PDC A/S

H.J. Holst Vej 3 - 5 C, 2605 Brøndby

CVR no. 78 80 61 17

Annual report 2022/23

Approved at the Company's annual general meeting on 6 July 2023

Chair of the meeting:

Lars Madsen ....

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 May 2022 - 30 April 2023	8
Income statement	8
Balance sheet	9
Statement of changes in equity	11
Notes to the financial statements	12

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of PDC A/S for the financial year 1 May 2022 - 30 April 2023.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 April 2023 and of the results of the Company's operations for the financial year 1 May 2022 - 30 April 2023.

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

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

Brøndby, 6 July 2023
Executive Board:

Finn Grønskov, CEO	Leo Schou-Jensen, CTO

Board of Directors:

Lars Malmgren-Hansen Chairman	Janni Jespersen	Hans Siggaard Jensen
Finn Grønskov	Leo Schou-Jensen	

Independent auditor's report

To the shareholder of PDC A/S

Opinion

We have audited the financial statements of PDC A/S for the financial year 1 May 2022 - 30 April 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 April 2023 and of the results of the Company's operations for the financial year 1 May 2022 - 30 April 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Independence

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Independent auditor's report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 6 July 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Allan Nørgaard
State Authorised Public Accountant
mne35501

Management's review

Company details

Name	PDC A/S
Address, Postal code, City	H.J. Holst Vej 3 - 5 C, 2605 Brøndby
CVR no.	78 80 61 17
Established	8 July 1985
Registered office	Brøndby
Financial year	1 May 2022 - 30 April 2023
Website	www.pdc.dk
Telephone	+45 36 36 00 00
Telefax	+45 36 36 00 01
Board of Directors	Lars Malmgren-Hansen, Chairman Janni Jespersen Hans Siggaard Jensen Finn Grønskov Leo Schou-Jensen
Executive Board	Finn Grønskov, CEO Leo Schou-Jensen, CTO
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Financial highlights

DKK'000	2022/23	2021/22	2020/21	2019/20	2018/19
Key figures					
Revenue	118,054	113,347	95,089	93,269	93,302
Operating profit/loss	5,805	7,762	3,729	3,116	4,012
Net financials	360	2,369	-966	-776	319
Profit for the year	8,862	11,348	5,104	3,061	3,082
Total assets	71,347	70,477	61,229	62,591	60,389
Investments in property, plant and equipment	129	663	1,471	2,605	898
Equity	46,658	45,752	38,406	36,052	34,596
Financial ratios					
Operating margin	7.4%	9.2%	6.6%	6.0 %	6.7 %
Return on assets	8.2%	11.8%	6.0%	5.1%	7.0%
Current ratio	327.2%	298.2%	251.4%	235.7%	242.9%
Equity ratio	65.4%	64.9%	62.7%	57.6%	57.3%
Return on equity	19.2%	27.0%	13.7%	8.7%	9.0%
Average number of full-time employees	102	102	93	88	87

For terms and definitions, please see the accounting policies.

Management's review

Business review

The Company's main activities are to develop and sell software and related activities.

Financial review

The financial report for 2022/23 shows a profit of DKK 8,862 thousand against a profit of DKK 11,348 thousand last year, and the balance sheet at 30 April 2023 shows equity of DKK 46,658 thousand.
PDC experienced a continued growth in 2022/23 reaching a turnover of 118 million - being an increase of 4.4% from last year. This is slightly less than the expected 5-15% increase. It seems that Covid-19 crisis still had an impact on the aviation business in some parts of the world. Nevertheless, the profit reached DKK 8.8 million which is within the expected range. Management considers this satisfactory. The main activities within the key areas of the company includes:

AIRLINES

- Development and delivery of PDCs integrated flight suite for Airlines Resource Management, including Operations Control, Commercial Schedules Planning and Crew management to airlines. Four more airlines joined the community of international airlines using the PDC Flight Suite
- Our new Automated scheduling engine using Mathematical Optimization and AI technologies is continuously being improved - and it is being adopted by more of our Airline customers.

AIRPORTS

- PDC SCORE system for Airport Slot Coordination have been delivered to coordinators - that covers several airports in Asia, Middle-east, North America and South America.
- PDC have extended our Airport Suite with new modules for resource planning. The delivery of the full Airport Suite integrated with PDC SCORE started for a customer in North America.

RESOURCE MANAGEMENT SYSTEM

- Implementation of PDC's work force management and production planning solution to the public and private sectors
- PDC have extended the cooperation with one of the largest regions in Denmark.

