P-Esoft 2022 A/S

Højbyvej 50, 5260 Odense S

CVR no. 41 24 14 54

Annual report 2022

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 15 May 2023

Chairman of the Annual General Meeting:

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Contents

Management's statement

The Board of Directors and the Executive Board have today discussed and approved the annual report of P-Esoft 2022 A/S for the financial year 1 January – 31 December 2022.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022 and of the results of their operations and consolidated cash flows for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters, the results for the year and the Group's and the Parent Company's financial position.

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

Odense, 15 May 2023

Executive Board:

Henrik Bonnerup
CEO

Board of Directors:

Allan Bach Pedersen *Chairman*	Jan Johan Kühl	Rune Lillie Gornitzka

Independent auditor's report

To the shareholders of P-Esoft 2022 A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of P-Esoft 2022 A/S for the financial year 1 January – 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the 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.

Management's responsibilities for the financial statements

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

Independent auditor's report

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Independent auditor's report

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

Odense, 15 May 2023
EY Godkendt Revisionspartnerselskab
CVR-nr. 30 70 02 28

Søren Smedegaard Hvid
State Authorised Public Accountant
mne31450

Management's review

Company details

P-Esoft 2022 A/S
Højbyvej 50
5260 Odense S

CVR no.:	41 41 57 11
Established:	9 March 2020
Registered office:	Odense
Financial Year:	1 January - 31 December

Board of Directors

Allan Bech Pedersen, Chair
Jan Johan Kühl
Rune Lillie Gornitzka

Executive Board

Henrik Bonnerup

Auditor

EY Godkendt Revisionspartnerselskab
Cortex Park Vest 3
5230 Odense M

Management's review

Financial highlights for the Group

DKK'000	2022	2021
Key figures		
Revenue	138.841	0
Gross profit/loss	54.271	-87
EBITDA	-15.985	-87
Profit/loss before net financials	-31.981	-87
Net financials	-5.527	-14
Profit/loss for the year	-36.798	-101
Total assets	453.401	954
Investments in property, plant and equipment	1.506	0
Investments in intangible fixed assets	4.661	0
Equity	196.413	894
Cash flows from operating activities	3.755	-93
Cash flows from investing activities	-405.894	0
Cash flows from financing activities	421.693	570
Total cash flows	19.554	477
Financial ratios		
Operating margin	-23,0%	0%
Gross margin	39,1%	0%
Equity ratio	43,3%	93,7%
Return on equity	-37,4%	-11,3%
Average number of employees after acquisition	**961**	**0**

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

EBITDA	Earnings before interest, taxes, depreciation and amortization
Operating margin	$\frac{\text{Operating profit/loss (EBIT) x 100}}{\text{Revenue}}$
Gross margin	$\frac{\text{Gross profit/loss x 100}}{\text{Revenue}}$
Equity ratio	$\frac{\text{Equity at year end x 100}}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax x 100}}{\text{Average equity}}$

Management's review

P-Esoft 2022 A/S and its subsidiaries represent one of the leading players in real estate marketing. The principal activities of the Group are to market real estate, primarily for realtors and photographers. The Group also offers a full-service concept based on a tech platform that handles photography, film and text production, AI-based digital marketing, and other related business in most of the world.

Polaris acquired the majority stake in Esoft Systems A/S on May 31st , and since then, the Group has undertaken two acquisitions in the Nordics; Pro-Plan Interaktiv A/S per July 7th 2022, and Inviso AS (incl. Sikt Bolig AS; hereafter only referred to as Inviso AS) per September 30th 2022.

The Group is headquartered in Odense, and following the Polaris acquisition three distinct business units were carved out by the end of 2022; Retail, Wholesale and Production. Retail is located in Denmark, Sweden and Norway; Wholesale has been relocated from Dubai to Denmark in 2022, and Production is located in Hanoi, Vietnam.

Retail

The Retail business is a commercial entity that focuses on delivering end-to-end digital marketing solutions for real estate agents in Denmark, Sweden and Norway. This includes the entire value chain with regards to real estate marketing: Photography, film, floorplans and copywriting for real estate (listings); editing and refining of raw materials, seamless integration to real estate agents' case systems, activation of content via an automated data management platform (called "Shine"), and tailored branding and media activation in digital channels.

The acquisitions of Pro-Plan Interaktiv A/S and Inviso AS have strengthened the Nordic footprint significantly and lay the foundation for future growth. Both companies operate within the same vertical, with potential for complementary product offerings going forward.

Wholesale

The Wholesale business is a commercial entity and focuses on real estate photographer networks and independent photographers around the world (outside the Nordics). The Wholesale business sells products and solutions that offer efficiency, seamlessness, quality and consistency to customers. The business unit functions as "one-stop-shop" for Wholesale customers and can support them in scaling their businesses. In the Wholesale business unit, inspiration for new product development is taken from the Group's own Retail business; learning from the most digitally mature real estate markets in the world.

In 2022, focus has been on creating several key partnerships with trendsetting stakeholders in the vertical. Also, focus has been on supporting Esoft's current Wholesale customers to remain competitive in their segment by product and solution development. Finally, the organisation has been set up for horizontal diversification as the Group wants to further leverage learnings from the Retail business among wholesale clients.

Production

The Production business unit is the backbone of the Group's Retail and Wholesale business and focuses on the refinement of content delivered by the Retail business and Wholesale customers. The Production unit delivers seamless, high quality, high consistency and on time content.

