

## **RelateIT A/S**

Jernbanegade 1, 2.  
5000 Odense C  
CVR No. 35480730

### **Annual report 2022**

The Annual General Meeting adopted the  
annual report on 23.05.2023

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**Rasmus Ravnholdt Knudsen**  
Chairman of the General Meeting

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# Entity details

## Entity

RelateIT A/S

Jernbanegade 1, 2.

5000 Odense C

Business Registration No.: 35480730

Registered office: Odense

Financial year: 01.01.2022 - 31.12.2022

## Board of Directors

Anders Østergaard

Svend Stenberg Mølholt

Rasmus Ravnholdt Knudsen

## Executive Board

Simon Eglin Berthelsen

## 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 RelateIT A/S for the financial year 01.01.2022 - 31.12.2022.

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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

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.

Odense, 23.05.2023

## Executive Management

**Simon Eglin Berthelsen**

## Board of Directors

**Anders Østergaard**

**Svend Stenberg Mølholt**

**Rasmus Ravnholdt Knudsen**

# Independent auditor's report

## To the shareholder of RelateIT A/S

### Opinion

We have audited the financial statements of RelateIT A/S for the financial year 01.01.2022 - 31.12.2022, 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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 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 financial statements" section of this auditor's report. We are independent of the Entity 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. 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, 23.05.2023

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Lars Siggaard Hansen**

State Authorised Public Accountant  
Identification No (MNE) mne32208

**Muhammad Ismaeel Rasul**

State Authorised Public Accountant  
Identification No (MNE) mne46641

# Management commentary

## Financial highlights

	2022	2021	2020	2019	2018
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
<b>Key figures</b>					
Gross profit/loss	116,059	99,839	75,331	63,015	49,104
Operating profit/loss	7,410	10,982	8,406	7,283	7,819
Net financials	(206)	(82)	540	796	1,087
Profit/loss for the year	5,665	8,461	7,067	6,202	6,946
Total assets	57,358	46,121	44,584	43,919	49,835
Investments in property, plant and equipment	1,708	1,739	1,141	1,333	1,247
Equity	16,070	16,405	13,723	21,657	15,455
Average number of employees	133	112	88	72	52
<b>Ratios</b>					
Return on equity (%)	34.89	56.17	39.95	33.42	47.96
Equity ratio (%)	28.02	35.57	30.78	49.31	31.01

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

### Return on equity (%):

Profit/loss for the year \* 100

Average equity

### Equity ratio (%):

Equity \* 100

Total assets

**Primary activities**

The main activity of the Company is to offer ERP solutions, customized IT solutions and other related activities.

**Development in activities and finances**

The result for the year shows a profit at 5,665,450 DKK, against a profit last year at 8,461,357 DKK. The profit for the year is satisfactory, considering the financial investments that have been made during the year.

**Profit/loss for the year in relation to expected developments**

The development in the result for the year compared to 2021 is in accordance with Management's expectations for the financial year 2022. The financial year 2022 has been a year of consolidation and investment in the future business including new businesses and improved services and technologies.

The Company's global client portfolios are being extensively diversified as part of its risk management strategy. In 2022, the Company's successful wins have resulted in an increase in the number of global clients. The revenue and gross profit have shown a consistent increase in the past years, indicating that the Company's focus on Microsoft Business Central remains highly sought after.

**Unusual circumstances affecting recognition and measurement**

There are no material unusual circumstances affecting recognition and measurement during the year.

**Outlook**

Management is confident of a positive financial result and expects the result to be between 10 and 13 million DKK. The strategy will involve investing strategically in best-of-breed solutions and technologies that revolve around the core business, Microsoft Business Central. Additionally, the focus will be on industry-specific solutions. Furthermore, the Company expects to grow the business through acquisitions as well as staffing up by 15% in 2023.

