

## Stibo DX A/S

Axel Kiers Vej 11, DK-8270 Højbjerg

CVR No. 41 91 58 11

## Annual report 2021/22

Approved at the Company's annual general meeting on 28 June 2022

Chairman:

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## 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 Stibo DX A/S for the financial year 1 May 2021 - 30 April 2022.

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

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Company's financial position at 30 April 2022 and of the results of the Group's and the Company's operations and consolidated cash flows for the financial year 1 May 2021 - 30 April 2022.

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

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

Højbjerg, 28 June 2022  
Executive Board:

.....  
Dan Korsgaard  
CEO

Board of Directors:

.....  
Torben B. Bedsted  
Chairman

.....  
Dan Korsgaard

.....  
Carsten J. Christensen

## Independent auditor's report

To the shareholders of Stibo DX A/S

### Opinion

We have audited the consolidated financial statements and the parent company financial statements of Stibo DX A/S for the financial year 1 May 2021 - 30 April 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for both 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 30 April 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 May 2021 - 30 April 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 Company 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.

Aarhus, 28 June 2022  
EY Godkendt Revisionspartnerselskab  
CVR No. 30 70 02 28

Morten Friis  
State Authorised  
Public Accountant  
mne32732

## Management's review

### Company details

Name	Stibo DX A/S
Address	Axel Kiers Vej 11, DK-8270 Højbjerg
CVR no.	41 91 58 11
Established	25 February 1927
Registered office	Aarhus
Financial year	1 May - 30 April
Website	<a href="http://www.stibodx.com">www.stibodx.com</a>
Telephone	+45 8733 5588
Board of Directors	Torben B. Bedsted, Chairman Dan Korsgaard Carsten J. Christensen
Executive Board	Dan Korsgaard, CEO
Auditors	EY Godkendt Revisionspartnerselskab Vaerkmestergade 25, DK-8100 Aarhus C

## Management's review

### Financial highlights

Amounts in DKK'000

Consolidated profit and loss statement	2021/22	2020/21	2019/20	2018/19	2017/18
Revenue	185,648	183,449	195,678	157,237	161,170
Gross profit	131,093	134,425	141,563	113,510	117,936
EBITDA	4,854	14,038	24,877	13,166	16,020
Operating profit	1,627	9,310	19,908	11,018	13,796
Profit from financial income and expenses, net	-1,073	-1,286	546	-376	382
Profit before tax	554	8,024	20,454	10,642	14,178
Profit for the year	3,797	11,855	15,673	8,473	10,753

### Consolidated balance sheet

Non-current assets	22,430	25,110	29,223	29,472	5,840
Current assets	99,955	140,196	143,906	124,005	135,225
Total assets	122,385	165,306	173,129	153,477	141,065
Share capital	30.000	30.000	30.000	30.000	30.000
Equity	68,368	112,099	101,066	85,884	83,607
Provisions	0	0	3,250	7,465	0
Current liabilities	54,017	53,207	64,541	56,514	57,458

### Key figures and ratios

Investments in tangible assets	609	1,899	602	199	601
Operating margin	0.9%	5.1%	102.0%	7.0%	8.6%
Return on invested capital	1.5%	7.4%	17.5%	14.4%	27.1%
Gross Margin	70.6%	73.3%	72.3%	72.2%	73.2%
Solvency ratio	55.9%	67.8%	58.4%	56.0%	59.3%
Return on equity	4.2%	11.1%	16.8%	10.0%	13.8%
Average number of employees	199	193	180	159	170

For terms and definitions, please see the accounting policies.



## Management's review

Stibo DX's mission is to be a market leading supplier of IT solutions that support the customers' digital transformation by efficiently producing and distributing quality contents across channels. The Company is headquartered in Aarhus, Denmark, and in addition, Stibo DX has offices in Atlanta, USA, Hamburg, Germany, Oslo, Norway and in Dhaka, Bangladesh.