The Production services are delivered by both internal and external part-time employees. To secure robustness in Production, there has been a strong focus on developing a sustainable part-timer (so-called "vendors") model in 2022; enabling scalability and a more agile capacity arrangement. This set-up will be strengthened further in coming years via the implementation of an e-learning platform.

During 2022, the Group further cemented its focus on AI development and implementation regarding production efficiency and image enhancement. The AI development team has been moved even closer to Production and is now fully integrated into the Production business unit.

By the end of 2022, the majority of images passing through the Group's Production unit was touched by our AI-fueled services and solutions, resulting in even higher quality, consistency and shortened delivery times, while also allowing our employees to focus on higher value-add tasks in Production.

Management's review

Production (continued)

Going forward, the main focus will be to further strengthen and refine the already available AI-solutions, but also extend the knowledge, learning and expertise to other areas in Production further fueling automation and efficiency.

Our ability to turn AI-solutions and services into the best possible service and solutions for our customer, as well as turn it into commercial value for the Group is one of the key focus areas in the years to come.

Financial Highlights

In 2022, the group reported a revenue of DKK 138.8 million. The income statement for 2022 shows a loss of DKK -36.8 million, and the balance sheet of 31 December 2022 shows an equity of DKK 196.4 million. Management considers the group's financial performance for 2022 satisfactory. This being the first financial year of the Company.

During 2022, the Group acquired 100%of the shares of one Danish player, Pro-Plan Interaktiv A/S, and one Norwegian player, Inviso AS in the Retail business. The integration of the Danish player was executed in Q3 and Q4 2022. The integration of the Norwegian player has been planned in Q4 2022, with integration execution in 2023.

Shareholders' equity amounted to DKK 196.4 million (31 December 2021: DKK 894 thousand), and consolidated assets to DKK 453.4 million (31 December 2021: DKK 954 thousand).

Outlook

2022 turned out to be a turbulent year for real estate markets around the world. Driven by the war in Ukraine, high energy prices, high inflation and the resulting rise in interest rates, the global housing markets slowed down significantly from August 2022. Coming out of an extraordinary COVID-19 period, these macro-economic developments affected consumer confidence, and thus also our customers and customers' customers in both the Retail and Wholesale business.

While Q3 and Q4 2022 have been challenging with significantly fewer listings in some of the key markets compared to previous years, economists expect stabilization in real estate markets around the world in 2023. Coming from a low activity level, the need to sell and buy real estate never entirely disappears, and while many sellers and buyers may have been hesitant in the last few months of 2023, the mindset shift from a sellers' to a buyers' market with generally lower prices has started to settle in consumers' minds. Despite these slightly positive expectations towards the market development, the Group is still operating under uncertain conditions.

Management's review

Outlook (continued)

In 2023, the focus will be on hosting the synergies from the acquired targets in the Retail business and strengthening the Nordic organization; while in the Wholesale business, focus will be on winning new clients and securing recurring business. In the Production business, focus will be on harvesting efficiency gains from our AI-fueled services and solutions, as well as further building out the vendor set-up.

Despite the potentially challenging market the Group expects a double-digit growth in revenue in 2023.

As part of the strategy, the Group is constantly in dialogue with potential acquisition candidates, which will also be a focus area in 2023.

Compliance

It is a priority for the Group to offer customers the highest level of security and contingency as well as proper and ethical usage of data protecting both customers, vendors and the Group itself. Since the acquisition of the Company in May’22, organizational changes have taken place to ensure compliance, thus moving the Wholesale business to HQ location in Denmark.

To further strengthen the Group’s focus on quality, security and compliance, the Group has started the process for certifications to be obtained in 2023 of ISO 27001.

Financial Resources

At year-end 2022, cash and non-utilized credit facilities amounted to approx. DKK 41.2 million.

Number of Employees

At year-end 2022, the Group had 948 employees / headcounts. We entered the year with 855 employees in the Group, which represents an increase of 3,4 %excluding the acquisitions. The 2022 average for the Group ended at 961 employees.

Management's review

Risks

Market Risks

As stated under the Market Outlook section above, the Group is vulnerable in uncertain market conditions and low activity on real estate markets around the world. Should interest rates increase to even higher levels and consumer confidence further plummet in its core markets, resulting in significantly fewer real estate listing than expected, the financial results of the Group are potentially affected.

Currency Risks

Foreign activities mean that profit, cash flow and equity are affected by the exchange rate development between DKK, SEK, NOK, USD, VND and EUR. Exchange rate fluctuations related to the translation of the result and inter Group balance of foreign subsidiaries at the balance sheet date constitute a risk. No hedging is performed to meet fluctuations unless the risk is considered substantial.

Interest Rate Risks

As the net interest-bearing debt has not represented a substantial amount historically, moderate fluctuations in the interest rate level will not have a significant impact on the profit. For the year 2022, there was significant development in short term interest rates around the world. Currently no hedging is performed, however, Management will continuously assess the risk and to the extent of the assessed risk perform relevant hedging.

Credit Risks

The Group's credit risks related to trade receivables are included in the balance sheet. Management has at year-end assessed the risks related to trade receivables and has made relevant provision for losses.

Employee Risks

Having the right competencies with adequate experience is vital. Therefore, it is important that the Group continues to attract, retain and develop skilled employees. Failure to do so has the potential to negatively impact the expected development of the Group.