# Income statement for 2022

	Notes	2022 DKK	2021 DKK
<b>Gross profit/loss</b>		<b>116,058,661</b>	<b>99,838,503</b>
Staff costs	1	(106,977,132)	(87,477,059)
Depreciation, amortisation and impairment losses		(1,671,513)	(1,379,451)
<b>Operating profit/loss</b>		<b>7,410,016</b>	<b>10,981,993</b>
Other financial income	2	4,193	93,222
Other financial expenses	3	(210,245)	(175,402)
<b>Profit/loss before tax</b>		<b>7,203,964</b>	<b>10,899,813</b>
Tax on profit/loss for the year	4	(1,538,514)	(2,438,456)
<b>Profit/loss for the year</b>	5	<b>5,665,450</b>	<b>8,461,357</b>

# Balance sheet at 31.12.2022

## Assets

	Notes	2022 DKK	2021 DKK
Acquired intangible assets		123,788	168,362
Acquired licences		371	4,836
<b>Intangible assets</b>	6	<b>124,159</b>	<b>173,198</b>
Other fixtures and fittings, tools and equipment		1,424,827	1,095,781
Leasehold improvements		855,932	1,130,069
<b>Property, plant and equipment</b>	7	<b>2,280,759</b>	<b>2,225,850</b>
Deposits		1,206,242	1,209,491
<b>Financial assets</b>	8	<b>1,206,242</b>	<b>1,209,491</b>
<b>Fixed assets</b>		<b>3,611,160</b>	<b>3,608,539</b>
Trade receivables		39,837,589	22,367,162
Contract work in progress	9	7,379,403	9,773,638
Receivables from group enterprises		2,397,553	6,704,933
Deferred tax	10	1,085,434	1,807,022
Other receivables		967,170	765,601
Prepayments	11	2,073,151	1,084,847
<b>Receivables</b>		<b>53,740,300</b>	<b>42,503,203</b>
<b>Cash</b>		<b>6,429</b>	<b>9,263</b>
<b>Current assets</b>		<b>53,746,729</b>	<b>42,512,466</b>
<b>Assets</b>		<b>57,357,889</b>	<b>46,121,005</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2022 DKK</b>	<b>2021 DKK</b>
Contributed capital	12	500,000	500,000
Retained earnings		8,820,279	9,904,829
Proposed dividend		6,750,000	6,000,000
<b>Equity</b>		<b>16,070,279</b>	<b>16,404,829</b>
Bank loans		354,054	333,276
Prepayments received from customers		1,599,751	2,438,580
Contract work in progress	9	183,535	172,202
Trade payables		9,668,773	4,238,302
Payables to group enterprises		9,717,073	1,819,204
Tax payable		824,279	1,667,485
Other payables	13	18,940,145	19,047,127
<b>Current liabilities other than provisions</b>		<b>41,287,610</b>	<b>29,716,176</b>
<b>Liabilities other than provisions</b>		<b>41,287,610</b>	<b>29,716,176</b>
<b>Equity and liabilities</b>		<b>57,357,889</b>	<b>46,121,005</b>
Unrecognised rental and lease commitments	14		
Contingent liabilities	15		
Related parties with controlling interest	16		
Non-arm's length related party transactions	17		
Group relations	18		

# Statement of changes in equity for 2022

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Proposed dividend DKK</b>	<b>Total DKK</b>
Equity beginning of year	500,000	9,904,829	6,000,000	16,404,829
Ordinary dividend paid	0	0	(6,000,000)	(6,000,000)
Profit/loss for the year	0	(1,084,550)	6,750,000	5,665,450
<b>Equity end of year</b>	<b>500,000</b>	<b>8,820,279</b>	<b>6,750,000</b>	<b>16,070,279</b>

# Notes

## 1 Staff costs

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	95,033,218	78,320,154
Pension costs	6,838,045	5,731,500
Other social security costs	994,886	785,158
Other staff costs	4,110,983	2,640,247
	<b>106,977,132</b>	<b>87,477,059</b>
Average number of full-time employees	<b>138</b>	<b>112</b>

Remuneration of management is omitted in pursuance of the Danish Financial Statements Act section 98 (b), subsection 3.