This financial year, Stibo DX has consolidated and integrated the Company's various software platforms into one suite of products. Today, CUE is market leader within Digital Asset Management and Content Management Systems to media brands globally.

This year, Stibo DX reported an increase in revenue, the number of employees and the number of customers. A performance worth mentioning is a 33% increase in the number of CUE-users globally. Multinational media companies on the European as well as the Asian markets are among the new customers. The trust that companies such as Singapore Press Holdings, Bayard (publishes the French La Croix), Mediahuis and others have in Stibo DX confirms that Stibo DX is market leader both in terms of innovation and long-term stability.

Stibo DX will use this strong position to further increase its market share on the media market. The Company's positive financial situation provides a solid foundation for further developing and adjusting CUE to address adjoining industries for which digital storytelling is a fundamental need just as for the news industry. This includes considerable long-term, strategic investments in the development of a Digital Experience Platform (DXP) targeted at manufacturing and retail companies.

The Company cooperates on the initiative with the affiliated company, Stibo Systems, which is market-leading supplier of the Master Data Management solution (MDM).

In this financial year, Stibo DX has invested more than DKK 20 million in the development of the Digital Experience Platform. The large investment has affected the size of this year's profits.

After COVID-19, the "new normal" with more virtual work has proven to be the driver for the implementation of CUE in large organisations. Stibo DX continues its development of the functionality to support efficient cooperation and contents creation in CUE as well as the security aspects involved.

### Events after the balance sheet date

There were no events after the balance sheet date that significantly affect the financial reporting for 2021/22.

### Outlook

Stibo DX expects an increase in revenue +10% and an EBITDA (excl. Investment in Digital Experience Platform - DXP) in the range of DKK 8-18 million.

### Special risks for Stibo DX

#### *Currency risks*

Stibo DX is exposed to changes in exchange rates as most of the Group's revenue is settled in foreign currencies. Due to its global structure, Stibo DX has a degree of natural currency hedging in the form of costs in the countries in which the Group operates.

#### *Interest rate risks*

Due to its solvency and financial resources, the Group is only to a limited extent exposed to interest rate changes.

## Management's review

### *Credit risks*

Before starting a co-operation with new customers, the customer's financial situation is assessed, and if deemed relevant and possible, credit risks are hedged via insurance with credit insurance companies. By means of invoicing in line with the performance of the work, the Stibo DX reduces its credit risk in its software companies.

### **Corporate social responsibility statement, see section 99a of the Danish Financial Statements Act**

For a full report on the Group's strategy and policies for corporate social responsibility, including actions taken and results obtained this year, see section 99a of the Danish Financial Statements Act, reference is made to Stibo Holding A/S' (CVR no. 35 84 43 84) annual report for 2021/22.

### **Goals and policies for the underrepresented gender in the Stibo Group's Boards of Directors and Management, see section 99b of the Danish Financial Statements Act**

#### *Board of Directors*

The Board of Directors of Stibo DX includes: CEO (Dan Korsgaard), CFO (Torben Bedsted) and VP Legal and Commercial (Carsten J. Christensen).

Specific professional and personal skills, qualifications and experience are focal points when appointing new candidates for Stibo Group's Board of Directors. The Group believes that a diverse and versatile composition of the Board of Directors, including the gender composition, contributes to an innovative organisation and a positive working environment.

The Board of Directors comprises three members elected by the general meeting of whom none is a woman. The Company targets an increase in the number of female members in the Board of Directors so that one of the members is a female by the end of 2026.

#### *Stibo DX's Management*

Stibo DX has defined a goal to increase - to the extent possible - the number of female members of the Board of Directors. Therefore, the Company strives to have both genders represented in the final round of job interviews for management positions.

The definition "other management" is persons who have personnel responsibilities in Stibo DX. Current status is that 23 leaders are men and 6 leaders are women.