Supplier Risks

The Group is not dependent on individual suppliers, and the supplier risk is assessed as limited.

IT Risks

The Group depends on Information Technology to manage critical business processes, ranging from sales, production, to administrative and financial functions. The Group uses IT systems for internal purposes and externally for its customers. Extensive disruption of IT systems could have a negative effect on the Group.

Matters affecting the Financial Statement

There have been no unusual circumstances which should be referred to in relation to the accounts.

Management's review

Research and development activities

Research and development activities primarily include own software development with focus on AI and state-of-the-art infrastructure. In the financial year, software development corresponding to DKK 4.7 million is capitalized.

The Group continuously invests in the development of its central IT infrastructure and AI, which is a key lever in the continued successful development of the Group.

Events after the balance sheet date

No events have occurred which affect the financial statement for 2022.

Our Commitment

The Group's commitment to corporate social responsibility is founded on respect for internationally recognized principles for sustainable development, human rights (including labor rights), the environment, business ethics and the UN Global Compact principles as expressed in the UNGPs/OECD Guidelines. This commitment is integrated into the Group's strategy and business operations.

In Q4 2022, the Group performed an impact assessment (risk assessment) and updated its ESG Strategy accordingly. This included the formulation of a Sustainability Statement, as well as selection of ESG and sustainability KPIs relevant for the Group, both of which have been approved by the Board of Directors. Being in the early stages with regards to the ESG strategy, there is not yet a baseline available for the chosen KPIs.

For the 2023 financial year, there will be a separate ESG report.

Sustainability Statement

In Esoft, we are a passionate, action-oriented team that purposefully help real estate agents to market and sell properties. With over 20 years of experience delivering media solutions and effective marketing tools to brokers around the world, we know what we are talking about. We are working diligently to set tomorrow's global standards for how we conduct our business including IT security, system reliability and customer service. We live our values of quality, credibility, openness, innovation, care and passion every day, in our engagement with our customers, suppliers, and, most importantly, with each other.

Our presence in the Nordics and Vietnam influence how we perceive our responsibility towards our employees and communities.

For Esoft, sustainability means:

Ensuring that we have a diverse and skilled workforce: Our strong focus on always delivering high and consistent quality means that we prioritize development of the right competences. We have a strong focus on training and upskilling of our employees and ensuring that we have a diverse organization in terms of gender and people with determination.

Ensuring a good work environment for our employees: A good work environment and strong sense of community is an important value proposition across our organization. Across the entire organisation, we build on our Nordic values and tradition for employee benefits (such as private health insurance and subsidised canteen), and thereby provide above standard work environment for our employees outside the Nordics. The main risk that Esoft faces when trying to secure a healthy and safe working environment while ensuring our employee´s well-being is their physical and mental well-being.

To strengthen our work environment, especially in Vietnam, we have had a number of workshops focusing on how to improve this. In 2023 we will continue doing workshops focusing on work environment and employee conditions.

Management's review

Our Commitment (continued)

Reducing the environmental impact of our operations: The environmental footprint of our operations is mainly related to emissions from our car fleet when driving out to customers, our IT hardware setup and our business travel. In 2022 the Group established our CO2 baseline and are continuously working on reducing the footprint from our operations. Our overall ambition is to run operations as environmentally friendly as possible.

In 2023, we are going to invest money in electrical vehicles and energy efficient technology.

Ensuring that we have good governance in place: We have a strong focus on running our business responsibly and ensuring that we have good governance in place and respect human rights. The main risk in terms of respecting human rights is first and foremost data privacy and security due to our business handling large amounts of data on behalf of our customers. As a large part of our operation is located in Vietnam, which generally ranks low on Transparency International's Corruption Perception Index, this has been of specific importance throughout Esoft's history.

In 2022, the Group held a number of sessions regarding data privacy and security to strengthen the focus on human rights. No human rights violations have been registered in 2022. For 2023 the Group will continue to train regarding data privacy and other human rights aspects.

In 2022, we have informed all our current and in-scope business partners about our anti-corruption policy. In 2022, there has not been identified any cases of corruption or bribery. In the future, we will communicate our guidelines and expectations regarding anticorruption to employees and business relations through of our code of conducts.

Support local community in Vietnam: Over the past 15 years we have built a sustainable model around training and employing disadvantaged people in the community here under people with determination. We do this in collaboration with local NGOs and educational institutions in our community. We are satisfied with our efforts regarding our work with social and employee condition in 2022.

New Group CEO
In June 2022, Ian Holmgaard has been appointed as the new Group CEO following the acquisition by Polaris in May 2022. He has been part of the organization since 2020, revitalized the Danish retail business and has played a major part in the development of the 2025 Group strategy.

Prior to joining the Group, Ian Holmgaard has been working within B2B Sales & Services in several C-level positions.

Having led the sale to Polaris, Ian Holmgaard has now taken the first important steps in creating the future organization and carved out Retail, Wholesale and Production as separate business units.

With Ian on board as the new Group CEO, the Group has strengthened its Nordic and global capacity and competences.

Management's review

Ownership & Capital Structure

The P-Esoft 2022 A/S share capital is divided into share classes. Management regularly assesses whether Esoft has a capital structure that corresponds to the Company's need for the financing of working capital.

Together with the Group's owners and Board of Directors, the Executive Board assesses the combination of equity and loans from shareholders and external financing on a recurring basis.

