Odelav HoldCo ApS

Søndre Ringvej 41, DK-2605 Brøndby

Annual Report for
27 August 2025 - 31 December 2025

CVR No. 45 83 60 61

The Annual Report was presented and adopted at the Annual General Meeting of the company on 17/03/2026

Carl-Magnus Vilhelm Teodor Lindblom
Chairman of the general meeting

Contents

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Odelav HoldCo ApS for the financial year 27 August - 31 December 2025.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2025 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2025.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Brøndby, 17 March 2026

Executive Board

Lennart Garbarsch	**Stefan Bæk Reina**

Board of Directors

Carl Henrik Ivar Ivarsson Chairman	**Stefan Bæk Reina**	**Michael Rosenvold**
Lennart Garbarsch	**Carl-Magnus Vilhelm Teodor Lindblom**	

Independent Auditor's report

To the shareholders of Odelav HoldCo ApS

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2025 and of the results of the Group's and the Parent Company's operations as well as of the consolidated cash flows for the financial year 27 August - 31 December 2025 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Odelav HoldCo ApS for the financial year 27 August - 31 December 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

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 are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

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

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

Independent Auditor's report

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 Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's report

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.

Hellerup, 17 March 2026

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Ulrik Ræbild
State Authorised Public Accountant
mne33262

Oliver Svane
State Authorised Public Accountant
mne49837

Company information

The Company	Odelav HoldCo ApS Søndre Ringvej 41 DK-2605 Brøndby CVR No: 45 83 60 61 Financial period: 27 August - 31 December Incorporated: 27 August 2025 Financial year: 1st financial year Municipality of reg. office: Brøndby
Board of Directors	Carl Henrik Ivar Ivarsson, chairman Stefan Bæk Reina Michael Rosenvold Lennart Garbarsch Carl-Magnus Vilhelm Teodor Lindblom
Executive Board	Lennart Garbarsch Stefan Bæk Reina
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Group Chart

Company	Residence	Ownership
Odelav HoldCo ApS	Denmark	
Odelav BidCo ApS	Denmark	100%
Tabellae A/S	Denmark	100%
Tabellae AB	Sweden	100%
Tabellae AS	Norway	100%
Tabellae Inc.	USA	100%
TBL Unipessal	Portugal	100%
Tabellae GmbH	Germany	100%
Tabellae Asia Inc.	Philippines	100%

Financial Highlights

Seen over a 1-year period, the development of the Group is described by the following financial highlights:

(TDKK)	Group 2025 4 months
Key figures	
Profit/loss	
Gross profit/loss	19,462
Profit/loss of primary operations	-11,218
Profit/loss of financial income and expenses	-2,786
Net profit/loss for the year	-14,436
Balance sheet	
Balance sheet total	506,583
Equity	288,020
Cash flows	
Cash flows from:	
- operating activities	-3
- investing activities	-382,892
- financing activities	431,152
Change in cash and cash equivalents for the year	48,257
Number of employees	76
Ratios	
Return on assets	-2.2%
Solvency ratio	56.9%
Return on equity	-10.0%

Management's review

Key activities

The activity of Odelav HoldCo ApS, consist of holding shares in subsidiaries who's activities consist of business within development and sale of software solutions for business systems, as well as related consulting services.

Development in the year

The period ending 31 December 2025 represents the first 3 months of trading from the newly formed Group which was formed in late September 2025, when 100% ownership in Tabellae A/S and it's subsidiaries were acquired.

The income statement of the Group for 2025 shows a loss of DKK 14,435,540, and at 31 December 2025 the balance sheet of the Group shows an equity of DKK 288,020,012.

Earnings before interest, tax, depreciation and amortization (EBITDA) for the group amounts to a profit of DKK 402,797. Excluding transaction costs of DKK 8,566,682, EBITDA amounts to DKK 8,969,480 for the group's 3-month financial statements.

The market for output management solutions continues to show strong growth. Large global enterprises are adopting Microsoft Dynamics, resulting in an increasing number of global rollouts of cloud-based ERP solutions with output management. Accordingly, the Group has increased sales of projects to both customers and partners. The growing demand for project deliveries outside the Nordic region, particularly in the United Kingdom, the United States, and Germany, contributed to solid growth in the consulting business, measured by both revenue and new hires.

In the Nordic region, the number of new ERP projects has been under pressure since the beginning of 2025. However, the size of the projects has increased, driven by more complex requirements from both authorities and customers. Mandatory e-invoicing is changing requirements within the invoicing document area, driving business opportunities and increasing the demand for intelligent and automated solutions.

Application Management Services (AMS) remains a growth area, where we have succeeded in creating even more long-term, value-adding solutions for our customers, while simultaneously strengthening our engagement with them. This type of sales generates ongoing subscription income (recurring revenue), as well as additional support and consulting sales.

