to exist between Omada and its customers, each party's rights must be identifiable, payment terms must be identifiable, the contract must be deemed to have commercial substance, and it must be probable that the payments identifiable in the contract will be recovered by Omada.

Revenue is recognised when the transfer of control of the license or service to the customer. Control of the asset refers to the ability to direct the use of, and obtain substantially all the benefits from, the software licenses or associated services. For contracts that contain elements such as discounts, rebates or interest, the stand-alone selling price for the specific performance obligation is identified.

LICENSES

Rental license agreements are software licenses with a fixed term, providing the customer with the right to use the software for a pre-determined, time-limited period. Perpetual licenses provide the customer with a right to use the license for an unlimited period. Control of both licenses is deemed to pass to the customer when the software and the associated activation keys are delivered to the customer. The performance obligation identified when providing the customer with a perpetual license, is the right to use the software, and there are no subsequent technical requirements for additional enhancements or updates to the software in order to facilitate use by the customer after delivery.

NOTES TO FINANCIAL STATEMENTS

When providing the customer with a rental license, the performance obligation identified is satisfied over time, as additional enhancements and updates to the software in order to facilitate use becomes available to the customer after initial delivery.

For perpetual licenses, the performance obligation is satisfied at a point in time, when both parties have signed a binding contract and the software, and associated activation key, are delivered to the customer.
Revenue for the perpetual license is therefore recognised on a point-in-time basis.

For rental license agreements, the performance obligation is satisfied over time starting from when the contract obligation has been fulfilled, as the costumer receives and benefits from a product that constantly is being enhanced and updated on a running basis.

Hence the Rental license revenue is recognized over time as the software keeps being enhanced and updated.

MAINTENANCE

Maintenance services relate to periodic updates and security patches that can be made available to customers, at their discretion, subsequently to the installation of the licenses (both perpetual and rental), over an agreed contract period. The performance obligation is satisfied over time, as the customer simultaneously receives and consumes the benefits of the maintenance service. Accordingly, revenue related to maintenance services is recognised over time.

IMPLEMENTATION

Whenever the customer purchases software licenses or SaaS, Omada may be contracted to provide implementation services, which include the customisation and installation of the software in accordance with the requirements of the specific customer.

The performance obligation is satisfied over time, as the customer obtains control over the services as they are provided. Implementation services are billed on a time and materials basis and revenue is recognised based on the work performed to date.

SOFTWARE AS A SERVICE (SAAS)/SERVICE DESK

Software as a Service (SaaS) provides customers with access to Omada, with Omada hosting the software and maintaining the responsibility for providing software enhancements during the contract period. The performance obligation for SaaS is satisfied over time, as the customer continually receives and consumes the benefits of the SaaS during the contract period.

As a part of purchasing SaaS, the customer obtains the right to access the Omada service desk for any issues the customer encounters. The performance obligation for the service desk is satisfied over time as the customer simultaneously receives and consumes the benefits of the service desk.

TRANSACTION PRICE ALLOCATION

Based on the relative stand-alone selling price for each of the distinct goods or services provided by Omada, an allocation of the transaction price is made to each performance obligation. The stand-alone selling price for implementation services is determined based on the hourly billing rate, and time expended on the contract.

CONTRACT MODIFICATIONS

A contract modification is treated as a separate contract when the goods or services in the modification contract are distinct from the goods or services in the original contract and the consideration expected for the additional goods and services reflect the stand-alone selling price of those.

NOTES TO FINANCIAL STATEMENTS

CONTRACT EXTENSIONS

In some sales contracts, Omada provides extension options, which give the customer the right to acquire additional, future licenses at a discounted unit price, for an additional period, following the original contract term. When the presence of discount in the extension option provides the customer with a material right, the extension option is treated as a separate performance obligation. If such an option is present in a sales contract, Omada allocates part of the transaction price to future licenses as a separate performance obligation.

Operating costs

Operating costs are allocated into cost of sales, research and development, sales and marketing costs, and general and administrative expenses.

Cost of sales comprise costs incurred to achieve the year's revenue, including costs of delivering and implementing systems, hosting and infrastructure costs, third party costs, training courses, and support. Cost of sales primarily comprise salaries, share-based payments, other employee related costs, costs for external implementation consultants, hosting fees and other third-party costs, travel costs, depreciation and amortization, and other direct or indirect related cost such as rent and technological infrastructure costs attributable to the Group's cost of sales.

Research and development costs comprise salaries, share-based payments, other employee related costs, depreciation and amortization, and other direct or indirect related cost such as rent and technological infrastructure costs attributable to the Group's research and development activities. Research and development costs are expensed in the year in which they are incurred when they do not qualify for capitalization.