Management maintains an ongoing dialogue with the Group's most important lenders and shareholders, who show a high level of confidence in the Group. Management assesses that the Group's current capital structure and resources are adequate and sufficient to carry through the activities planned for the financial year 2023.

Polaris is a member of Active Owners Denmark and is thus obliged to ensure that its portfolio companies operate in compliance with the Active Owners Denmark guidelines. Please see https://aktiveejere.dk/. As a private equity-owned Group, the Group's practices and policies are in accordance with these recommendations.

The Company's shares are owned by Polaris Private Equity V K/S (99%) and other investors (1%).

Governance

The Board of Directors and the Executive Board work constantly to ensure that appropriate and sufficient control systems are in place, managed by a robust management team structure. The Board of Directors and the Executive Board have a number of duties that are defined by the Companies Act, the Danish Financial Statements Act and the Articles of Association and Rules of Procedure for the Board of Directors, among other regulations and policies. On this basis, the necessary internal procedures are continually being developed, refined, and maintained to ensure active, reliable and profitable management of the Group.

The Board of Directors ensures that the Executive Board complies with the approved objectives, strategies, business procedures and rules of procedure for the Executive Board. The information presented to the Board of Directors is provided systematically before and during meetings, as well as in written and verbal reports.

The topics of these reports include market development and the Group's development and profitability. The Board of Directors and the Executive Management have overall responsibility for risk management and internal controls related to financial reporting.

The Board of Directors of the Group meet at least six times a year. Furthermore, information about the Group, results and financial position is shared with the Board of Directors on a regular basis (monthly). If relevant, extraordinary meetings are held.

Management's review

Audit and risk committee

The board and management have discussed the need for an audit and risk committee and have assessed that it is not relevant at this time given the size of the company.

Board of Directors and Executive Board

The Board of Directors is comprised of the following members:

- Chairman: Allan Bach Pedersen
- Member: Jan Johan Kühl
- Member: Rune Lillie Gornitzka

The Executive Board is comprised of the following member:

- CEO: Henrik Bonnerup

Remuneration to Management and the Board of Directors

To attract and retain the Group's management competencies, the remuneration of Management, senior employees and the Board of Directors is based on tasks, value creation and conditions in comparable companies. An incentive program has been implemented in the form of bonus schemes and share and warrant-based incentive programs for key employees.

Reporting on gender distribution in management

The underrepresented gender, Board of Directors

In 2022 the gender split on the Board of Directors was 0 females and 3 males. The Board of Directors has the goal of having at least 25%of the underrepresented gender by 2026. This target was approved at Board level in February 2023. We have not reached this goal, since it is our first year having a target figure.

The underrepresented gender, Management

The Group's overall policy is to employ and promote the most qualified people, regardless of gender, and to give equal access to leadership positions to all qualified candidates. To facilitate this, at least one female applicant must be invited to all job interviews, assuming qualified female applicants are available. The representation of women in leadership positions and with personnel management responsibility was 39%as of 1. January 2022. This rate has decreased to 33%by the end of 2022. By 2025, the Group's goal is to increase this to 40%

The main activities behind the goal of increased female representation at management level are centered around internal and external recruiting as well as making sure that all female internal talents get the needed attention and support in their leadership development to compete for leadership positions.

We pursue a general policy for the Group that states everyone should have equal opportunities, regardless of gender. We believe that having diverse management strengthens our business and brings value for development and innovation. Esoft believes that diversity among employees and management, including gender distribution, contributes positively to the working environment and strengthens Esoft's performance and competitiveness.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Income statement

Note	DKK'000	Group 2022	Group 2021	Parent 2022	Parent 2021
	Revenue	138.841	0	0	0
	Cost of sales	-40.579	0	0	0
	Other operating income	0	0	0	0
	Other external expenses	-43.991	-87	-1.125	-8
	Gross profit	54.271	-87	-1.125	-8
4	Staff costs	-70.256	0	0	0
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-15.996	0	0	0
	Operating profit/loss	-31.981	-87	-1.125	-8
	Income from investments in subsidiaries	0	0	-21.490	-84
5	Financial income	3.708	0	0	0
6	Financial expenses	-9.235	-14	-7	-4
	Profit before tax	-37.508	-101	-22.622	-96
7	Tax for the year	710	0	249	0
	Profit/loss for the year	-36.798	-101	-22.373	-96

	Group 2022	Group 2021
Breakdown of the consolidated results of operations		
Shareholders, P-Esoft 2022 A/S	-22.373	-96
Minority shareholders	-14.425	-5
	-36.798	-101

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

		Group		Parent	
Note	DKK'000	2022	2021	2022	2021
	ASSETS				
	Non-current assets				
8	**Intangible assets**				
	Completed development projects	8.442	0	0	0
	Development projects in progress	0	0	0	0
	Goodwill	198.640	0	0	0
	Patents and Brand	7.920	0	0	0
	Customer Relationships	184.360	0	0	0
		399.362	0	0	0
9	**Property, plant and equipment**				
	Fixtures and fittings, tools and equipment	5.626	0	0	0
	Leasehold improvements	278	0	0	0
		5.904	0	0	0
10	**Investments**				
	Investments in subsidiaries	0	0	156.811	894
	Deposits	1.021	0	0	0
	Other receivables	1.115	0	0	0
		2.136	0	156.811	894
	Total non-current assets	407.402	0	156.811	894
	Current assets				
	Receivables				
	Trade receivables	17.611	0	0	0
	Receivables from group entreprises	0	0	0	0
11	Deferred tax assets	0	0	249	0
	Joint taxation contributions receivable	0	0	0	0
	Other receivables	6.448	0	0	0
	Prepayments	1.432	0	0	0
		25.491	0	249	0
	Cash	20.508	954	651	2
	Total current assets	45.999	954	900	2
	TOTAL ASSETS	453.401	954	157.711	896