Employees have been hired across most of the Group's consulting areas and in all countries. The number of employees increased during 2025 and at the end of 2025, the Group employed 86 employees. At the same time, our Manila office is now fully operational and also serves customers in the Asia-Pacific time zone.

Customers are increasingly demanding 24/5 support, which is now delivered from our offices in seven countries.

As this financial year is the first financial year for the group there is no follow-up on development from last year.

Special risks - operating risks and financial risks

Interest rate risks

Due to the Groups' solid financial position and liquidity, moderate changes in interest rates will not have any material direct impact on equity. Consequently, no hedging of interest rate risk is undertaken.

Targets and expectations for the year ahead

There is a continued shift toward cloud-based ERP systems from providers such as Microsoft Dynamics, SAP, Oracle, and Infor. The Group expects to increase its market share within these markets.

Management's review

This may be accelerated by the new ownership structure in terms of opportunities, capital, and competencies.

The Group will invest in an even more robust 24/5 support setup for the growing number of global AMS customers. Investments in staffing and on-boarding are therefore expected to increase.

Geographically, the Group is already established in Germany on the delivery side. This effort will be expanded to also include sales and marketing. In parallel, other new markets are being observed, tested, and matured.

The Group's overall expectations for 2026 are continued and profitable growth, resulting in an expected EBITDA for the financial year 2026 of around DKK 35-40 million.

Intellectual capital resources

The Group is dependent on attracting and retaining employees with the right knowledge to maintain its position as a partner for digital product development. Tabellae Group strives to create a work environment in which every employee thrives.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 December 2025 of the Group and the results of the activities and cash flows of the Group for the financial year for 2025 have not been affected by any unusual events, other than the transaction costs mentioned in note 1.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 27 August - 31 December

(DKK)	Note	Group 2025 4 months	Parent company 2025 4 months
Gross profit	1	**19,461,526**	**-52,500**
Staff expenses	2	-19,058,728	0
Amortisation and impairment losses of intangible assets		-11,620,307	0
Profit/loss before financial income and expenses		**-11,217,509**	**-52,500**
Financial income		102,538	1,133
Financial expenses		-2,888,138	-178
Profit/loss before tax		**-14,003,109**	**-51,545**
Tax on profit/loss for the year	3	-432,431	5,840
Net profit/loss for the year	4	**-14,435,540**	**-45,705**

Balance sheet 31 December

Assets

(DKK)	Note	Group 2025	Parent company 2025
Customer relations		115,616,808	0
Goodwill		298,457,829	0
Intangible assets	5	**414,074,637**	**0**
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	6	**0**	**0**
Investments in subsidiaries	7	0	299,325,651
Other investments	8	2,339,259	0
Deposits	8	565,487	0
Fixed asset investments		**2,904,746**	**299,325,651**
Fixed assets		**416,979,383**	**299,325,651**
Trade receivables		21,489,502	0
Receivables from group enterprises		0	949,280
Other receivables		187,377	0
Deferred tax asset	11	18,618	0
Corporation tax		177,959	5,840
Prepayments	9	19,350,672	0
Receivables		**41,224,128**	**955,120**
Cash at bank and in hand		**48,379,935**	**1,727,573**
Current assets		**89,604,063**	**2,682,693**
Assets		**506,583,446**	**302,008,344**

Balance sheet 31 December

Liabilities and equity

(DKK)	Note	Group 2025	Parent company 2025
Share capital	10	6,040,133	6,040,133
Share premium account		0	0
Reserve for exchange rate conversion		429,003	0
Retained earnings		281,550,876	295,940,711
Equity		**288,020,012**	**301,980,844**
Provision for deferred tax	11	25,309,311	0
Provisions		**25,309,311**	**0**
Credit institutions		129,265,625	0
Long-term debt	12	**129,265,625**	**0**
Credit institutions	12	123,707	0
Trade payables		8,533,598	0
Corporation tax		4,596,115	0
Other payables		12,864,478	27,500
Deferred income	13	37,870,600	0
Short-term debt		**63,988,498**	**27,500**
Debt		**193,254,123**	**27,500**
Liabilities and equity		**506,583,446**	**302,008,344**
Contingent assets, liabilities and other financial obligations	16		
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Statement of changes in equity

Group

(DKK)	Share capital	Share premium account	Reserve for exchange rate conversion	Retained earnings	Total
Cash payment concerning formation of entity	20,000	0	0	0	20,000
Cash capital increase	6,020,133	295,986,416	0	0	302,006,549
Exchange adjustments relating to foreign entities	0	0	429,003	0	429,003
Net profit/loss for the year	0	0	0	-14,435,540	-14,435,540
Transfer from share premium account	0	-295,986,416	0	295,986,416	0
Equity at 31 December	**6,040,133**	**0**	**429,003**	**281,550,876**	**288,020,012**