### **Report on data ethics, see section 99a of the Danish Financial Statements Act**

Stibo DX has not establish a politics for data ethics. Stibo DX fully recognizes the importance and responsibility of handling data and accessing it with care and in accordance with its legal requirements. This applies to data covered by the GDPR as well as customer-related data, where credibility and trust are crucial. We expect to introduce a formal policy on data ethics in the coming years.

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Income statement

Note	DKK'000	Consolidated		Parent Company	
		2021/22	2020/21	2021/22	2020/21
	<b>Revenue</b>	185,648	183,449	183,940	165,655
	Other operating income	116	0	0	0
	Raw materials and consumables	-15,162	-14,243	-88,316	-64,522
	Other external expenses	-39,509	-34,781	-26,940	-26,161
	<b>Gross profit</b>	131,093	134,425	68,684	74,972
2	Staff costs	-124,947	-119,418	-68,640	-66,924
3	Depreciation, amortisation and impairment losses	-4,519	-5,697	-2,204	-4,220
	<b>Operating profit</b>	1,627	9,310	-2,160	3,828
9	Profit of group entities after tax	0	0	3,315	3,251
4	Financial income	119	119	30	78
5	Financial expenses	-1,192	-1,405	-1,568	-1,047
	<b>Profit before tax</b>	554	8,024	-383	6,110
6	Tax on profit for the year	3,243	3,831	4,180	5,745
	<b>Profit for the year</b>	3,797	11,855	3,797	11,855

### Proposed profit allocation

DKK'000			
	Proposed dividends		0
	Transfer to reserve for net revaluation according to the equity method		50,000
	Retained earnings		3,315
			482
			-41,396
			3,797
			11,855

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Balance sheet

Note	DKK'000	Consolidated		Parent Company	
		30 April 2022	30 April 2021	30 April 2022	30 April 2021
	<b>ASSETS</b>				
	<b>Non-current assets</b>				
7	<b>Intangible assets</b>				
	Goodwill	9,657	11,029	0	0
	Other intangible assets	7,812	8,929	9,375	10,714
		<u>17,469</u>	<u>19,958</u>	<u>9,375</u>	<u>10,714</u>
8	<b>Property, plant and equipment</b>				
	Fixtures and fittings, other plant and equipment	1,852	1,976	125	125
		<u>1,852</u>	<u>1,976</u>	<u>125</u>	<u>125</u>
	<b>Non-current financial assets</b>				
9	Investments in group entities	0	0	54,041	48,254
	Deposits	3,109	3,176	2,177	2,218
		<u>3,109</u>	<u>3,176</u>	<u>56,218</u>	<u>50,472</u>
	<b>Total non-current assets</b>	<u>22,430</u>	<u>25,110</u>	<u>65,718</u>	<u>61,311</u>
	<b>Current assets</b>				
	<b>Receivables</b>				
	Trade receivables	17,110	11,903	10,800	5,848
	Receivables from group entities	36,906	61,344	36,906	61,344
10	Deferred tax asset	9,465	4,187	7,753	2,529
	Corporation tax	1,982	3,107	1,670	3,216
	Other receivables	957	5,765	742	6,061
	Prepayments	6,652	5,808	5,406	4,918
		<u>73,072</u>	<u>92,114</u>	<u>63,277</u>	<u>83,916</u>
	<b>Cash</b>	<u>26,883</u>	<u>48,082</u>	<u>8,029</u>	<u>15,451</u>
	<b>Total current assets</b>	<u>99,955</u>	<u>140,196</u>	<u>71,306</u>	<u>99,367</u>
	<b>TOTAL ASSETS</b>	<u>122,385</u>	<u>165,306</u>	<u>137,024</u>	<u>160,678</u>

