



## IDC Nordic A/S

Bredgade 23, 3.  
1260 København K  
CVR No. 67205812

## Annual report 2020

The Annual General Meeting adopted the  
annual report on 30.07.2021

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**Jan Larsen**

Chairman of the General Meeting

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# Entity details

## Entity

IDC Nordic A/S

Bredgade 23, 3.

1260 København K

CVR No.: 67205812

Registered office: København

Financial year: 01.01.2020 - 31.12.2020

## Board of Directors

Jan Larsen

Robert James White, formand

Crawford Basset Del Prete

Donna Mary Marr

## Executive Board

Wafa Moussavi-Amin, adm. dir.

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of IDC Nordic A/S for the financial year 01.01.2020 - 31.12.2020.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 30.07.2021

## Executive Board

**Wafa Moussavi-Amin**  
adm. dir.

## Board of Directors

**Jan Larsen**

**Robert James White**  
formand

**Crawford Basset Del Prete**

**Donna Mary Marr**

# Independent auditor's report

## To the shareholders of IDC Nordic A/S

### Opinion

We have audited the financial statements of IDC Nordic A/S for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the financial statements

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

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

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

**Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 30.07.2021

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Flemming Larsen**

State Authorised Public Accountant  
Identification No (MNE) mne27790

# Management commentary

## Primary activities

The Group's primary business area is consultancy, market research and go-to-market services within IT and telecommunications technologies.

## Development in activities and finances

Loss for the year amounts to DKK 3.792 thousand which the Board of Directors considers unsatisfactory.

The company has lost the entire share capital and has a negative equity DKK 6.844 thousand. The group company IDC UK Limited has undertaken to supply the company with liquidity, if the company cannot meet its own obligations for its own funds. On the basis of this letter of support management determined that the financial statements can be presented in accordance with the going concern principle.

Under the influence of a significantly declining market for IDC services, the Company recorded expected lower revenue in the financial year. This was the case for marketing-oriented services and products as well as for the consulting business. The IDC events and conference business has been severely impacted by the COVID-19 pandemic due to the various travel restrictions etc. During second half of 2020 IDC invested significant in digital events platforms. As a result of this investment Q4 of fiscal year 2020 delivered improved turnover and margin compared to Q1 to Q3.

The vision of IDC Nordic A/S is to be the leading global and local market research, conference and advisory firm helping customers to understand IT technology and telecommunications trends in order to develop effective business plans. This will be developed through a network of committed IDC employees sharing knowledge at all levels.

The IDC products therefore offer a range of services from data analysis and forecasting of trends in the IT and telecommunications industries in order to help customers use this information actively in their business planning and marketing activities.

IDC Nordic A/S is matching this by providing its customers with marketing services, which includes activities such as sponsored conferences and development of marketing collaterals. IDC Nordic A/S is expanding the business within events and marketing support. IDC Nordic A/S is therefore uniquely positioned to provide complete solutions from market strategy development to implementation of marketing activities.

An expanding business area is customised consulting reflecting an increased need for local and specific market information that is immediately actionable. Today consulting constitutes more than half of IDC Nordic A/S' revenue. This trend is expected to continue and strengthen over the coming years.

A new and growing business area for IDC Nordic A/S is technology consultancy for large end-user companies in specific industry verticals. These product offerings are implemented through industry consultants in IDC's Insight organisation, specialising in industries such as financial services, public sector, energy, healthcare sector, manufacturing, and retail.

As the use of market information is increasingly becoming embedded in the daily operations of IT and telecommunications companies and IT users, a growing need for frequent updates of the IT market information exist. IDC is supporting this trend by offering a wide range of new products that track the market on a quarterly



basis, from hardware over software to IT services.

The performance for the year was unsatisfactory. The positive impact of the investments in digital events is expected to continue in 2021. Management therefore expects strong growth and positive result in the new financial year.

The improved business environment in Q4 2020 has continued into 2021, which management expect to generate positive results in 2021. IDC has got sufficient cash facilities to continue for business in the future.

#### **Events after the balance sheet date**

On 3 June, 2021 – Blackstone (NYSE:BX) announced that a private equity funds managed by Blackstone (“Blackstone”) have entered into a definitive agreement to acquire International Data Group, Inc. (“IDG”). for an enterprise value of \$1.3 billion. Except for the above, no events of significance to the annual report have occurred after the balance sheet date.