Parent company

(DKK)	Share capital	Share premium account	Retained earnings	Total
Cash payment concerning formation of entity	20,000	0	0	20,000
Cash capital increase	6,020,133	295,986,416	0	302,006,549
Net profit/loss for the year	0	0	-45,705	-45,705
Transfer from share premium account	0	-295,986,416	295,986,416	0
Equity at 31 December	**6,040,133**	**0**	**295,940,711**	**301,980,844**

Cash flow statement 27 August - 31 December

(DKK)	Note	Group 2025 4 months
Result of the year		-14,435,540
Adjustments	14	14,838,338
Change in working capital	15	2,941,667
Cash flow from operations before financial items		**3,344,465**
Financial income		102,538
Financial expenses		-2,747,513
Cash flows from ordinary activities		**699,490**
Corporation tax paid		-702,731
Cash flows from operating activities		**-3,241**
Business acquisition		-418,864,151
Business acquisition, acquired cash		35,972,071
Cash flows from investing activities		**-382,892,080**
Raising of loans from credit institutions		129,125,000
Cash capital increase		302,026,549
Cash flows from financing activities		**431,151,549**
Change in cash and cash equivalents		**48,256,228**
Cash and cash equivalents are specified as follows:		
Cash at bank and in hand		48,379,935
Overdraft facility		-123,707
Cash and cash equivalents at 31 December		**48,256,228**

Notes to the Financial Statements

1. Special items

(DKK)	Group 2025 4 months	Parent company 2025 4 months
Transaction costs	8,566,682	0
	8,566,682	**0**

Transaction costs are related to the acquisition of Tabellae Group. The costs are included in gross profit.

2. Staff expenses

(DKK)	Group 2025 4 months	Parent company 2025 4 months
Wages and salaries	16,283,940	0
Pensions	674,544	0
Other social security expenses	1,306,729	0
Other staff expenses	793,515	0
	19,058,728	**0**
Including remuneration to the Executive Board	**2,150,337**	**0**
Average number of employees	**76**	**2**

The Group is established during 2025. In the financial period the Group has engaged an average of 76 employees.

3. Income tax expense

(DKK)	Group 2025 4 months	Parent company 2025 4 months
Current tax for the year	1,168,244	-5,840
Deferred tax for the year	-735,813	0
	432,431	**-5,840**

4. Profit allocation

(DKK)	Parent company 2025
Retained earnings	-45,705
	-45,705

Notes to the Financial Statements

5. Intangible fixed assets

Group

(DKK)	Customer relations	Goodwill
Cost at 27 August	0	0
Net effect from merger and acquisition	118,852,230	306,809,876
Cost at 31 December	118,852,230	306,809,876
Impairment losses and amortisation at 27 August	0	0
Amortisation for the year	3,235,422	8,352,047
Impairment losses and amortisation at 31 December	3,235,422	8,352,047
Carrying amount at 31 December	**115,616,808**	**298,457,829**

Goodwill is amortised on a straight-line basis over its useful life, which is deemed at 10 years. The estimated useful life is based on the company's market- and commercial position and the strength in the operation and thus the expected earnings profile.

Customer rights is amortised on a straight-line basis over its useful life, which is deemed at 10 years.

6. Property, plant and equipment

Group

(DKK)	Other fixtures and fittings, tools and equipment
Cost at 27 August	0
Exchange adjustment	-27
Net effect from merger and acquisition	32,516
Cost at 31 December	32,489
Impairment losses and depreciation at 27 August	0
Exchange adjustment	-349
Depreciation for the year	32,838
Impairment losses and depreciation at 31 December	32,489
Carrying amount at 31 December	**0**

Notes to the Financial Statements

7. Investments in subsidiaries

(DKK)	Parent company 2025
Cost at 27 August	0
Additions for the year	299,325,651
Cost at 31 December	299,325,651
Carrying amount at 31 December	**299,325,651**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership	Equity	Net profit/loss for the year
Odelav BidCo ApS	Denmark	20,000	100%	297,648,998	-1,676,653
				297,648,998	**-1,676,653**

8. Other fixed asset investments

Group

(DKK)	Other investments	Deposits
Cost at 27 August	0	0
Exchange adjustment	0	2,848
Net effect from merger and acquisition	2,366,888	562,639
Cost at 31 December	2,366,888	565,487
Impairment losses at 27 August	0	0
Impairment losses for the year	27,629	0
Impairment losses at 31 December	27,629	0
Carrying amount at 31 December	**2,339,259**	**565,487**

9. Prepayments

Prepayments comprise prepaid expenses concerning insurance premiums, subscriptions and software licenses.