The Board of Directors is remunerated in Monjasa Holding A/S.

## 2 Other financial income

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Financial income from group enterprises	4,193	93,222
	<b>4,193</b>	<b>93,222</b>

## 3 Other financial expenses

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Other interest expenses	162,426	50,850
Exchange rate adjustments	42,922	123,834
Other financial expenses	4,897	718
	<b>210,245</b>	<b>175,402</b>

## 4 Tax on profit/loss for the year

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	824,279	1,667,484
Change in deferred tax	710,962	748,972
Adjustment concerning previous years	3,273	22,000
	<b>1,538,514</b>	<b>2,438,456</b>

## 5 Proposed distribution of profit and loss

	2022 DKK	2021 DKK
Ordinary dividend for the financial year	6,750,000	6,000,000
Retained earnings	(1,084,550)	2,461,357
	<b>5,665,450</b>	<b>8,461,357</b>

## 6 Intangible assets

	Acquired intangible assets DKK	Acquired licences DKK
Cost beginning of year	344,114	321,326
<b>Cost end of year</b>	<b>344,114</b>	<b>321,326</b>
Amortisation and impairment losses beginning of year	(175,752)	(316,490)
Amortisation for the year	(44,574)	(4,465)
<b>Amortisation and impairment losses end of year</b>	<b>(220,326)</b>	<b>(320,955)</b>
<b>Carrying amount end of year</b>	<b>123,788</b>	<b>371</b>

## 7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	4,742,915	2,210,064
Additions	1,563,553	144,519
Disposals	(55,619)	0
<b>Cost end of year</b>	<b>6,250,849</b>	<b>2,354,583</b>
Depreciation and impairment losses beginning of year	(3,647,134)	(1,079,995)
Depreciation for the year	(1,220,392)	(418,656)
Reversal regarding disposals	41,504	0
<b>Depreciation and impairment losses end of year</b>	<b>(4,826,022)</b>	<b>(1,498,651)</b>
<b>Carrying amount end of year</b>	<b>1,424,827</b>	<b>855,932</b>

## 8 Financial assets

	Deposits DKK
Cost beginning of year	1,209,491
Additions	22,064
Disposals	(25,313)
<b>Cost end of year</b>	<b>1,206,242</b>
<b>Carrying amount end of year</b>	<b>1,206,242</b>

## 9 Contract work in progress

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Contract work in progress	26,555,228	14,469,627
Progress billings regarding contract work in progress	(19,359,356)	(4,868,191)
Transferred to liabilities other than provisions	183,535	172,202
	<b>7,379,407</b>	<b>9,773,638</b>

## 10 Deferred tax

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
<b>Changes during the year</b>		
Beginning of year	1,807,022	2,555,994
Recognised in the income statement	(721,588)	(748,972)
<b>End of year</b>	<b>1,085,434</b>	<b>1,807,022</b>

### Deferred tax assets

Deferred tax is primarily relating to intangible assets and tangible assets.

## 11 Prepayments

Prepayments comprises prepaid costs relating to subsequent financial years such as rent, insurance etc.

## 12 Share capital

	<b>Number</b>	<b>Par value</b>	<b>Nominal</b>
		<b>DKK</b>	<b>value</b>
			<b>DKK</b>
Shares	500	1,000	500,000
	<b>500</b>		<b>500,000</b>

The share capital is registered as DKK 500,000.

There has not been changes to the contributed capital in the last 5 years.