TECHNOLOGIES

- Establishing a state of the art Cloud environment, and cloud management tools.
- Continued development AI related tools for planning and scheduling - including Logic Programming and Mathematical Optimization.

Events after the balance sheet date

No events affecting the 2022/23 annual report has occurred after the balance sheet date.

Outlook

The outlook for 2023/2024 is further moderate growth of 5-15% in Turnover and a Profit that is expected to be in the range DKK 5 - 15 million.

Financial statements 1 May 2022 - 30 April 2023

Income statement

Note	DKK'000	2022/23	2021/22
	Revenue	118,054	113,347
	Cost of sales	-9,061	-7,512
	Other operating income	3,064	2,736
	Other external expenses	-26,392	-18,716
	Gross profit	85,665	89,855
3	Staff costs	-75,533	-77,721
4	Amortisation/depreciation of intangible assets and property, plant and equipment	-1,262	-1,637
	Other operating expenses	-104	-89
	Profit before net financials	8,766	10,408
	Income from investments in group entities	521	158
5	Financial income	1,428	3,384
	Financial expenses	-1,589	-1,173
	Profit before tax	9,126	12,777
6	Tax for the year	-264	-1,429
	Profit for the year	8,862	11,348

Financial statements 1 May 2022 - 30 April 2023

Balance sheet

Note	DKK'000	2022/23	2021/22
	ASSETS		
	Fixed assets		
7	Intangible assets		
	Acquired intangible assets	0	65
	Goodwill	145	232
		145	297
8	Property, plant and equipment		
	Plant and machinery	708	1,145
	Other fixtures and fittings, tools and equipment	325	1,123
		1,033	2,268
9	Investments		
	Investments in group entities	3,224	3,158
		3,224	3,158
	Total fixed assets	4,402	5,723
	Non-fixed assets		
10	Receivables		
	Trade receivables	35,212	33,559
11	Work in progress for third parties	3,403	5,710
	Receivables from group entities	5,355	2,221
12	Deferred tax assets	1,054	434
	Joint taxation contribution receivable	0	305
	Other receivables	604	677
		45,628	42,906
	Cash	21,317	21,848
	Total non-fixed assets	66,945	64,754
	TOTAL ASSETS	71,347	70,477

Financial statements 1 May 2022 - 30 April 2023

Balance sheet

Note	DKK'000	2022/23	2021/22
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	500	500
	Retained earnings	40,658	37,752
	Dividend proposed for the year	5,500	7,500
	Total equity	46,658	45,752
	Provisions		
14	Other provisions	2,090	0
	Total provisions	2,090	0
	Liabilities other than provisions		
13	Non-current liabilities other than provisions		
	Joint taxation contribution payable	2,142	3,012
		2,142	3,012
	Current liabilities other than provisions		
11	Work in progress for third parties	5,303	6,223
	Trade payables	4,477	3,932
	Payables to group entities	406	494
	Income taxes payable	1,754	0
	Other payables	5,800	9,063
15	Deferred income	2,717	2,001
		20,457	21,713
	Total liabilities other than provisions	22,599	24,725
	TOTAL EQUITY AND LIABILITIES	71,347	70,477

1 Accounting policies
2 Events after the balance sheet date
16 Contractual obligations and contingencies, etc.
17 Collateral
18 Related parties
19 Appropriation of profit

Financial statements 1 May 2022 - 30 April 2023

Statement of changes in equity

Note	DKK'000	Share capital	Retained earnings	Dividend proposed for the year	Total
	Equity at 1 May 2021	500	33,906	4,000	38,406
19	Transfer, see "Appropriation of profit"	0	3,848	7,500	11,348
	Exchange adjustment	0	-2	0	-2
	Dividend distributed	0	0	-4,000	-4,000
	Equity at 1 May 2022	500	37,752	7,500	45,752
19	Transfer, see "Appropriation of profit"	0	3,362	5,500	8,862
	Exchange adjustment	0	-456	0	-456
	Dividend distributed	0	0	-7,500	-7,500
	Equity at 30 April 2023	500	40,658	5,500	46,658

Financial statements 1 May 2022 - 30 April 2023

Notes to the financial statements

1 Accounting policies

The annual report of PDC A/S for 2022/23 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements are prepared. The financial statements for PDC A/S and its group entities are part of the consolidated financial statements for Prolog Development Center Holding A/S.

The accounting policies are unchanged from prior year.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The entity's cash flows are part of the consolidated cash flow statement for the parent company, Prolog Development Center Holding A/S.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

Financial statements 1 May 2022 - 30 April 2023

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

The Company's revenue comprises sale of services and income from the sale of software licences.