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Balance sheet

Note	DKK'000	Consolidated		Parent Company	
		30 April 2022	30 April 2021	30 April 2022	30 April 2021
		<b>EQUITY AND LIABILITIES</b>			
11	<b>Equity</b>				
	Share capital	30,000	30,000	30,000	30,000
	Retained earnings	36,718	32,921	30,098	29,616
	Reserve for net revaluation according to the equity method	0	0	8,270	2,483
	Currency revaluation reserve	1,650	-822	0	0
	Proposed dividends	0	50,000	0	50,000
	<b>Total equity</b>	<b>68,368</b>	<b>112,099</b>	<b>68,368</b>	<b>112,099</b>
	<b>Current liabilities</b>				
	Prepayments from customers	28,668	27,200	12,769	12,497
12	Prepayments for contract work in progress	1,331	1,506	647	781
	Trade payables	2,199	2,395	1,543	1,682
	Payables to group entities	0	0	43,962	24,541
	Corporation tax	4,171	4,378	0	0
	Other payables	17,648	17,728	9,735	9,078
	<b>Total current liabilities</b>	<b>54,017</b>	<b>53,207</b>	<b>68,656</b>	<b>48,579</b>
	<b>Total liabilities</b>	<b>54,017</b>	<b>53,207</b>	<b>68,656</b>	<b>48,579</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>122,385</b>	<b>165,306</b>	<b>137,024</b>	<b>160,678</b>

- 1 Accounting policies
- 13 Mortgages, collateral and contingent liabilities
- 14 Lease obligations
- 15 Related parties

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Statement of changes in equity

DKK'000	Consolidated				Total
	Share capital	Retained earnings	Currency revaluation reserve	Proposed dividends	
Equity at 1 May 2021	30,000	32,921	-822	50,000	112,099
Profit for the year	0	3,797	0	0	3,797
Distributed dividend	0	0	0	-50,000	-50,000
Foreign exchange adj. on the translation of foreign entities	0	0	2,472	0	2,472
<b>Equity at 30 April 2022</b>	<b>30,000</b>	<b>36,718</b>	<b>1,650</b>	<b>0</b>	<b>68,368</b>

DKK'000	Parent Company				Total
	Share capital	Retained earnings	Net revaluation acc. to the equity method	Proposed dividends	
Equity at 1 May 2021	30,000	29,616	2,483	50,000	112,099
Profit for the year	0	482	3,315	0	3,797
Distributed dividend	0	0	0	-50,000	-50,000
Foreign exchange adj. on the translation of foreign entities	0	0	2,472	0	2,472
<b>Equity at 30 April 2022</b>	<b>30,000</b>	<b>30,098</b>	<b>8,270</b>	<b>0</b>	<b>68,368</b>

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Cash flow statement

Note	DKK'000	Consolidated	
		2021/22	2020/21
	Operating profit	1,627	9,310
3	Depreciation	3,227	4,728
	Cash generated from operations (operating activities) before changes in working capital	4,854	14,038
	Changes in working capital	-160	-6,907
	Cash flows from operating activities	4,694	7,131
4	Financial income	119	119
5	Financial expenses	-1,192	-1,405
	Other adjustments	1,178	-490
	Cash generated from operations (ordinary activities)	4,799	5,355
	Corporation tax paid	-1,117	-1,572
	<b>Cash flows from operating activities</b>	<b>3,682</b>	<b>3,783</b>
8	Acquisition of plant and equipment	-609	-1,899
	Sale of plant and equipment	157	0
	Acquisition of investments deferred payments	0	-7,440
	<b>Cash flows from investing activities</b>	<b>-452</b>	<b>-9,339</b>
	Changes in receivables from group entities	24,439	16,093
	Dividend distributed	-50,000	0
	<b>Cash flows from financing activities</b>	<b>-25,561</b>	<b>16,093</b>
	<b>Cash flows for the year</b>	<b>-22,331</b>	<b>10,537</b>
	Cash and cash equivalents at 1 May	48,082	37,568
	Exchange gains/losses on cash and cash equivalents	1,132	-23
	<b>Cash and cash equivalents at 30 April</b>	<b>26,883</b>	<b>48,082</b>

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

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

#### 1 Accounting policies

The annual report of Stibo DX A/S for 2021/22 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class C medium enterprises and elective choice of certain provisions applying to reporting class C large enterprises.