## 13 Other payables

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
VAT and duties	3,801,369	2,856,586
Wages and salaries, personal income taxes, social security costs, etc payable	3,474,089	6,079,818
Holiday pay obligation	10,862,007	9,280,148
Other costs payable	802,680	830,575
	<b>18,940,145</b>	<b>19,047,127</b>

#### 14 Unrecognised rental and lease commitments

	2022 DKK	2021 DKK
Liabilities under rental or lease agreements until maturity in total	4,451,675	5,129,486

#### 15 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Endeavour Invest ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the entity is therefore liable for income taxes etc. for the jointly taxed entities, and obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

#### 16 Related parties with controlling interest

##### Controlling interest

Endeavour Invest ApS, Fredericia, Denmark, controlling shareholder (ultimate)  
RelateIT Holding A/S, Fredericia, Denmark, immediate controlling shareholder

##### Other related parties

Svend Stenberg Mølholt, Chairman of the Board and shareholder  
Anders Østergaard, member of the Board and shareholder  
Rasmus Ravnholdt Knudsen, member of the Board  
Simon Eglin Berthelsen, Managing Director and shareholder  
Carsten Andersen, Managing Partner and shareholder  
Endeavour Invest ApS and related companies

#### 17 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

#### 18 Group relations

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

Endeavour Invest ApS, Fredericia

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

Monjasa Holding A/S, Fredericia

# Accounting policies

## Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

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

### Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and external expenses.

### Revenue

Revenue is measured based on the consideration to which the company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

The recognition of revenue can be over time or at a point in time. In general, revenue from contracts with customers is recognised when control is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those services. Revenue is recognised over time when an asset on behalf of a customer is created with no alternative use and the Company has an enforceable right to payment for performance completed year to date.

The Company's primary service offerings include information technology consultancy services. These services are characterized by being deliveries which in nature are negotiated contracts based on consumption and typically comprise advisory, design and development activities. Each contract is divided into separate performance obligations whether this means unbundling contracts or combining contracts.

Consulting services are generally provided on either a time-and-material basis or on a fixed price contract basis.

Revenue from time-and-material contracts recognised as hours are delivered and direct expenses are incurred. Revenue from fixed price contracts is recognised under the percentage-of-completion method, whereby revenue is recognised based on hours incurred to date as a percentage of the total estimated costs of hours to fulfil the contract. Reference to hours is assessed to be the most appropriate method as incurred hours are the value driver for the projects.

A contract modification is a change to an existing contract. A contract modification might change the contract's scope, price or both. A contract modification exists when the parties to the contract approve the modification. An assessment is often needed to determine whether changes to existing rights and obligations should have been accounted for as part of the original contract, or as a separate contract. Contract modifications can be accounted for either as a separate contract, prospectively, or as a catch-up adjustment. The nature of the modification determines the way it is accounted for.

Licenses are identified on a contract-by-contract assessment. In a vast majority of license revenue the Company acts as an agent of the software provider by connecting customer seeking software solutions with the software provider. For certain licenses, the Company promises licenses to customer for a fee and separately subcontract with the software provider to provide the software solution. For these licenses, we are the principal for the services because we are primarily responsible for the services.

Licenses are recognised either at a point in time or point over time depending on the Company's control of license agreement which is provided by the software provider. If the customer has the control of the software solution, the customer has the right to use the software solution and the license will be recognised at a point in time. However, if control of the software solution is held with the software provider, the customer will only have the right to access the software solution and the licenses will be recognised over time.

**Cost of sales**

Cost of sales comprises costs consumed in the financial year measured at cost.

**Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

**Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

**Other financial income**

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

**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****Intellectual property rights etc**

Intellectual property rights etc comprise acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Acquired licenses are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

**Property, plant and equipment**

Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

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

The basis of depreciation is cost 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:

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

For leasehold improvements the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of 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 writedowns for bad and doubtful 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. The stage of completion is determined as the ratio of actual to total budgeted consumption of hours.

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 in receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less on account invoiced, is positive or negative.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Prepayments**

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

**Cash**

Cash comprises cash in hand.

**Dividend**

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss

**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.

**Cash flow statement**

Cash flow statement has been omitted in pursuance of the Danish Financial Statements Act section 86, subsection 4. Cash flows are included in the Consolidated Cash Flow Statement for Monjasa Holding A/S, Business Registration No. 33 15 07 09