# Income statement for 2020

|  | Notes | 2020<br>DKK        | 2019<br>DKK        |
|--|-------|--------------------|--------------------|
| Revenue  |       | 26,603,389         | 28,772,282         |
| Other external expenses                          |       | (12,562,383)       | (15,599,610)       |
| <b>Gross profit/loss</b>                         |       | <b>14,041,006</b>  | <b>13,172,672</b>  |
| Staff costs                                      | 3     | (17,727,953)       | (16,480,443)       |
| Depreciation, amortisation and impairment losses |       | (114,903)          | (119,736)          |
| <b>Operating profit/loss</b>                     |       | <b>(3,801,850)</b> | <b>(3,427,507)</b> |
| Other financial income                           |       | 278,213            | 0                  |
| Other financial expenses                         |       | (149,472)          | (455,171)          |
| <b>Profit/loss before tax</b>                    |       | <b>(3,673,109)</b> | <b>(3,882,678)</b> |
| Tax on profit/loss for the year                  | 4     | (118,506)          | (1,783,079)        |
| <b>Profit/loss for the year</b>                  |       | <b>(3,791,615)</b> | <b>(5,665,757)</b> |
| <b>Proposed distribution of profit and loss:</b> |       |                    |                    |
| Retained earnings                                |       | (3,791,615)        | (5,665,757)        |
| <b>Proposed distribution of profit and loss</b>  |       | <b>(3,791,615)</b> | <b>(5,665,757)</b> |

# Balance sheet at 31.12.2020

## Assets

|  | Notes | 2020<br>DKK       | 2019<br>DKK       |
|--|-------|-------------------|-------------------|
| Other fixtures and fittings, tools and equipment |       | 150,391           | 193,808           |
| <b>Property, plant and equipment</b>             | 5     | <b>150,391</b>    | <b>193,808</b>    |
| Other receivables                                |       | 272,300           | 272,300           |
| <b>Financial assets</b>                          | 6     | <b>272,300</b>    | <b>272,300</b>    |
| <b>Fixed assets</b>                              |       | <b>422,691</b>    | <b>466,108</b>    |
| Trade receivables                                |       | 4,079,831         | 1,349,700         |
| Contract work in progress                        |       | 0                 | 1,199,035         |
| Receivables from group enterprises               |       | 1,877,376         | 0                 |
| Other receivables                                |       | 746,513           | 316,605           |
| Prepayments                                      |       | 2,410,445         | 1,069,403         |
| <b>Receivables</b>                               |       | <b>9,114,165</b>  | <b>3,934,743</b>  |
| <b>Cash</b>                                      |       | <b>4,812,397</b>  | <b>7,926,174</b>  |
| <b>Current assets</b>                            |       | <b>13,926,562</b> | <b>11,860,917</b> |
| <b>Assets</b>                                    |       | <b>14,349,253</b> | <b>12,327,025</b> |

**Equity and liabilities**

|  | <b>Notes</b> | <b>2020<br/>DKK</b> | <b>2019<br/>DKK</b> |
|--|--------------|---------------------|---------------------|
| Contributed capital                              |              | 500,000             | 500,000             |
| Retained earnings                                |              | (7,344,390)         | (3,552,775)         |
| <b>Equity</b>                                    |              | <b>(6,844,390)</b>  | <b>(3,052,775)</b>  |
| Prepayments received from customers              |              | 3,188,541           | 1,036,405           |
| Trade payables                                   |              | 222,546             | 1,009,808           |
| Payables to group enterprises                    |              | 11,991,577          | 8,419,679           |
| Income tax payable                               |              | 33,840              | 75,608              |
| Other payables                                   |              | 5,757,139           | 4,838,300           |
| <b>Current liabilities other than provisions</b> |              | <b>21,193,643</b>   | <b>15,379,800</b>   |
| <b>Liabilities other than provisions</b>         |              | <b>21,193,643</b>   | <b>15,379,800</b>   |
| <b>Equity and liabilities</b>                    |              | <b>14,349,253</b>   | <b>12,327,025</b>   |
| Going concern                                    | 1            |                     |                     |
| Events after the balance sheet date              | 2            |                     |                     |
| Unrecognised rental and lease commitments        | 7            |                     |                     |
| Contingent liabilities                           | 8            |                     |                     |
| Related parties with controlling interest        | 9            |                     |                     |
| Group relations                                  | 10           |                     |                     |

# Statement of changes in equity for 2020

|                           | Contributed<br>capital<br>DKK | Retained<br>earnings<br>DKK | Total<br>DKK       |
|---------------------------|-------------------------------|-----------------------------|--------------------|
| Equity beginning of year  | 500,000                       | (3,552,775)                 | (3,052,775)        |
| Profit/loss for the year  | 0                             | (3,791,615)                 | (3,791,615)        |
| <b>Equity end of year</b> | <b>500,000</b>                | <b>(7,344,390)</b>          | <b>(6,844,390)</b> |

# Notes

## 1 Going concern

The company has lost the entire share capital and has a negative equity DKK 6.844 thousand. The group company IDC UK Limited has undertaken to supply the company with liquidity, if the company cannot meet its own obligations for

its own funds. On the basis of this letter of support management determined that the financial statements can be presented in accordance with the going concern principle.

