

Annual report {2020}

ProData Consult A/S

Stamholmen 157
DK-2650 Hvidovre
26 24 96 27

Approved at the Company's annual general meeting on 13 April 2021

Chairman:



ProData Consult is the
leading provider of
high-end business and
IT consultants

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Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of ProData Consult A/S for the financial year 1 January - 31 December 2020.

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

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 2020 and of the results of their operations and consolidated cash flows for the financial year 1 January – 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters, the results for the year and the Group's and the Parent Company's financial position.

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

Hvidovre, 24 March 2021

EXECUTIVE BOARD:

.....
Anders Gratte

BOARD OF DIRECTORS:

.....
Agner Nørgaard Mark, Chairman

.....
Susann Johanna Kristina
Selenius-Larsson

.....
Rune Lillie Gornitzka

.....
Bente Overgaard

.....
Jens Kyhnæb



2020
demonstrated the
robustness and
resilience of the
Company

Independent auditor's report

To the shareholder of ProData Consult A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of ProData Consult A/S for the financial year 1 January – 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for both the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

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 2020 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and 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 note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within

the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 24 March 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

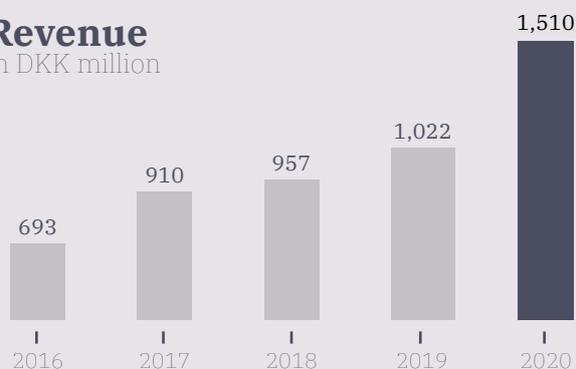
Jan C. Olsen
State Authorised
Public Accountant
mne33717

Peter Andersen
State Authorised
Public Accountant
mne34313

Report highlights

Revenue

in DKK million

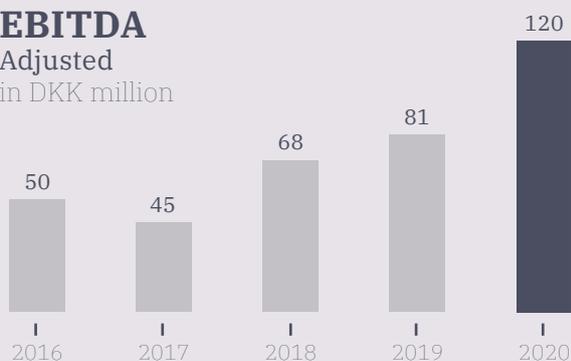


48%

Growth in revenue

EBITDA

Adjusted
in DKK million



47%

Growth in adjusted EBITDA

2,640 ▲
different consultants on assignment

16% ▲
Organic growth

333 ▲
Active clients

150 ▲
employees

50% ▲
Nearshoring as a Service revenue growth

3
Nearshoring centers in total



ISAE3402
audit declaration
attained



ISAE3000 (GDPR)
level 2 declaration



ISO14001
Attained by Swedish
subsidiary



With Anders onboard
as CEO, the Company
has strengthened its
Scandinavian and
European capacity and
competences

New CEO

In January 2021, a new CEO, Anders Gratte, was appointed. Anders is uniquely qualified to take on the role of CEO ProData Consult. He built the Swedish consultancy provider Madeo and became market leader in Sweden. Later, he sold Madeo to American company Zero Chaos, becoming their EMEA EVP as part of the transaction. He has in-depth knowledge of the Swedish market as well as the Nordic and European IT consultancy industry and dynamics.

Anders Gratte has been on the Board of ProData Consult since Polaris acquired the Company in 2018. Through his involvement since the acquisition, Anders already had detailed knowledge about the Company, the organization, and the daily operation when taking over the position as CEO. He has been part of formulating the Company strategy and was instrumental in the successful acquisition of Sourcing Network in Sweden.

With Anders on board as CEO, the Company has strengthened its Scandinavian and European capacity and competences.

Annual report

Management Review

Company details

Name	ProData Consult A/S
Address	Stamholmen 157, 5th floor, DK-2650 Hvidovre, Denmark
Business registration number	26 24 96 27
Established	21 September 2001
Registered office	Hvidovre
Financial year	1 January – 31 December
Website	www.prodataconsult.com www.it-consultant.com
Board of Directors	Agner Nørgaard Mark, Chairman Susann Johanna Kristina Selenius-Larsson Rune Lillie Gornitzka Bente Overgaard Jens Kyhnæb
Executive Board	Anders Gratte
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, DK-2000 Frederiksberg, Denmark

Key figures

In DKK million	2020	2019	2018 ¹	2017 ¹	2016 ¹
Income statement					
Organic	1,185.1	1,022.3	956.7	858.7	572.0
Acquisition	324.6	-	-	51.6	121.3
Revenue by growth, total	1,509.7	1,022.3	956.7	910.3	693.3
Denmark	903.2	746.6	747.2	740.4	592.6
Other markets	606.5	275.7	209.5	170.0	100.8
Revenue by market, total	1,509.7	1,022.3	956.7	910.3	693.3
Revenue	1,509.7	1,022.3	956.7	910.3	693.3
Gross profit	182.8	148.1	127.4	109.5	96.4
Adjusted EBITDA	119.6	81.2	67.6	45.4	50.3
Special items	-20.3	-1.1	-3.6	-1.3	-0.2
EBITDA	99.3	80.1	64.0	44.1	50.1
Adjusted EBITA	104.4	68.1	65.5	43.2	48.3
EBITA	84.1	67.0	61.9	41.9	48.1
Profit from ordinary activities	69.8	58.8	53.0	33.1	42.0
Net financials	-4.2	-3.7	-1.7	-2.1	-2.0
Net profit	46.2	41.0	37.5	21.5	29.4
Financial positions					
Investment in tangible assets	3.5	3.9	2.7	5.7	4.8
Total assets	601.8	321.3	307.8	294.9	243.2
Equity	178.5	102.6	64.1	50.8	52.0
Cash flow figures					
Cash flows from operating	164.8	66.7	53.1	12.1	42.4
Cash flow from investing activities	-49.9	-10.0	-7.3	-26.6	-47.5
Cash flows from financing	4.6	-66.9	-21.1	-2.4	-12.9
Net cash flows	119.5	-10.3	24.7	-16.9	-18.0
Employees					
Average number of full-time	150	141	118	127	110
Financial ratios					
Revenue growth	47.7%	6.9%	5.1%	31.3%	49.6%
Adjusted EBITDA margin	7.9%	7.9%	7.1%	5.0%	7.2%
EBITDA margin	6.6%	7.8%	6.7%	4.8%	7.2%
Adjusted EBITA margin	6.9%	6.7%	6.8%	4.7%	7.0%
EBITA margin	5.6%	6.6%	6.5%	4.6%	6.9%
Return on equity	32.9%	49.2%	65.3%	41.9%	65.7%
Solvency ratio	29.7%	31.9%	20.8%	17.2%	21.4%

Financial ratios are calculated as presented in the accounting policies.

¹The figures do not comprise the effect of the implementation of IFRS 16 and IFRS 15.

Management's review

ProData Consult, including the Swedish brand Sourcing Network, a 100% owned subsidiary, together "the Company", is one of the largest talent-centric suppliers of high-end IT and Management consultants in Scandinavia and Poland with revenues exceeding DKK 1.5 billion in 2020.

The Company is headquartered in Copenhagen, with core markets in Denmark, Sweden, Norway, and Poland, as well as subsidiaries in Germany and the Netherlands. It is known for its delivery of expert high-end IT and Management consultants within modern technologies and methodologies, and is driven by the company purpose:

"To help clients with their business and IT needs by delivering uncompromising quality."

In 2020, the Company had more than 2,600 individual consultants working for some of the largest and most prestigious clients in Scandinavia and Poland, both locally/on-site and nearshore from one of the Company's three nearshore centers in Poland.

The Company grew revenues by close to 50% in 2020, with underlying double-digit organic growth, establishing itself as a Scandinavian/Polish market leader with a top 5 position in Norway, Sweden, and Poland while consolidating and strengthening its market-leading position in Denmark.

Services and main activities

ProData Consult is a full-service IT provider, capable of facilitating any client on a 360-degree service-journey; from expert IT augmentation of client teams locally, to set-up of nearshore teams, to vendor consolidation, to managed teams and value-based pricing services in advanced, agile delivery models. The Company delivers the following services:

IT and Management consulting delivered on an hourly basis on-site at the client's location. This remains the core business of the Company. With thousands of validated, processed and quality assured consultants available in its network, the Company can help any client scale up fast and in volume with expert IT consultants.

Nearshoring-as-a-Service. The Company's unique Nearshore value proposition helps some of the largest and most technologically advanced companies in Scandinavia setting up flexible, scalable, and agile expert IT teams in three nearshore centers in Poland. Poland is recognized as the IT hub of Europe, consistently rated as the best on quality and volume of IT specialists. The Company delivers some of the absolute best IT consultants in Poland in a fully compliant environment adhering to the highest security and GDPR processes and regulations.

Vendor Consolidation services. Due to its size and ProData Consult's legacy of digitalizing its services

Management's review

and automating processes, it is natural for the Company to act as an MSP and facilitator to help clients consolidate, benchmark and streamline their consultant vendor portfolio while optimizing and automating procurement processes. The Company is delivering this service to some of the largest private and public sector clients in Scandinavia.

Managed Teams/Managed Services. The Company has in-house knowledge and capacity to take any client from a staff augmentation/time & material model to more advanced delivery models, from managed teams with responsibility for team management and velocity, to advanced value-based pricing managed service models in agile environments, to standard SLA's.

Digitalization of consultant administration.

As an integral part of its services and a key differentiator, the Company offers its clients full digitalization of consultant administration, processes, and financial control as a cloud-based out-of-the-box solution, using the in-house developed "Client Module".

Financial highlights

The Company's revenue amounted to DKK 1,510 million, representing an increase of 48% over the Company's revenue of DKK 1,022 million in 2019. Organically (like for like), the revenue growth was 16%.

EBITDA, amounted to DKK 99 million (2019: DKK 80 million), equivalent to an increase of 24%. The Company, however, incurred significant costs related to due diligence expenses of a large potential Central European acquisition. This acquisition was ultimately not pursued as a result of the uncertainty created by the Covid-19 pandemic. Normalized for costs related to acquisitions and other special items Adjusted EBITDA was DKK 120 million equal to an increase

of 47% compared to the previous year.

Shareholders' equity amounted to DKK 179 million (31 December 2019: DKK 103 million), and consolidated total assets to DKK 602 million (31 December 2019: DKK 321 million).

During 2020, the Company acquired 100% of the shares of two strong local market players: Swedish Sourcing Network and Norwegian Amesto Consulting. Both companies were successfully integrated despite challenging conditions presented by the Covid-19 pandemic and resulting travel and working restrictions. The integration of Amesto Consulting in Norway was done entirely remote, without any physical meetings.

Large blue-chip and trophy clients were onboarded in both countries, and our vendor footprint at these clients expanded as a result of the acquisitions. Merging the two acquired companies with the Company's existing footprints in Norway and Sweden, has provided the Company with a strong and substantial presence and position in both these markets.

The Company grew organically in Denmark with 21%, outgrowing peers and consolidating its market-leading position.

A central and dedicated bidding function was established. Several significant public and private tenders and frame agreements were won, including one of the largest Norwegian public tenders, Sykehusinnkjøp. Most recently on December 23, 2020, in competition with several management consultancies, the Company won the Danish public tender, KOMBIT, for the delivery of Project Management services

In the summer of 2020, the Company was awarded a single vendor agreement with the national Danish State Railways, DSB, the largest rail traffic



Nearshore-as-a-Service
revenues grew organically by
more than 40% for the third
consecutive year

Management's review

operator in Scandinavia, at an estimated worth of DKK 400 million. The contract was awarded in competition with global providers and is a testament to the strength of the Company's flexible, agile, and cost-effective delivery model combined with the digitalization of all client processes. Following the award of the DSB contract, the Company was awarded a similar single vendor agreement by Bufdir, a Norwegian State directorate.

Nearshoring-as-a-Service revenues grew organically by more than 40% for the third consecutive year, by onboarding new blue-chip clients and expanding business with existing clients out of its nearshore centers in Warsaw, Lodz, and Cracow.

At the end of 2020, the Company has a more diversified client portfolio than ever, with no individual client constituting more than 6% of the total revenue.

Market outlook

2020 demonstrated the robustness and resilience of ProData Consult. Despite challenging market conditions with negative GDP growth and Covid-19 restrictions in all our markets, the Company accelerated its growth both organically and through acquisitions.

Several megatrends in the market, all of which were accelerated by the Covid-19 situation, support the core business of the Company:

- Increased focus on investment in digitalization – the pandemic has moved digitalization further up as top-priority for most companies.
- Scalability and access to the right (IT) resources in flexible, agile, and scalable models are more important than ever for most companies in an unpredictable and fast-moving market environment with low visibility.
- Insourcing/co-sourcing/near-sourcing, IT systems and digital presence have become strategic for many companies making it a

priority to leverage control of these. Several companies experienced their IT performance and deliveries being negatively impacted by long supply chains in an environment with travel restrictions. They are looking for access to talent closer to their home markets while still seeking flexibility and agility.

- There is a lack of IT talent and increasing challenges for many companies to attract and retain top IT employees, which is amplified by the fact that the top talent pool increasingly is going freelance to achieve work flexibility and exposure to the most interesting projects.

These general market trends will continue to support the business model of the Company in 2021.

Additionally, the Company has launched several strategic initiatives to increase client services, revenue, and profitability. January and February performance and pipeline indicate that the Company's organic growth rates from 2020 will accelerate further in 2021.

The Company, therefore, expects to deliver double-digit organic growth again in 2021 and estimates a revenue in the range of DKK 1.9-2.1 billion with an adjusted EBITDA margin between 7.5% and 8.5%.