Pursuant to section 96(3) of the Danish Financial Statements Act, reference is made to the annual report of Stibo Holding A/S for 2021/22 regarding auditors' fee.

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, Stibo DX A/S, and subsidiaries in which Stibo DX A/S directly or indirectly holds more than 50% of the voting rights or which it, in some other way, controls.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and 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 or liabilities at the acquisition date. Enterprises acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the consolidated income statement until the date of disposal. The comparative figures are not restated for acquisitions or disposals.

Gains or losses on disposal of subsidiaries and associates are stated as the difference between the sales amount and the carrying amount of net assets at the date of disposal plus non-amortised goodwill and anticipated disposal costs.

Acquisitions of enterprises are accounted for using the acquisition method, according to which the identifiable assets and liabilities acquired are measured at their fair values at the date of acquisition.

Any excess of the cost over the fair value of the identifiable assets and liabilities acquired (goodwill), including restructuring provisions, is recognised as intangible assets and amortised on a systematic basis in the income statement based on an individual assessment of the useful life of the asset.

#### Business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition.

The date of acquisition is the date when the Group actually obtains control of the acquiree.

The purchase method is applied to acquisitions of new businesses over which the Group obtains control. The acquired businesses' identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.



## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

#### 1 Accounting policies (continued)

##### 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 at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and 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 at 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 subsidiaries 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 intra-group balances with independent foreign subsidiaries which are considered part of the investment in the subsidiary are recognised directly in equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

##### Income statement

###### Revenue

Revenue from the sale of goods and services is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place before year end and that the income can be reliably measured and is expected to be received. Revenue is measured ex. VAT and taxes charged on behalf of third parties.

Contract work in progress in respect of delivery of large systems is recognised in revenue by reference to the stage of completion. Accordingly, revenue corresponds to the selling price of work performed during the year (percentage of completion method). Revenue is recognised when total income and expenses relating to the construction contract and the stage of completion at the balance sheet date can be reliably measured, and when it is probable that future economic benefits, including payments, will flow to the Group.

###### Raw materials and consumables

Raw materials and consumables comprise purchases of goods and services for the year.

###### Other external expenses

Other external expenses comprise items primary to the activities of the Company for the year.

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

#### 1 Accounting policies (continued)

##### Staff costs

Staff costs comprise wages and salaries, remuneration, pensions and other costs regarding the Company's employees, including members of the Executive Board and the Board of Directors.

Development costs regarding new products are expensed as incurred as the conditions for capitalisation are not considered to have been met. In practice, the development of new products cannot be separated from the continued maintenance of the Group's other products.

##### Depreciation and amortisation

Comprises amortisation of intangible assets and depreciation of property, plant and equipment.

##### Profits/losses from investments in group entities and associates

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 and amortisation of goodwill.

The proportionate share of the results after tax of the associates is recognised in the income statement after elimination of the proportionate share of intra-group profits/losses.

##### Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc. Interest expenses are not capitalised.

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

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

Stibo Holding A/S is the administrative company for the joint taxation and consequently settles all corporation tax payments with the tax authorities.

On payment of joint taxation contributions, the current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income. In this relation, companies with tax loss carryforwards receive joint taxation contribution from companies that have used these losses to reduce their own taxable profits.

Tax for the year, comprising current tax and changes in deferred tax for the year, is recognised in the income statement. The tax expense relating to changes in equity is recognised directly in equity.

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

#### 1 Accounting policies (continued)

##### Balance sheet

##### Goodwill

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, which is between 5 and 10 years. The amortisation period is fixed on the basis of the expected repayment horizon, longest for strategically acquired business enterprises with strong market positions and long-term earnings profiles.

##### Other intangible assets

Other intangible assets comprise patents, rights and customer data bases, etc. acquired.