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

Note	DKK'000	Group 2022	Group 2021	Parent 2022	Parent 2021
	EQUITY AND LIABILITIES				
	Equity				
12	Share capital	18.931	1.009	18.931	1.009
	Reserve for net revaluation under the equity method	0	0	0	0
	Reserve for development costs	0	0	0	0
	Reserve for currency exchange	0	0	0	0
	Retained earnings	138.768	-157	138.768	-157
	Equity holders' share of equity, P-Esoft 2022 A/S	157.699	852	157.699	852
	Minority interests	38.714	42	0	0
	Total equity	196.413	894	157.699	852
	Provisions				
	Deferred tax	26.257	0	0	0
		26.257	0	0	0
	Liabilities				
13	**Non-current liabilities**				
	Bank debt	95.189	0	0	0
	Payables to shareholders and management	62.101	0	0	0
		157.290	0	0	0
	Current liabilities				
13	Short-term part of non-current liabilities	18.400	0	0	0
	Credit institutions	13.686	0	0	0
	Trade payables	5.395	24	0	8
	Payables to group enterprises	0	36	0	36
	Corporation tax	451	0	0	0
	Joint taxation contributions payable	1.004	0	0	0
14	Other payables	33.010	0	12	0
	Prepayments	1.495	0	0	0
		73.441	60	12	44
	Total liabilities	230.731	60	12	44
	TOTAL EQUITY AND LIABILITIES	453.401	954	157.711	896

1 Accounting policies
2 Events after the balance sheet date
3 Special items
15 Contractual obligations and contingencies, etc.
16 Collateral
17 Related parties

Consolidated financial statements and parent company financial statements 1 January – 31 December

Statement of changes in equity

Note	DKK'000	Group Share capital	Retained earnings	Total	Minority interests	Total
	Equity at 1 January 2021	500	-61	439	0	439
	Transferred; see distribution of profit/loss	0	-96	-96	-5	-101
	Capital increase	509	0	509	47	556
	Equity at 1 January 2022	1.009	-157	852	42	894
	Transferred; see distribution of profit/loss	0	-22.373	-22.373	-14.425	-36.798
	Capital increase	17.922	161.298	179.220	53.097	232.317
	Equity at 31 December 2022	18.931	138.768	157.699	38.714	196.413

Consolidated financial statements and parent company financial statements 1 January – 31 December

Statement of changes in equity

		Parent		
Note	**DKK'000**	**Share capital**	**Retained earnings**	**Total**
	Equity at 1 January 2021	500	-61	439
18	Transferred; see distribution of profit/loss	0	-96	-96
	Capital increase	509	0	509
	Equity at 1 January 2022	1.009	-157	852
18	Transferred; see distribution of profit/loss	0	-22.373	-22.373
	Exchange adjustments, foreign subsidiaries	0	0	0
	Capital increase	17.922	161.298	179.220
	Equity at 31 December 2022	18.931	138.768	157.699

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Cash flow statement

Note	DKK'000	Group 2022	Group 2021
	Profit for the year	-36.798	-101
19	Other adjustments of non-cash operating items	16.232	0
	Cash generated from operations before changes in working capital	-20.566	-101
20	Changes in working capital	24.910	8
	Cash generated from operations	4.344	-93
	Corporation tax paid	-589	0
	Cash flows from operating activities	3.755	-93
8	Acquisition of intangible assets	-4.661	0
9	Acquisition of tangible assets	-1.506	0
	Disposal of tangible assets	0	0
21	Acquisition of companies and activities	-400.146	0
	Other adjustment in investing activities	419	0
	Cash flows to investing activities	-405.894	0
	Changes in debt to credit institutions	127.275	0
	Changes in debt to shareholders and management	62.101	0
	Changes in receivables, group entreprises	0	14
	Distributed dividend	0	0
	Capital increase	232.317	556
	Acquisition of treasury shares	0	0
	Cash flows from financing activities	421.693	570
	Cash flows for the year	19.554	477
	Cash and cash equivalents, beginning of the year	954	477
22	Cash and cash equivalents, year end	20.508	954

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 **Accounting policies**

The annual report of P-Esoft 2022 A/S for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium reporting class C entities.

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

Consolidated financial statements

The consolidated financial statements comprise the Parent Company P-Esoft 2022 A/S and subsidiaries in which the parent company, directly or indirectly, holds more than 50%of the voting rights or otherwise has a controlling interest.

The consolidated financial statements are prepared as a consolidation of the parent company's and subsidiaries' financial statements by aggregating uniform accounting items. On consolidation, intra-group income and expenses, holdings of shares, intra-group balances and dividends as well as realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign entities at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with foreign subsidiaries that are considered part of the total net investment in the subsidiary are recognised directly in the reserve for currency exchange under equity..