Sales and marketing costs primarily comprise salaries, commissions, bonuses, share-based payments, and other sales employee related costs, travel and meeting expenses, marketing expenses, depreciation and amortization, and other direct or indirect related cost such as rent and technological infrastructure costs attributable to the Group's sales and marketing activities.

General and administrative expenses comprise expected loss on trade receivables, salaries, bonuses, share-based payments and other employee costs and expenses, recruitment and other HR related costs, office costs, travel costs, audit & legal costs, depreciation and amortization, and other direct or indirect related cost such as rent and technological infrastructure costs attributable to the Group's administrative activities.

Other operating income and expenses

Other operating income and expenses comprise items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of non current assets.

Financial items

Financial items include interest income and expenses, the interest on lease liabilities, amortisation of borrowing issue costs, realized and unrealized gains and losses on foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme.

Income from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement for the Parent Company 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.

Tax

Income tax for the year, comprising current tax and movements in deferred tax, is recognized in the income statement by the portion attributable to the profit and directly in equity or in other comprehensive income to the extent that it relates to

NOTES TO FINANCIAL STATEMENTS

items recognized directly in equity and in other comprehensive income. Exchange adjustments of deferred tax is recognized as part of the adjustment of deferred tax. Current tax liabilities and receivables are recognized in the balance sheet as estimated tax on the taxable income, adjusted for prepaid tax.

When calculating the current tax, the applicable tax rates and rules on the balance sheet date is used.

Deferred tax is recognized using the balance sheet Asset/Liability method on all temporary differences between accounting and tax values of assets and liabilities, except for deferred taxes on temporary differences arising on the initial recognition of goodwill or from the initial recognition of a transaction that is not a business combination, and where the temporary difference identified by the initial recognition affects neither the accounting profit nor the taxable income.
Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, unless the parent is able to control when the deferred tax is realized, and it is probable that the deferred tax will not crystalize as current tax in the foreseeable future. Deferred tax is calculated based on the planned use of each asset and settlement of each liability.

Deferred tax is measured based on the tax rules and rates in the respective countries, based on enacted or in reality enacted laws at the balance sheet dates that are expected to apply when the deferred tax is expected to crystallize as current tax. Changes in deferred tax due to changes in tax rates or rules are recognized in the income statement unless the deferred tax is attributable to transactions previously recognized directly in equity or in other comprehensive income. In the latter case, the change is also recognized in equity, respectively, in other comprehensive income.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognized at the value at which they are expected to be realized, either as net assets to offset against future taxable income or against deferred tax liabilities in the same legal tax entity and jurisdiction. It is assessed at each reporting date whether it is likely that in the future there will be sufficient taxable profits against which the deferred tax asset can be utilized.

BALANCE SHEET

Intangible assets

Intangible assets include goodwill, customer relationships and software acquired as part of a business combination and other intangible assets such as development projects and other acquired intangible rights, including software licences and development projects.

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

Goodwill

Goodwill is recognized and measured at initial recognition as the difference between the cost and the net assets of the acquired company. The net assets of the acquired company are based on the fair value of assets and liabilities at the acquisition date. On recognition of goodwill, the goodwill is allocated to each of the Group's activities that generate separate cash flows (cash generating units) to which the goodwill relates. The determination of cash-generating units follows the management structure and internal financial management and reporting of the Group. A cash-generating unit is not larger than an operating segment.
Goodwill is not amortized, but is tested annually for impairment.

Customer relationships

Customer relationships comprise the capitalized fair value of the customer relationships in acquired companies, recognized during the purchase price allocation. Customer base is amortized over 8 years.

NOTES TO FINANCIAL STATEMENTS

Software
Acquired software comprise the capitalized fair value of the software in acquired companies, recognized during the purchase price allocation and software acquired subsequently. Acquired software is amortized over 3-5 years.

Development projects
Software development projects are projects that are clearly defined and identifiable, where the technical feasibility, adequate resources and a potential future market or application in the group can be demonstrated and where the intention is to produce, promote or use the project. Development projects are recognized as intangible assets if the cost can be measured reliably and there is sufficient assurance that future earnings or the net selling price will cover production, sales, administration and development costs. Other development costs are recognized in the income statement as incurred.

Development costs are measured at cost less accumulated amortisation and impairment losses. The cost includes wages, salaries, services and other costs directly attributable to the Group's development and which are necessary to complete the project, from the time when the development project first qualifies for recognition as an asset.