Other intangible assets are measured at cost less accumulated depreciation and amortisation. Other intangible assets are amortised on a straight-line basis over the expected useful lives, which are 5-10 years.

##### Property, plant and equipment

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

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

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

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

Fixtures and fittings, tools and equipment	3-10 years
--	------------

The basis of depreciation is based on the residual value of the asset at the end of its useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. 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 amortisation charges is recognised prospectively as a change in accounting estimates.

Gains and losses on the disposal 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 or losses are recognised in the income statement as other operating income or other operating costs, respectively.

##### Investments in group entities

Investments in group entities are measured according to the equity method.

Investments in group entities are measured in the balance sheet at the proportionate share of the enterprises' net asset value determined in accordance with the Parent Company's accounting policies less or plus unrealised intra-group gains and losses.

Group entities with negative net asset value are measured at DKK 0 (nil), and any amounts owed by such entities are written down by the Parent Company's share of the net asset value if the amount

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

#### 1 Accounting policies (continued)

owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the Parent Company has a legal or a constructive obligation to cover the subsidiary's deficit.

Net revaluation of investments in group entities is recognised in the reserve for net revaluation according to the equity method in equity to the extent that the carrying amount exceeds cost.

#### Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and total expected income from the work.

When the selling price of a construction contract cannot be measured reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Individual work in progress is recognised in the balance sheet under either receivables or payables depending on the net value of the sales amount less progress billings and prepayments.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

#### Receivables

Receivables are measured at amortised cost. Write-down is made for expected losses.

#### Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

#### Dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

#### Corporation tax and deferred tax

Payable and receivable joint taxation contributions are recognised in the balance sheet under balances with group companies.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. 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.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

#### 1 Accounting policies (continued)

##### Liabilities other than provisions

Amounts owed to mortgage credit institutions and banks are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the 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 as well as the Group's cash and cash at the beginning and end of the year.

##### 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 and corporation tax paid.

##### Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and of intangible assets, property, plant and equipment and investments.

##### 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 dividends to shareholders.

##### Segment information

Stibo DX only operates within one segment.

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

#### 1 Accounting policies (continued)

##### Financial ratios

The financial ratios stated in the survey of financial highlights have been calculated as follows:

EBITDA	Operating profit added depreciation, amortisation and impairment losses (before minor new acquisitions)
Operating margin	$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$
Return on capital employed	$\frac{\text{Operating profit/loss} \times 100}{\text{Average operating assets}}$
Operating assets	Operating assets are total assets less cash
Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

DKK'000	Consolidated		Parent Company	
	2021/22	2020/21	2021/22	2020/21
<b>2 Staff costs</b>				
Wages and salaries	111,110	106,482	63,206	61,854
Pensions	5,520	4,917	4,723	4,513
Other social security costs	8,317	8,019	711	557
	<u>124,947</u>	<u>119,418</u>	<u>68,640</u>	<u>66,924</u>
Average number of employees	<u>199</u>	<u>193</u>	<u>94</u>	<u>92</u>
Pursuant to sections 98b, sub-section 3, of the Danish Financial Statements Act, there is no information about the remuneration to the Executive Board.				
DKK'000	Consolidated		Parent Company	
	2021/22	2020/21	2021/22	2020/21
<b>3 Depreciation, amortisation and impairment losses</b>				
Goodwill	1,379	1,384	0	0
Other intangible assets	1,116	2,373	1,339	3,409
Fixtures and fittings, other plant and equipment	732	971	0	0
	<u>3,227</u>	<u>4,728</u>	<u>1,339</u>	<u>3,409</u>
Minor new acquisitions	1,292	969	865	811
	<u>4,519</u>	<u>5,697</u>	<u>2,204</u>	<u>4,220</u>
<b>4 Financial income</b>				
Interest income from group entities	0	0	0	0
Other financial income	119	119	30	78
	<u>119</u>	<u>119</u>	<u>30</u>	<u>78</u>
<b>5 Financial expenses</b>				
Interest expense to group entities	1	0	636	335
Other financial expenses	1,191	1,405	932	712
	<u>1,192</u>	<u>1,405</u>	<u>1,568</u>	<u>1,047</u>
<b>6 Tax on profit for the year</b>				
Current tax	890	255	0	-4,924
Change in deferred tax	-4,133	-4,086	-4,180	-821
	<u>-3,243</u>	<u>-3,831</u>	<u>-4,180</u>	<u>-5,745</u>