On translation of foreign subsidiaries that are integral entities, monetary items are recognised at the exchange rates at the balance sheet date. Non-monetary items are recognised at the exchange rates at the acquisition date or at the date of any subsequent revaluation or impairment of the asset. Income statement items are translated at the exchange rates at the transaction date, although items derived from non-monetary items are translated at the historical exchange rates applying to the non-monetary items.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 **Accounting policies (continued)**

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2020.

Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Cost of goods sold

Cost of goods sold comprises the consumption of finished goods used in generating net revenue of the year.

Other external costs

Other external expenses comprise expenses relating to distribution, sale, advertising, administration, premises, bad debts, operating leases, etc.

Other operating income and expenses

Other operating income and expenses comprises items secondary to the Company's activities, including gains on disposal of intangible assets and property, plant and equipment.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees. Refunds received from public authorities are deducted from staff costs.

Profit/loss from equity investments in subsidiaries

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

The proportionate share of the results after tax of the individual subsidiaries is recognised in the income statement of the Parent Company after full elimination of intra-group profits/losses.

Financial income and expenses

Financial income and expenses comprise interest income and expenses and gains and losses on payables and transactions denominated in foreign currencies.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 **Accounting policies (continued)**

Tax for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company acts as administration company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year comprises current income tax, joint taxation contribution and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

Balance sheet

Intangible assets

Development projects, patents and licences

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period.

Development costs comprise expenses, salaries and amortisation charges directly attributable to development activities.

Development projects that are clearly defined and identifiable and where the technical feasibility, sufficient resources and a potential future market or development potential are evidenced, and where the Parent Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well as development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually 5 years, however not exceeding 20 years.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining term of the patent, and licences are amortised over the term of the licence, however not exceeding 8 years.

Gains and losses on the disposal of development projects, patents and licences are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Property, plant and equipment

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

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

Depreciation is provided on a straight-line basis over the expected useful lives of the assets, which are as follows:

Fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Gains and losses on the disposal of items of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

All leases are considered operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed under contingencies, etc.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 **Accounting policies (continued)**

Equity investments in subsidiaries in the parent company financial statements

Equity investments in subsidiaries are measured according to the equity method in the parent company financial statements. The Parent Company has chosen to consider the equity method a measurement method.

Investments in subsidiaries are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealitied intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method.

Investments in subsidiaries with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable the balance is recognised under provisions.

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 in the consolidated financial statements. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

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

Impairment of non-current assets

The carrying amount of intangible assets, property, plant and equipment and equity investments in subsidiaries is tested annually for indication of impairment other than the decrease in perform IT audit review made in reflected by amortisation/depreciation made.

An impairment test is conducted on individual assets or cash-generating units when there is indication of impairment. Write-down is made to the lower of the recoverable amount and carrying amount.

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

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

Receivables

Receivables are measured at amortised cost.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

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

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

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Equity

Reserve for net revaluation under the equity method

Net revaluation of equity investments in subsidiaries and associates is recognised at cost in the reserve for net revaluation under the equity method.

The reserve can be eliminated in case of losses, realisation of equity investments or changes in accounting estimates.

The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Reserve for currency exchange

The reserve for currency exchange comprises of the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK and foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in subsidiaries in the parent company financial statements are subject to the limitation requirement in the reserve for net revaluation under the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Dividend

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on taxable income in previous years and tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet as corporation tax receivable or corporation tax payable.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to non-deductible goodwill and on office premises and other items where temporary differences – apart from acquisitions – arise at the acquisition date without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

1 **Accounting policies (continued)**

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Cash flow statement

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

The cash flow effect of acquisitions and disposals of entities is shown separately in cash flows from investing activities. Cash flows from acquisitions of entities are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital, interest received and paid as well as corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and investments. Dividends received regarding securities are also considered investing activities.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise of cash.

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Notes

2 Events after the balance sheet date

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

3 Special items

DKK'000	Group 2022	Group 2021	Parent 2022	Parent 2021
Expenses				
Transaction cost	17.887	0		0
	17.887	0	0	0
Special items are recognised in the below line items				
Other external expenses	17.887	0	0	0
Net profit/loss before tax from special items	17.887	0	0	0

Group

During 2022 P-Esoft 2022 A/S Group has incurred transaction costs totalling DKK 17.887 thousand during the acquisition of Inviso AS, Pro-Plan Interaktiv A/S and Esoft Systems A/S.

4 Staff costs

DKK'000	Group 2022	Group 2021	Parent 2022	Parent 2021
Wages and salaries	62.672	0	0	0
Pensions	1.067	0	0	0
Other social security costs	5.111	0	0	0
Other staff costs	4.081	0	0	0
Staff costs transferred to development costs	-2.675	0	0	0
	70.256	0	0	0
Average number of employees after acquisition	961	0	0	0

Staff costs include remuneration to the Parent Company's Executive Board and Board of Directors totaling DKK 0 thousand (2021: DKK 0 thousand).