Income from the sale of services is recognised once the outcome of the transaction can be estimated reliably with reference to the stage of completion.

Licence income is recognised as revenue at the time of transfer of the risk to the buyer when, in reality, the agreement is comparable with a sale of software licences.

In assessing the reality of the individual agreement on the delivery of licences, the Company's obligations in connection with additional deliverances, term of contract, payment period, interminability of the contract, rights to the licence and other relevant factors are taken into consideration.

For sales with a long credit period, the debtor's ability to pay is included in the assessment as to whether the economic benefits connected with the sales transaction will flow to the Company and whether revenue can be measured reliably.

Sales with long interest-free credit are discounted and recognised at fair value. The related interest income is recognised over the term of the credit arrangement under net financials.

Other operating income

Other operating income and operating expenses comprise items of a secondary nature relative to the entity's core activities, including gains or losses on the sale of non-current assets, sublease income regarding the Company's premises and reinvoicing of costs to other group companies.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation/depreciation

The item comprises amortisation/depreciation and impairment of property, plant and equipment.

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

Completed development projects	3 years
Goodwill	5 years
Plant and machinery	6 years
Other fixtures and fittings, tools and equipment	3 years

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Financial statements 1 May 2022 - 30 April 2023

Notes to the financial statements

1 Accounting policies (continued)

Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

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

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

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

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities areidentifiable and where the 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 and 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 3 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.

Development costs and internally accumulated rights are recognised in the income statement as costs in the year of acquisition.

Financial statements 1 May 2022 - 30 April 2023

Notes to the financial statements

1 Accounting policies (continued)

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

An impairment test is made for property, plant and equipment if there are indications of decreases in value. The impairment test is made for each individual asset or group of assets, respectively. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount.

Leases

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Investments in group entities

On initial recognition, investments in subsidiaries are measured at cost and subsequently at the proportionate share of the entities' net asset values calculated in accordance with the parent company's accounting policies minus or plus any residual value of positive or negative goodwill calculated in accordance with the purchase method of accounting. Subsidiaries with a 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 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 entity's deficit. Net revaluations of investments in subsidiaries are transferred to the net revaluation reserve according to the equity method where the carrying amount exceeds the acquisition cost.

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

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

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

Dividend received is deduced from the carrying amount.

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

Impairment of fixed assets

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

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

Financial statements 1 May 2022 - 30 April 2023

Notes to the financial statements

1 Accounting policies (continued)

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

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

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

Work in progress for third parties

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be made up reliably, the market value is measured at the costs incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under 'Provisions' and is expensed in the income statement.

The value of each contract in progress less prepayments is classified as assets when the market value exceed prepayments and as liabilities when prepayments exceeds the market value.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Proposed dividends

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

Provisions

Provisions comprise anticipated expenses relating to onerous contracts. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Financial statements 1 May 2022 - 30 April 2023

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income.

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. Deferred tax assets 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Financial ratios

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

Operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Operating margin	$\frac{\text{Operating profit (EBIT) x 100}}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss from operating activites x 100}}{\text{Average assets}}$
Current ratio	$\frac{\text{Current assets x 100}}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

2 Events after the balance sheet date

No events significantly affecting the financial statements for 2022/23 have occured after the balance sheet date.

Financial statements 1 May 2022 - 30 April 2023

Notes to the financial statements

	DKK'000	2022/23	2021/22
3	Staff costs		
	Wages/salaries	62,741	66,590
	Pensions	9,049	8,030
	Other social security costs	911	861
	Other staff costs	2,832	2,240
		75,533	77,721
	Average number of full-time employees	102	102
	Remuneration to members of Management:		
	Executive Board	1,899	1,857
	Board of Directors	53	141
		1,952	1,998
4	Amortisation/depreciation of intangible assets and property, plant and equipment		
	Amortisation of intangible assets	152	252
	Depreciation of property, plant and equipment	1,110	1,385
		1,262	1,637
5	Financial income		
	Other interest income	796	1,661
	Exchange adjustments	632	1,723
		1,428	3,384
6	Tax for the year		
	Estimated tax charge for the year	2,142	3,012
	Deferred tax adjustments in the year	-620	-154
	Tax adjustments, prior years	-1,258	-1,429
		264	1,429

Financial statements 1 May 2022 - 30 April 2023

Notes to the financial statements

7 Intangible assets

DKK'000	Acquired intangible assets	Goodwill	Total
Cost at 1 May 2022	495	435	930
Cost at 30 April 2023	495	435	930
Impairment losses and amortisation at 1 May 2022	430	203	633
Amortisation/depreciation in the year	65	87	152
Impairment losses and amortisation at 30 April 2023	495	290	785
Carrying amount at 30 April 2023	0	145	145
Amortised over	3 years	5 years	