On completion of the development project, development costs are amortised on straight-line basis over the estimated useful life. The amortisation period is 5 years. Development projects are reviewed annually to determine whether there are indications of impairment. If such an indication exists, the asset's recoverable amount is calculated. If the recoverable amount is lower than the carrying value, the development projects are impaired to this value. Development projects in progress are tested at least annually for impairment.

Tangible assets
Property plant and equipment
These 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 the asset is ready for use.

Fixtures and equipment are depreciated over 3 to 5 years, equal to the asset's estimated useful life. Leasehold improvements are amortized over the lease period not exceeding 5 years.

The basis for depreciation is determined by the cost of assets less the residual value. The value is impaired to the recoverable amount if this is lower than the carrying value. The residual value is determined at the acquisition date and reassessed annually. Depreciation is discontinued if the residual value exceeds the carrying amount. In amendment of the depreciation period or the residual value, the effect is recognized prospectively as a change in accounting estimates.

Leases
The Group accesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are classified separately from other assets in the consolidated financial statements. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and estimated useful lives of the assets, as follows:

Offices:	2 to 7 years
Motor vehicles:	2 to 4 years

NOTES TO FINANCIAL STATEMENTS

Lease liabilities are initially measured at the net present value of the fixed lease payments to made over the lease term. If, at inception of the lease, the Group are reasonably certain about exercising an option to extend a lease, the lease payments will be included in the option period when calculating the lease liability.

Lease liabilities are measured using the incremental borrowing rate, rather than the interest rate implicit in the leases as these cannot easily be determined in the contracts.

The applied incremental borrowing rate ranges between 3% and 5%.
Contracts may contain both lease and non-lease components. The Group allocate the consideration in a contract to the lease and non-lease components based on their relative stand-alone prices. The Group account for non-lease components in accordance with the accounting policy applicable for such items. Non-lease components comprise of services and operating costs etc. Variable lease expenses that do not depend on an index or a rate are recognized in operating costs in the period when the condition triggering those payments occurs.
Interests of lease liabilities are recognized in financial expenses. Each lease payment is separated into repayment of the lease liability and payment of interests of the lease liability.

Debt repayments are classified as cash flows from financing activities, and payment of interests are classified as cash flows from operating activities.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the income statement. Short-term leases are leases with a term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture with a value of DKK 25,000 or less when new.

Financial assets

Equity investments in subsidiaries are measured according to the equity method in the Parent Company's financial statements.
On initial recognition, equity investments in subsidiaries are measured at cost. Transaction costs are recognised in the income statement. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The consideration 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.

Non-current assets

Impairment of non-current assets

The carrying values of tangible and intangible assets of definite useful lives as well as investment in subsidiaries are reviewed at each balance sheet date to determine any indications of impairment. If this is the case, the asset's recoverable value is determined to identify any need for impairment and the extent thereof. Goodwill is tested annually, or more frequently if there's any indications of impairment.

NOTES TO FINANCIAL STATEMENTS

If the asset does not generate cash flow independent of other assets, the recoverable amount of the smallest cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset is the higher of fair value less costs of disposal and value in use.

For cash-generating units, the impairment is firstly distributed on goodwill, and then any remaining impairment is distributed to other assets in the unit.

Impairment losses are recognized in the income statement. On any subsequent reversal of impairment losses resulting from changes in the assumptions used to determine the recoverable amount, the asset and the cash-generating unit's carrying amount is increased to the adjusted recoverable amount, however not exceeding the carrying value of the asset or cash-generating excluding impairment. Impairment of goodwill is not reversed.
Deferred tax assets are reviewed annually and recognized only to the extent that it is probable for utilization within a five-year period.

Receivables
Receivables consist of receivables from sales of products and services and other receivables.
Receivables are measured at initial recognition at fair value and subsequently at amortized cost, which usually corresponds to nominal value less provisions for bad debts.

When assessing impairment for the Groups receivables the expected credit losses model (ECL) is applied in accordance with IFRS 9. The ECL model involves a three-stage approach under which financial assets move through the stages as their credit quality changes. The stages determine how impairment losses are measured. For trade receivables the Group uses the simplified approach in calculating ECL's. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Provision rates are determined based on grouping of trade receivables sharing the same credit risk characteristics and days past due.

Contract assets and contract liabilities
Contract assets are measured at the sales value of the work performed less progress billings and expected losses. Contract liabilities are recognized when a payment for customer is due (or already received, whichever is earlier) before a related performance obligation is satisfied. Market value is measured based on completion at the balance sheet date and the total expected income from the contract. The stage of completion is determined as the ratio between the resources spent and the total estimated resource for the project. For some projects where the consumption of resources cannot be used as a base, the measurement is instead based on the ratio between completed sub activities and the total project.
When it is probable that total costs will exceed total revenue on a contract work in progress, the expected loss on the contract is taken immediately as an expense and a provision.