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Notes

DKK'000	Group 2022	Group 2021	Parent 2022	Parent 2021
5 Financial income				
Interest income from subsidiaries	0	0	0	0
Other interest income	3.708	0	0	0
	3.708	0	0	0
6 Financial expenses				
Interest expenses to subsidiaries	0	0	0	0
Other interest expenses	-9.235	-14	-7	-4
	-9.235	-14	-7	-4
7 Tax for the year				
Estimated tax charge for the year	2.752	0	0	0
Deferred tax adjustments for the year	-2.042	0	-249	0
	710	0	-249	0

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8 Intangible assets

DKK'000	Completed development projects	Customer relationships	Patent and brand	Goodwill	Development projects in progress	Total
	Group					
Cost at 1 January 2022	0	0	0	0	0	0
Foreign exchange adjustments	-238	-41	0	-39	0	-318
Additions through mergers and business combinations	53.057	0	0	0	1.936	54.993
Additions	2.152	190.225	8.193	203.968	2.509	407.047
Transferred	4.445	0	0	0	-4.445	0
Cost at 31 December 2022	59.416	190.184	8.193	203.929	0	461.722
Amortisation and impairment losses at 1 January 2022	0	0	0	0	0	0
Foreign exchange adjustments	-262	-1	0	0	0	-263
Impairment losses and amortisation of additions through mergers and business combinations	48.336	0	0	0	0	48.336
Amortisation	2.900	5.825	273	5.289	0	14.287
Amortisation and impairment losses at 31 December 2022	50.974	5.824	273	5.289	0	62.360
Carrying amount at 31 December 2022	8.442	184.360	7.920	198.640	0	399.362
Amortised over	5 years	15 years	15 years	20 years	-	

Development Projects

Development projects is primarily related to the development of artificial intelligence solutions. Management has assessed that there are substantial savings potentials associated with the AI solutions and that the projects proceed as planned.

The relating expenses primarily consist of internal expenses in the form of payroll costs

The depreciation period on completed development projects is usually 5 years and does not exceed 20 years. Depreciation on completed projects is started, when the project is considered completed and revenue or saving can be recognized reliably.

Management has assessed that there are no indications of impairment in relation to the carrying amount.

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Notes

9 Property, plant and equipment

DKK'000	Group: Fixtures and fittings, tools and equipment	Group: Leasehold improvements	Group: Total
Cost at 1 January 2022	0	0	0
Foreign exchange adjustments relating to foreign entities	290	-4	286
Additions through mergers and business combinations	27.314	314	27.628
Additions	1.441	65	1.506
Cost at 31 December 2022	29.045	375	29.420
Depreciation and impairment losses at 1 January 2022	0	0	0
Foreign exchange adjustments relating to foreign entities	-28	0	-28
Impairment losses and amortisation of additions through mergers and business combinations	21.813	22	21.835
Depreciation	1.634	75	1.709
Depreciation and impairment losses at 31 December 2022	23.419	97	23.516
Carrying amount at 31 December 2022	5.626	278	5.904

10 Investments

DKK'000	Group: Other receivables	Group: Deposits, investments	Group: Total
Cost at 1 January 2022	0	0	0
Foreign exchange adjustments relating to foreign entities	97	86	183
Additions through mergers and business combinations	1.443	1.112	2.555
Additions	0	45	45
Disposals	-425	-222	-647
Cost at 31 December 2022	1.115	1.021	2.136
Carrying amount at 31 December 2022	1.115	1.021	2.136

DKK'000	Parent 2022: Equity investments in subsidiaries	Parent 2021: Equity investments in subsidiaries
Cost at 1 January	1.009	500
Additions	177.437	509
Disposals	0	0
Cost at 31 December	178.446	1.009
Value adjustments at 1 January	-115	-31
Value adjustments for the year	7.287	0
Profit/loss for the year	-28.807	-84
Value adjustments at 31 December	-21.635	-115
Carrying amount at 31 December	156.811	894

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

10 Investments (continued)

Name and registered office	Voting rights and ownership
Esoft HoldCo A/S, Denmark	80%
Esoft BidCo A/S, Denmark	100%
Esoft Systems A/S, Denmark	100%
Esoft Danmark A/S, Denmark	100%
Esoft Shine ApS, Denmark	100%
Esoft International A/S, Denmark	100%
Pro-Plan Interaktiv A/S, Denmark	100%
Esoft Sverige AB, Sweden	100%
Inviso AS, Norway	100%
Esoft Vietnam Co., Ltd., Vietnam	100%

All subsidiaries are considered separate entities.

11 Deferred tax

	Group		Parent	
DKK'000	**2022**	**2021**	**2022**	**2021**
Deferred tax at 1 January	0	0	0	0
Changes during the year	26.257	0	-249	0
Deferred tax assets at 31 December	26.257	0	-249	0

Deferred tax relates to:

Intangible assets	41.282	0	0	0
Property, plant and equipment	-290	0	0	0
Tax loss carryforwards	-14.735	0	-249	0
	26.257	0	-249	0

Analysis of the deferred tax:				
Deferred tax assets	0	0	249	0
Deferred tax liabilities	-26.257	0	0	0
	-26.257	0	0	0

The Group has recognized net tax liability of a total of DKK 26.257 thousand at 31 December 2022. The tax liabilities consists of recognized tax loss carryforwards of DKK 14.735 thousand and time differences of DKK 40.992 thousand. The total tax loss carryforwards can be attributed to Danish group entities.

Management considers it likely that there will be future taxable income against which tax deductions can be offset on the basis of expected future results.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

12 Share capital

The share capital has developed as follows during the last 2 years:

DKK'000	2022	2021
946.539.180 A shares of DKK 0,01 nominal value each	9.465	1.009
468.390.522 B1 shares of DKK 0,01 nominal value each	4.684	0
468.390.522 B2 shares of DKK 0,01 nominal value each	4.684	0
4.879.067 B3 shares of DKK 0,01 nominal value each	49	0
4.879.067 B4 shares of DKK 0,01 nominal value each	49	0
Share capital, end of period	18.931	1.009

Each A, B1 and B3 share carries one voting right and each B2 and B4 share carries ten voting rights.

DKK'000	2022	2021
Share capital, beginning of period	1.009	500
Capital increases	17.922	509
Share capital, end of period	18.931	1.009

13 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2022	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Other credit institutions	113.589	18.400	95.189	18.400
Payables to shareholders and Management	62.101	0	62.101	62.101
	175.690	18.400	157.290	80.501

14 Other payables

Other payables, recognized under liabilities, primarily comprise items related to payroll and payable VAT.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

15 Contractual obligations and contingencies, etc.

Contingent liabilities

The Danish entities of P-Esoft 2022 A/S Group is jointly taxed with the Parent Company acting as the administration company in the joint taxation group. The Danish entities of P-Esoft 2022 A/S Group has unlimited joint and several liability, for payment of Danish corporation taxes for the income year 2022 as well as withholding taxes on dividends, interest and royalties within the joint taxation group.

Operating lease commitments

The Group has entered into operating leases with a total remaining nominal lease commitment of DKK 900 thousand as of 31 December 2022.

The group has entered rent agreements which can be terminated within 3-61 months and the total obligation as of 31 December 2022 amounts to DKK 7,213 thousand.

16 Collateral

As security for the Group's debt to the Danish bank Nykredit A/S a receivables charge of DKK 500 thousand has been issued.

The Group's loan agreement with Nykredit A/S is furthermore based on a negative pledge that prohibits the Group from creating a security interest on a number of the Danish entities' assets (goodwill, intellectual property rights, motor vehicles, other plant, fixtures and fittings, tools and equipment, inventories and trade receivables).

The Danish entities of Esoft Systems A/S Group are jointly and severally liable for the Group's net debt to Nykredit A/S which amounts to DKK 116.400 thousand.

Consolidated financial statements and parent company financial statements 1 January – 31 December

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17 **Related parties**

P-Esoft 2022 A/S' related parties comprise the following:

Parties exercising control

Polaris Private Equity V K/S, Axeltorv 2, 1609 København V

Subsidiaries

Esoft HoldCo A/S, Esoft BidCo A/S, Esoft Systems A/S, Esoft Danmark A/S, Esoft Shine ApS, Esoft International A/S, Pro-Plan Interaktiv A/S, Esoft Sverige AB, Inviso AS and Esoft Vietnam Co., Ltd.

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

Remuneration of the Parent Company's Executive Board and the Board of Directors is disclosed in note 4.

Ownership

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

Polaris Private Equity V K/S, Axeltorv 2, 1609 København V.

		Parent	
	DKK'000	2022	2021
18	**Distribution of profit/loss**		
	Proposed distribution of profit/loss		
	Retained earnings	-22.373	-96
		-22.373	-96

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

DKK'000		Group 2022	Group 2021
19	**Adjustments**		
	Depreciation, amortization and impairment losses	15.996	0
	Tax on profit/loss for the year	212	0
	Other adjustments of non-cash operating items	24	0
		16.232	0
20	**Changes in working capital**		
	Changes in receivables	9.546	0
	Changes in trade and other payables	15.364	8
		24.910	8
21	**Acquisition of enterprises and acitivities**		
	Property, plant and equipment	5.793	0
	Development projects	6.657	0
	Receivables	50.864	0
	Cash	17.529	0
	Deferred tax	-29.050	0
	Trade payables	-16.437	0
	Other payables	-37.596	0
		-2.240	0
	Goodwill and customer relations	402.386	0
	Cost of acquisition paid in cash	400.146	0
22	**Cash and cash equivalents at year-end**		
	Cash according to the balance sheet	20.508	954
		20.508	954

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Henrik Bonnerup
Executive Board
On behalf of: P-Esoft 2022 A/S
Serial number: 035d243e-52f6-4034-916e-9028107efac0
IP: 77.241.xxx.xxx
2023-05-17 10:43:55 UTC

Jan Johan Kühl
Board of Directors
On behalf of: P-Esoft 2022 A/S
Serial number: 5eacdcb9-6792-4f51-ae73-7d6f27330e85
IP: 188.120.xxx.xxx
2023-05-17 11:23:21 UTC

Rune Lillie Gornitzka
Board of Directors
On behalf of: P-Esoft 2022 A/S
Serial number: cfb335cc-610a-4b1f-9285-8a8d4ce3179d
IP: 109.56.xxx.xxx
2023-05-17 15:58:07 UTC

Allan Bach Pedersen
Board of Directors
On behalf of: P-Esoft 2022 A/S
Serial number: PID:9208-2002-2-983821111555
IP: 85.202.xxx.xxx
2023-05-18 21:09:00 UTC

Søren Smedegaard Hvid
State Authorised Public Accountant
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: CVR:30700228-RID:1256831000710
IP: 83.94.xxx.xxx
2023-05-19 09:36:02 UTC

Martin Adrian Møller
Chairman
On behalf of: P-Esoft 2022 A/S
Serial number: cc8b4371-d529-4803-85c8-8b8060620046
IP: 93.163.xxx.xxx
2023-05-19 12:32:28 UTC