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

#### 7 Intangible assets

	Consolidated		Parent Company
	Goodwill	Other intangible assets	Other intangible assets
DKK'000			
Cost at 1 May 2021	13,794	24,887	14,123
Foreign exchange adjustments in foreign enterprises	9	-1	0
Cost at 30 April 2022	13,803	24,886	14,123
Amortisation charges at 1 May 2021	-2,765	-15,958	-3,409
Foreign exchange adjustments in foreign enterprises	-2	-0	0
Amortisation charges	-1,379	-1,116	-1,339
Amortisation charges and impairment losses at 30 April 2022	-4,146	-17,074	-4,748
<b>Carrying amount at 30 April 2022</b>	<b>9,657</b>	<b>7,812</b>	<b>9,375</b>
Amortised over	5-10 years	5-10 years	5-10 years

#### 8 Property, plant and equipment

	Consoli- dated	Parent Company
	Fixtures and fittings other plant, etc.	Fixtures and fittings other plant, etc.
DKK'000		
Cost at 1 May 2021	3,822	125
Foreign exchange adjustments in foreign enterprises	175	0
Additions	609	0
Disposals	-776	0
Cost at 30 April 2022	3,830	125
Depreciation charges at 1 May 2021	-1,846	0
Foreign exchange adjustments in foreign enterprises	-135	0
Depreciation charges	-732	0
Disposals	735	0
Depreciation charges and impairment losses at 30 April 2022	-1,978	0
<b>Carrying amount at 30 April 2022</b>	<b>1,852</b>	<b>125</b>
Depreciated over	3-10 years	3-10 years



## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

#### 9 Investments in group entities

	Parent Company	
	2021/22	2020/21
DKK'000		
Cost at 1 May	45,771	70,221
Disposals in relation to merger	0	-24,450
Cost at 30 April	45,771	45,771
Adjustments at 1 May	2,483	3,653
Disposals in relation to merger	0	-3,599
Foreign exchange adjustments, foreign group entities	2,472	-822
Dividends	0	0
Profit before tax	4,252	5,165
Tax on profit for the year	-937	-1,914
Adjustments at 30 April	8,270	2,483
<b>Carrying amount at 30 April</b>	<b>54,041</b>	<b>48,254</b>
Hereof goodwill	9,657	11,029

Name	Registered office	Voting rights and ownership
Stibo DX, Inc	USA	100%
Red Badge Consulting, Inc.	USA	100%
Stibo DX AS	Norway	100%
Stibo DX Ltd.	Bangladesh	100%
Stibo DX GmbH	Germany	100%

#### 10 Deferred tax

	Consoli-	Parent
	dated	Company
DKK'000	2021/22	2021/22
Deferred tax at 1 May	-4,187	-2,529
Foreign exchange adjustments	-101	0
Transferred from corporate income tax	-1,044	-1,044
Changes for the year, see note 6	-4,133	-4,180
<b>Deferred tax at 30 April</b>	<b>-9,465</b>	<b>-7,753</b>
Deferred tax asset	-9,465	-7,753
Deferred tax liability	0	0
	-9,465	-7,753

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

#### 11 Equity - Parent Company

The share capital comprises 30,000 shares of DKK 1,000 nominal value each. All shares rank equally.