## 2 Events after the balance sheet date

The improved business environment in Q4 2020 has continued into 2021, which management expect to generate positive results in 2021. IDC has got sufficient cash facilities to continue for business in the future.

## 3 Staff costs

|                                       | 2020<br>DKK       | 2019<br>DKK       |
|---------------------------------------|-------------------|-------------------|
| Wages and salaries                    | 16,026,310        | 14,867,266        |
| Pension costs                         | 693,686           | 654,585           |
| Other social security costs           | 1,007,957         | 958,592           |
|                                       | <b>17,727,953</b> | <b>16,480,443</b> |
| Average number of full-time employees | 25                | 22                |

## 4 Tax on profit/loss for the year

|                        | 2020<br>DKK    | 2019<br>DKK      |
|------------------------|----------------|------------------|
| Current tax            | 118,506        | 48,463           |
| Change in deferred tax | 0              | 1,734,616        |
|                        | <b>118,506</b> | <b>1,783,079</b> |

## 5 Property, plant and equipment

|   | Other fixtures<br>and fittings,<br>tools and<br>equipment<br>DKK |
|---|--|
| Cost beginning of year                                | 540,776  |
| Additions   | 71,272   |
| Disposals   | (285,069)  |
| <b>Cost end of year</b>                               | <b>326,979</b>   |
| Depreciation and impairment losses beginning of year  | (346,968)  |
| Depreciation for the year                             | (114,689)  |
| Reversal regarding disposals                          | 285,069  |
| <b>Depreciation and impairment losses end of year</b> | <b>(176,588)</b>   |
| <b>Carrying amount end of year</b>                    | <b>150,391</b>   |

## 6 Financial assets

|                                    | Other<br>receivables<br>DKK |
|------------------------------------|-----------------------------|
| Cost beginning of year             | 272,300                     |
| <b>Cost end of year</b>            | <b>272,300</b>              |
| <b>Carrying amount end of year</b> | <b>272,300</b>              |

## 7 Unrecognised rental and lease commitments

|  | 2020<br>DKK | 2019<br>DKK |
|--|-------------|-------------|
| Liabilities under rental or lease agreements until maturity in total | 524,888     | 524,888     |

## 8 Contingent liabilities

No contingent liabilities are incumbent upon the Company at 31 December 2020. The Company has not provided guarantees or securities.

## 9 Related parties with controlling interest

Related parties with a controlling interest in IDC Nordic A/S:

International Data Group Inc., 5 Speen Street, Framingham, MA 01701, USA, Parent

## 10 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

The ultimate parent company and ultimate controlling party is Tohigh Holdings Co. Ltd., based at Base 3c, Bldg 1, Guangcai Intl Bldg, No.18 Workers Stadium West Road, Chaoyang District, Beijing 100020, its registered address.

Tohigh Holdings Co. Ltd is the largest company with in the group into which IDG Communications Limited results are consolidated.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

The immediate parent is International Data Group Inc., a company incorporated in the US and registered address is 5 Speen Street, Framingham, MA 01701, United States. This company is the parent undertaking of the smallest group which includes the Group and for which group accounts are prepared.



# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Income statement

### Revenue

Revenue is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

### Other external expenses

Other external expenses comprise expenses for distribution, sale, marketing, administration, premises, bad debts, etc.

### Staff costs

Staff costs comprise salaries and wages as well as social security costs, pension contributions, etc for the Company's staff.

### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

**Financial income and expenses**

These items comprise interest income and interest expenses, realised and unrealised capital gains and losses on securities and transactions in foreign currencies, cash discounts, etc as well as tax surcharge and relief under the Danish Tax Prepayment Scheme.

**Income taxes**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit/loss for the year, and recognised directly in equity by the portion attributable to entries directly in equity.

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

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

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

**Balance sheet****Property, plant and equipment**

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

Cost comprises the acquisition price and costs directly attributable to the acquisition until the time when the asset is ready to be put into operation.

The basis of depreciation is cost plus revaluation and less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

|                         |            |
|-------------------------|------------|
| Fixtures and fittings   | 3-10 years |
| Leasehold improvements  | 5 years    |
| Computer equipment, etc | 3-5 years  |

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less provisions for bad debts.

**Contract work in progress**

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises cash in bank deposits.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

**Tax receivable or payable**

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.