8 Property, plant and equipment

DKK'000	Plant and machinery	Other fixtures and fittings, tools and equipment	Total
Cost at 1 May 2022	1,427	4,333	5,760
Additions in the year	0	129	129
Disposals in the year	-327	0	-327
Cost at 30 April 2023	1,100	4,462	5,562
Impairment losses and depreciation at 1 May 2022	282	3,210	3,492
Amortisation/depreciation in the year	183	927	1,110
Reversal of amortisation/depreciation and impairment of disposals	-73	0	-73
Impairment losses and depreciation at 30 April 2023	392	4,137	4,529
Carrying amount at 30 April 2023	708	325	1,033
Depreciated over	6 years	3 years	

Financial statements 1 May 2022 - 30 April 2023

Notes to the financial statements

9 Investments

DKK'000	Investments in group entities
Cost at 1 May 2022	5,435
Disposals in the year	-400
Cost at 30 April 2023	5,035
Value adjustments at 1 May 2022	-2,277
Exchange adjustment	-455
Share of the profit/loss for the year	521
Reversal of value adjustments on disposed assets	400
Value adjustments at 30 April 2023	-1,811
Carrying amount at 30 April 2023	3,224

Group entities

Name	Domicile	Interest
PDC Solutions Canada Ltd.	Canada	100.00%
Prolog Development Center Asia Pacific Pte. Ltd.	Singapore	100.00%
PDC Aviation Ltd.	United Kingdom	100.00%
PDC-Solutions Columbia SAS	Columbia	100.00%

10 Receivables

Of receivables totalling DKK 35,212 thousand, DKK 5,910 thousand (discounted present value) is falling due for payment later than one year from the balance sheet date.

DKK'000	2022/23	2021/22
11 Work in progress for third parties		
Selling price of work performed	4,139	5,710
Progress billings	-6,039	-6,223
	-1,900	-513
recognised as follows:		
Work in progress for third parties (assets)	3,403	5,710
Work in progress for third parties (liabilities)	-5,303	-6,223
	-1,900	-513

12 Deferred tax

	2022/23	2021/22
Deferred tax at 1 May	-434	-280
Movement of the year	-620	-154
Deferred tax at 30 April	-1,054	-434

The deferred tax asset primarily relates to timing differences in respect of property, plant and equipment, accounting provisions and work in progress for third parties.

Financial statements 1 May 2022 - 30 April 2023

Notes to the financial statements

13 Non-current liabilities other than provisions

DKK'000	Total debt at 30/4 2023	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Joint taxation contribution payable	2,142	0	2,142	0
	2,142	0	2,142	0

DKK'000	2022/23	2021/22
14 Other provisions		
Opening balance at1 May	0	0
Provisions in the year	2,090	0
Other provisions at 30 April	2,090	0
The provisions are expected to be payable in:		
0-1 year	860	0
> 1 year	1,230	0
	2,090	0

Other provisions comprise of anticipated loss on onerous contracts.

15 Deferred income

Deferred income comprises payments relating to the sale of licences and support & maintenance contracts, which will not be recognised as income until in the subsequent financial year once the recognition criteria are satisfied.

16 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its parent, Prolog Development Holding A/S, which acts as management company, and other Danish group entities. The Company is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income years 2012/13 and forward and withholding taxes falling due for payment on or after 1 July 2012 in the group of jointly taxed entities.

Other financial obligations

Other rent and lease liabilities:

Rent and lease liabilities	893	844

17 Collateral

The Company has not placed any assets or other as security for loans at 30 April 2023.

Financial statements 1 May 2022 - 30 April 2023

Notes to the financial statements

18 Related parties

Information about consolidated financial statements

Parent	Domicile
Prolog Development Center Holding A/S	Brøndby, Denmark

Related party transactions

PDC A/S was engaged in the below related party transactions:

DKK'000	2022/23	2021/22
Income, other operating income, sister companies	1,059	886
Costs, cost of sales, investments	8,208	9,025
Receivables from sister companies	3,424	135
Payables to sister companies	406	10
Receivables from parent company	1,930	731

Transactions with wholly owned subsidiaries are not disclosed, cf. Artikel 98C, section 3 of the Danish Financial Statements Act.

Information on the remuneration to management

Information on the remuneration to Management appears from note 3, "Staff costs".

19 Appropriation of profit

Recommended appropriation of profit		
Proposed dividend recognised under equity	5,500	7,500
Retained earnings	3,362	3,848
	8,862	11,348