Notes to the Financial Statements

10. Share capital

	Number	Nominal value
		DKK
A-shares	181,974,400	1,819,744
B-shares	422,038,900	4,220,389
		6,040,133

The company's share capital is divided into two classes of shares, A-shares and B-shares each of a nominal value of DKK 0.01. None of the shares have special voting rights. The share classes carry different preferential rights to distributions.

11. Provision for deferred tax

(DKK)	**Group 2025**	**Parent company 2025**
Net effect from merger and acquisition	26,026,458	0
Exchange rate adjustments	48	0
Amounts recognised in the income statement for the year	-735,813	0
Deferred tax liabilities at 31 December	**25,290,693**	**0**

Recognised in the balance sheet as follows:

Assets	18,618	0
Provisions	-25,309,311	0
	25,290,693	**0**

The recognised deferred tax liability is primary related to the purchase of the Tabellae Group.

12. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

(DKK)	**Group 2025**	**Parent company 2025**
Credit institutions		
After 5 years	129,265,625	0
Long-term part	129,265,625	0
Other short-term debt to credit institutions	123,707	0
	129,389,332	**0**

Notes to the Financial Statements

13. Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

14. Cash flow statement - Adjustments

(DKK)	Group 2025
Financial income	-102,538
Financial expenses	2,888,138
Depreciation, amortisation and impairment losses, including losses and gains on sales	11,620,307
Tax on profit/loss for the year	432,431
	14,838,338

15. Cash flow statement - Change in working capital

(DKK)	Group 2025
Change in receivables	-6,934,043
Change in trade payables, etc	9,875,710
	2,941,667

16. Contingent assets, liabilities and other financial obligations

(DKK)	Group 2025	Parent company 2025

Charges and security

The Company's shares in subsidiaries have been provided as security for bank loans in subsidiaries.

The Group has granted a negative pledge undertaking in favour of its bank, encompassing trade receivables, goodwill,domain names and rights and property, plant and equipment.

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

	Group 2025	Parent company 2025
Within 1 year	787,100	0
	787,100	**0**

Notes to the Financial Statements

16. Contingent assets, liabilities and other financial obligations (continued)

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Valedo IV Services ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Other financial obligations

The Company and the Group has no other financial obligations as of 31 December 2025.

17. Related parties

	Basis
Controlling interest	
Valedo Partners IV AB, Sweden The Company controls the majority of the votes in Odelav HoldCo ApS due to specific rights in the ownership agreement between the parties.	42.48%

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

18. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

19. Accounting policies

The Annual Report of Odelav HoldCo ApS for 2025 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

As the financial year 2025 is the Company's and the Group's first financial year, the financial statements, including the accompanying notes, have been prepared without comparative figures for the preceding year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2025 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Odelav HoldCo ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Business acquisitions carried through on or after 1 July 2018

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Notes to the Financial Statements

19. Accounting policies (continued)

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

Pooling of interests

Intragroup business combinations are accounted for under the pooling-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied as if the two enterprises had always been combined by restating comparative figures.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

Income statements of foreign subsidiaries and associates that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

Notes to the Financial Statements

19. Accounting policies (continued)

Income statement

Revenue

Revenue from the sale of consultancy services are recognised when the risks and rewards relating to the services sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Revenue from software services are recognised at the license period, which means that revenue equals the selling price of the proportional license period for the year.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Direct expenses

Direct expenses primarily include expenses for software and consultancy expenses for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, direct expenses and other external expenses.

Staff expenses

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.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation and impairment of property, plant and equipment and intangible assets.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Notes to the Financial Statements

19. Accounting policies (continued)

The Company is jointly taxed with Valedo IV Services ApS and other Danish entities in which Valedo Partners IV AB has control. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 10 years, determined on the basis of Management's experience with the individual business areas. The estimated useful life is based on the Group's market- and commercial position and the strength in the operation and thus the expected earnings profile.

Other intangible fixed assets

Customer relations acquired is measured at cost less accumulated amortisation. Customer relations are amortised on a straight-line basis over its useful life, which is assessed at 10 years.

Property, plant and equipment

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

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years

The fixed assets' residual values are determined at nil.

Impairment of fixed assets

The carrying amounts of intangible assets are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Notes to the Financial Statements

19. Accounting policies (continued)

Fixed asset investments

Fixed asset investments consist of unlisted shares. Shares which are not traded in an active market are measured at the lower of cost and recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning insurance premiums, subscriptions and software licenses.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Notes to the Financial Statements

19. Accounting policies (continued)

Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, the Parent Company has not prepared a cash flow statement for the Company itself but has only prepared a cash flow statement for the Group.

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

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise ”Cash at bank and in hand” and ”Overdraft facilities”.

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Return on assets	Profit/loss of primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity