Yavica ApS

Jægersborg Allé 4, 4th floor, DK-2920
Charlottenlund

Annual Report for 1 January - 31 December 2020

CVR No 38 67 96 19

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 21/7 2021

Mads Pihl Sørensen
Chairman of the General Meeting

Contents

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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Yavica ApS for the financial year 1 January - 31 December 2020.

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

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2020 of the Company and of the results of the Company operations for 2020.

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

Charlottenlund, 21 July 2021

Executive Board

Mads Pihl Sørensen
CEO

Independent Auditor's Report

To the Shareholders of Yavica ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Yavica ApS for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies (”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 Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Financials Statements Act.

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

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 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 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 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

Independent Auditor's Report

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.

Hellerup, 21 July 2021
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Niels Henrik B. Mikkelsen
statsautoriseret revisor
mne16675

Company Information

The Company	Yavica ApS Jægersborg Allé 4, 4th floor DK-2920 Charlottenlund Telephone: + 45 42420282 E-mail: mads.pihl.sorensen@yavica.com Website: https://yavica.com/ CVR No: 38 67 96 19 Financial period: 1 January - 31 December Municipality of reg. office: Gentofte
Executive Board	Mads Pihl Sørensen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Management's Review

Key activities

The company's main activity is the delivery of business systems and related consulting services

Development in the year

The income statement of the Company for 2020 shows a profit of DKK 2,650,560, and at 31 December 2020 the balance sheet of the Company shows equity of DKK 10,940,913.

2020 was to some extent impacted by the Corona pandemic, which led to a slow down of activities in the market from March 2020. To support the strategy of Yavica around growth and increased market share, the primary focus during the pandemic was to ensure continued addition of new customers as well as projects with existing customers to avoid reducing the staff needed for future growth.

Yavica was successful in keeping a very low staff turnover, and even ensure growth during a challenging year.

Growth is expected to continue during 2021, which has started off with some strategic client wins.

Subsequent events

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

Income Statement 1 January - 31 December

	Note	2020	2019
		DKK	DKK
Revenue		**38,041,532**	**35,351,639**
Cost of sales		-26,965,325	-25,676,052
Gross profit/loss		**11,076,207**	**9,675,587**
Distribution expenses		-4,073,374	-4,418,826
Administrative expenses	1	-3,529,301	-3,735,361
Operating profit/loss		**3,473,532**	**1,521,400**
Other operating expenses		-6,544	0
Profit/loss before financial income and expenses		**3,466,988**	**1,521,400**
Income from investments in subsidiaries		83,911	-171,447
Financial income		655,513	215,355
Financial expenses		-827,803	-462,484
Profit/loss before tax		**3,378,609**	**1,102,824**
Tax on profit/loss for the year	2	-728,049	-287,091
Net profit/loss for the year		**2,650,560**	**815,733**

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year	750,000	0
Retained earnings	1,900,560	815,733
	2,650,560	**815,733**

Balance Sheet 31 December

Assets

	Note	2020	2019
		DKK	DKK
Completed development projects		1,151,684	1,439,605
Acquired intangible assets		2,842,667	4,154,667
Development projects in progress		2,256,238	55,960
Intangible assets	3	**6,250,589**	**5,650,232**
Other fixtures and fittings, tools and equipment		455,024	746,968
Property, plant and equipment	4	**455,024**	**746,968**
Investments in subsidiaries	5	27,014	0
Deposits		351,440	519,184
Fixed asset investments		**378,454**	**519,184**
Fixed assets		**7,084,067**	**6,916,384**
Trade receivables		3,619,911	4,470,318
Contract work in progress		1,185,287	2,242,681
Receivables from group enterprises		5,564,754	0
Other receivables		973,143	766,077
Corporation tax		0	50,136
Prepayments		111,405	149,586
Receivables		**11,454,500**	**7,678,798**
Cash at bank and in hand		**3,129,725**	**2,309,072**
Currents assets		**14,584,225**	**9,987,870**
Assets		**21,668,292**	**16,904,254**

Balance Sheet 31 December

Liabilities and equity

	Note	2020	2019
		DKK	DKK
Share capital		50,000	50,000
Reserve for development costs		3,407,922	1,495,565
Retained earnings		6,732,991	6,744,788
Proposed dividend for the year		750,000	0
Equity		**10,940,913**	**8,290,353**
Provision for deferred tax		1,401,825	1,423,712
Provisions relating to investments in group enterprises		0	56,897
Provisions		**1,401,825**	**1,480,609**
Credit institutions		150,564	229,816
Other payables		520,589	520,589
Long-term debt	6	**671,153**	**750,405**
Credit institutions	6	79,252	75,313
Prepayments received from customers		1,141,873	1,247,060
Trade payables		2,238,310	2,036,041
Payables to group enterprises		69,272	268,465
Corporation tax		747,736	0
Other payables	6	4,377,958	2,756,008
Short-term debt		**8,654,401**	**6,382,887**
Debt		**9,325,554**	**7,133,292**
Liabilities and equity		**21,668,292**	**16,904,254**
Contingent assets, liabilities and other financial obligations	7		
Accounting Policies	8		

Statement of Changes in Equity

	Share capital	Reserve for development costs	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	50,000	1,495,565	6,744,788	0	8,290,353
Development costs for the year	0	2,200,278	-2,200,278	0	0
Depreciation, amortisation and impairment for the year	0	-287,921	287,921	0	0
Net profit/loss for the year	0	0	1,900,560	750,000	2,650,560
Equity at 31 December	**50,000**	**3,407,922**	**6,732,991**	**750,000**	**10,940,913**

Notes to the Financial Statements

		2020	2019
		DKK	DKK
1	**Staff**		
	Wages and Salaries	16,811,020	15,815,198
	Pensions	1,157,166	936,278
	Other social security expenses	145,513	98,691
	Other staff expenses	196,434	32,880
		18,310,133	**16,883,047**
	Average number of employees	**33**	**31**

		2020	2019
2	**Tax on profit/loss for the year**		
	Current tax for the year	749,936	287,914
	Deferred tax for the year	-21,887	-823
		728,049	**287,091**

Notes to the Financial Statements

3 Intangible assets

	Completed development projects	Acquired intangible assets	Development projects in progress
	DKK	DKK	DKK
Cost at 1 January	1,439,605	6,560,000	55,960
Additions for the year	0	0	2,200,278
Cost at 31 December	1,439,605	6,560,000	2,256,238
Impairment losses and amortisation at 1 January	0	2,405,333	0
Amortisation for the year	287,921	1,312,000	0
Impairment losses and amortisation at 31 December	287,921	3,717,333	0
Carrying amount at 31 December	**1,151,684**	**2,842,667**	**2,256,238**
Amortised over	5 years	5 years	5 years

The Company's development projects relate to development of new products, as well as continued development, improvements and upgrading of the Company's existing products.

The development, improvement and upgrading is completed on an ongoing basis and the projects are ready for use upon completion. The products form the basis of a large part of the Company's existing business, hence, there are markets and customers for the products. Projects in progress, consist of supplementary products; hence, there is a market herefore.

Notes to the Financial Statements

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 January	947,000
Disposals for the year	-220,000
Cost at 31 December	727,000
Impairment losses and depreciation at 1 January	200,032
Depreciation for the year	145,400
Reversal of impairment and depreciation of sold assets	-73,456
Impairment losses and depreciation at 31 December	271,976
Carrying amount at 31 December	**455,024**
Depreciated over	5 years

Notes to the Financial Statements

5 Investments in subsidiaries

	2020	2019
	DKK	DKK
Cost at 1 January	114,550	0
Additions for the year	0	114,550
Cost at 31 December	114,550	114,550
Value adjustments at 1 January	-171,447	0
Net profit/loss for the year	83,911	-171,447
Value adjustments at 31 December	-87,536	-171,447
Equity investments with negative net asset value transferred to provisions	0	56,897
Carrying amount at 31 December	**27,014**	**0**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Yavica Sweden AB	Segeltorp, Sweden	50.000 SEK	100%	27,014	83,911

Notes to the Financial Statements

6 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:

	2020	2019
	DKK	DKK
Credit institutions		
Between 1 and 5 years	150,564	229,816
Long-term part	150,564	229,816
Other short-term debt to credit institutions	79,252	75,313
	229,816	**305,129**
Other payables		
Between 1 and 5 years	520,589	520,589
Long-term part	520,589	520,589
Other short-term payables	4,377,958	2,756,008
	4,898,547	**3,276,597**

7 Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with bankers:

Ownership mortgage deeds totaling TDKK 224, which provide a mortgage on other property, plant and equipment to a total carrying amount of	400,000	400,000

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:		
Within 1 year	1,301,952	872,116
Between 1 and 5 years	325,488	953,737
	1,627,440	**1,825,853**

Notes to the Financial Statements

8 Accounting Policies

The Annual Report of Yavica ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020 are presented in DKK.

Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

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.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised

8 Accounting Policies (continued)

in the income statement on a straight-line basis over the lease term.

Translation policies

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 rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods 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 Company.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

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

Notes to the Financial Statements

8 Accounting Policies (continued)

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc.

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as, depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

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

Balance Sheet

Intangible assets

Intangible assets are measured at the lower of cost less accumulated amortisation and recoverable amount. Intangible assets are amortised over the expected useful lives of the assets; however not exceeding 5 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

Notes to the Financial Statements

8 **Accounting Policies** (continued)

when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction.

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	5	years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

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

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item"Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposits regarding lease agreements.

Notes to the Financial Statements

8 Accounting Policies (continued)

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.

Contract work in progress

Contract work in progress regarding service is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets 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 within the same legal tax entity.

Notes to the Financial Statements

8 Accounting Policies (continued)

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. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Loans 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.