##### Proposed profit allocation

DKK'000	2021/22	2020/21
Proposed dividends	0	50,000
Transfer to reserve for net revaluation according to the equity method	3,315	3,251
Retained earnings	482	-41,396
	<u>3,797</u>	<u>11,855</u>

#### 12 Contract work in progress

Recognised as follows:

DKK'000	Consolidated		Parent Company	
	30 April 2022	30 April 2021	30 April 2022	30 April 2021
Contract work in progress	0	0	0	0
Prepayments for contract work in progress	-1,331	-1,506	-647	-781
	<u>-1,331</u>	<u>-1,506</u>	<u>-647</u>	<u>-781</u>

#### 13 Mortgages, collateral and contingent liabilities

##### Parent Company

The Company is jointly taxed with other Danish group companies. As group company, together with the other group companies included in the joint taxation, the Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

The jointly taxed companies' known net liabilities to Skattestyrelsen are recognised in the financial statements of the administrative company, Stibo Holding A/S. Any subsequent corrections to the joint taxation income and withholding taxes, etc. may imply that the Company's liabilities increase.

## Consolidated financial statements and parent company financial statements 1 May - 30 April

### Notes

#### 14 Lease obligations

##### Parent Company

The Company has entered into rent obligations with a term of 1 year totalling DKK 3.6 million (2020/21: DKK 3.5 million).

Other lease obligations (operating leases) falling due within five years total DKK 0.2 million (2020/21: DKK 0.5 million).

##### Consolidated

The Group has entered into rent obligations falling due within five years and totalling DKK 16.8 million (2020/21: DKK 22.3 million).

Other lease obligations (operating leases) falling due within five years total DKK 3.2 million (2020/21: DKK 0.5 million).

#### 15 Related parties

##### Parties exercising controls

STIBO-FONDEN, Axel Kiers Vej 11, DK-8270 Højbjerg.

Stibo DX A/S is wholly-owned by Stibo A/S, Aarhus, whose ultimate parent company is STIBO-FONDEN, Aarhus.

##### Related party transactions

Related parties comprise STIBO-FONDEN and subsidiaries which STIBO-FONDEN directly or indirectly controls.

Transactions in 2021/22 with related parties:

DKK'000	Consolidated	Parent Company
Income <sup>1</sup>	682	79,626
Expenses <sup>1</sup>	16,470	83,001
Net financial income and expenses <sup>2</sup>	-1	-636
Receivables from group entities <sup>3</sup>	36,906	36,906
Payables to group entities <sup>3</sup>	0	43,962

<sup>1</sup> Includes sales and purchases of goods and services.

<sup>2</sup> Includes financial items related to intercompany financing.

<sup>3</sup> Includes receivables and payables related to sales and purchases of goods and services and intercompany financing.

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

## Dan Korsgaard

CEO

On behalf of: Stibo DX A/S

Serial number: PID:9208-2002-2-070626757796

IP: 80.208.xxx.xxx

2022-06-30 08:06:50 UTC

NEM ID 

## Torben Bonnerup Bedsted

Chairman

On behalf of: Stibo DX A/S

Serial number: PID:9208-2002-2-072653029673

IP: 217.28.xxx.xxx

2022-07-01 13:55:07 UTC

NEM ID 

## Dan Korsgaard

Board of Directors

On behalf of: Stibo DX A/S

Serial number: PID:9208-2002-2-070626757796

IP: 80.208.xxx.xxx

2022-07-03 10:08:16 UTC

NEM ID 

## Carsten John Christensen

Board of Directors

On behalf of: Stibo DX A/S

Serial number: PID:9208-2002-2-539293523573

IP: 217.28.xxx.xxx

2022-07-04 06:44:04 UTC

NEM ID 

## Morten Friis

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: CVR:30700228-RID:1267450157119

IP: 145.62.xxx.xxx

2022-07-04 08:30:41 UTC

NEM ID 

## Jeppe Meulengracht Fogh

Chairman of the Meeting

On behalf of: Stibo DX A/S

Serial number: 3e9e4724-e17e-450d-96d0-5a8f01d5cb8a

IP: 217.28.xxx.xxx

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