When the outcome of a contract cannot be estimated reliably, the selling price is only recognized at cost, to the extent that it is probable, they will be recovered.
Contract assets and contract liabilities are recognized in the balance sheet under current assets or liabilities, depending on whether net value of a contract is a receivable or liability.

NOTES TO FINANCIAL STATEMENTS

Costs of sales work and securing contracts are recognized in the income statement income as incurred.

When assessing impairment for the Groups contract work in progress the simplified approach under the ECL model is used in line with impairment for the Groups trade receivables.

Prepayments
Prepayments recognized under assets include expenses paid concerning subsequent financial years and are measured at cost.

Dividend
Proposed dividends are recognized as a liability at the time of approval by the general meeting (time of declaration).

Translation reserve
The translation reserve comprises foreign exchange differences arising from translation of the financial report for entities with a different functional currency than Danish kroner.

Treasury shares
Treasury shares are recognised on equity at cost.

Share option schemes
Equity-settled share options are measured at fair value at allotment date and recognized in the income statement under share-based payment over the period in which the final right of the options vest. The balancing item is recognized directly in equity.

On initial recognition of share options, the number of options expected to vest at expiry is estimated. Recognition is subsequently revised for changes in the estimated number of vested options, so that the total recognition is based on the actual number of vested options.

The fair value of the options granted is estimated using the Black-Scholes model.

Current liabilities
Current liabilities include bank loans, trade payables and other liabilities to public authorities, etc. Current liabilities are initially measured at fair value, less any transaction costs. In subsequent periods, current liabilities are measured at amortized cost using the "effective interest method" so that the difference between the proceeds and the nominal value is recognized in the income statement under financial expenses over the loan period.

Other liabilities are measured at amortized cost.

Deferred income
Deferred income comprises invoices issued concerning income in subsequent years.

THE CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method based on profit for the year.

The cash flow statement shows cash flows for the year, the change in cash, as well as the balance of cash at the beginning and end of the year.

Cash flow from operating activities
Cash flow from operating activities is calculated as profit for the year adjusted for

NOTES TO FINANCIAL STATEMENTS

non-cash operating items, changes in working capital, interests received and paid, and corporation tax paid.

Cash payments for the interest portion of the lease liability; and short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability are classified within operating activities.

Cash flow from investment activities
Cash flows from investment activities comprise payments relating to purchase and divestment of businesses and activities, purchase and divestment of intangible and other long-term assets as well as purchase and divestment of securities not recognized as cash and dividends received. Cash flow from acquired companies is included from the date of acquisition, while cash flow from divestments is recognized until the time of sale.

Cash flow from financing activities
Cash flows from financing activities comprise changes in size or composition of share capital and related costs as well as raising and repayment of loans, repayment of interest-bearing debt, purchase and divestment of treasury shares and payment of dividend to minority shareholders.

Inception of leases are treated as non-cash transactions. Cash payments for the principal portion of the lease liability are classified with in financing activities.

Cash
Cash comprise cash less any overdraft facilities that are an integral part of cash management. Cash pool arrangement exist and are recognized as either net asset or liability.

Cash flows in currencies other than the functional currency are translated using average exchange rates unless these deviate significantly from the transaction date.

SEGMENT INFORMATION

Segment information are prepared in accordance with the Group's accounting policies and the Group's internal management reporting. The Group has only one operating segment and therefore only information about geography is disclosed in the Segment note.

FINANCIAL RATIOS

The financial ratios stated under "Consolidated key Financial highlights" have been calculated as follows:

Return on assets	$\frac{\text{Operating profit/loss (EBIT)} \times 100}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity, year end} \times 100}{\text{Total equity and liabilities, year end}}$
Return on equity	$\frac{\text{Operating profit/loss (EBIT)} \times 100}{\text{Average equity}}$
Annual recurring revenue (ARR)	Annual recurring revenue is defined as revenue from contracts recurring in more than one financial year.
EBIT before non-recurring items DKK'000	This can be derived directly from the financial statements by adding back "Other operating costs" to "Operating profit/loss (EBIT)".


Our Values
Ambition
Teamwork
Constant Care
Create Value

Omada

Omada, a global market leader in identity governance and administration (IGA), offers a full-featured, enterprise-grade, cloud-native iga solution that enables organizations to achieve compliance, reduce risk and maximize efficiency. founded in 2000, omada delivers innovative identity management to complex hybrid environments based on our proven best-practice process framework and deployment approach.

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