The Company is in dialogue with potential acquisition candidates and expects to complete acquisitions in 2021. The potential effects of such acquisitions are not included in the estimates above.

Compliance

It is a priority for the Company to offer clients the highest level of security and contingency as well as proper and ethical usage of data protecting both clients, consultants, and the Company itself. The Company has several clients on its Nearshore premises deemed "systemic" (too important to fail) by the Danish financial authorities. Accordingly, it is imperative that the Company lives up to the highest standards of security, contingency, and general compliance processes.

Management's review

To this end, the Company continued to make significant investments in compliance processes and certifications in 2020:

1. The Company attained level 2 of the official ISAE3000 (GDPR) declaration in March.
2. The Company attained the ISAE3402 (Security and Contingency, equal to ISO 27001) audit declaration.
3. The Swedish subsidiary attained the ISO 14001, environmental governance, which will be rolled out to the rest of the Company in 2021.

Financial resources

At year-end 2020, cash and non-utilized credit facilities amounted to approx. DKK 200 million.

Number of employees

At year-end 2020, the Company had 150 employees, an increase of 6% from the previous year. In addition, the Company had more than 2,600 individual contracted consultants placed at clients or in-house in its nearshore centers throughout the year.

Covid-19

In 2020, the Covid-19 pandemic put additional pressure on the physical and mental health of the Company employees. The Company has focused on protecting the employees by prescribing clear Covid-19 guidelines and setting up remote workstations for all employees making it possible

to work seamlessly from home. This has, amongst other things, ensured the health of the Company's employees during the pandemic.

Risks

Market risks

As stated under the Market Outlook section above, the Company has shown strong resilience and robustness in a challenging 2020 market. While Management considers the Company to be downside protected in many ways, the Company is, however, not invulnerable to recessions. Should the economies of its core markets experience accelerated negative economic growth, the financial results of the Company are potentially affected.

Currency risks

The Company is exposed to currency fluctuations, mainly from PLN, SEK, NOK, and EUR. The combined risk is currently at a level where hedging is not deemed financially viable. Exchange rate fluctuations related to the translation of the result and intercompany balance of foreign subsidiaries at the balance sheet date constitute a risk. The Company does not hedge this type of risk.

Interest rate risks

The Company's senior debt (in ProData BidCo A/S) and credit lines in the Company are based on floating interest rates. In order to mitigate potential increases, the Company has entered into an agreement that caps the interest rate relating to 2/3 of the senior debt for the period until December 2021.

Management's review

Credit risks

The Company's credit risks related to trade receivables are included in the balance sheet.

Employee risk

Having the right competencies with adequate experience is vital. Therefore, it is important that the Company continues to attract, retain and develop skilled employees. Failure to do so has the potential to negatively impact the expected development of the Company.

Supplier risk

Having access to the right competencies with adequate experience is vital. Therefore, it is important that the Company continues to attract and retain the best knowledge resources. Failure to do so has the potential to negatively impact the expected development of the Company.

IT risk

The Company depends on Information Technology to manage critical business processes, such as sales and project sourcing as well as administrative and financial functions. The Company uses IT systems for internal purposes and externally for its clients and consultants. Extensive disruption of IT systems could have a negative effect on the Company.

Governance

The Board of Directors and the Executive Board work constantly to ensure that appropriate and sufficient control systems are in place, managed by a robust management team structure. The Board of Directors and the Executive Board have a number of duties that are defined by the Companies Act, the Danish Financial Statements Act and the Articles of Association and Rules of Procedure for the Board of Directors, among other regulations and policies. On this basis, the necessary internal procedures are continually being developed, refined, and maintained to ensure active, reliable and profitable management of the Company.

The Board of Directors ensures that the Executive Board complies with the approved objectives, strategies, business procedures and rules of procedure for the Executive Board. The information presented to the Board of Directors

is provided systematically before and during meetings as well as in written and verbal reports. The topics of these reports include market development and the Company's development and profitability. The Board of Directors and the Executive Management have overall responsibility for risk management and internal controls related to financial reporting.

The Board of Directors of the Company meet at least four times a year. Furthermore, information about the Company, results and financial position is shared with the Board of Directors on a regular basis (monthly). If relevant, extraordinary meetings are held. In addition, the Board of Directors appoints committees for special tasks. A Chairman Committee has been set up that meets with Management on a regular basis.

Knowledge resources

The Company is constantly competing to attract and retain the best knowledge resources in the market for the core business of delivering business and IT-related development, operations, and management. Despite the fierce competition, the Company is experiencing a continually increasing volume of applicants with the needed competencies. Internally, the common IT platform and standardized processes ensure that the Company employees' knowledge is shared and documented. The Company's vulnerability related to individual knowledge of employees is therefore limited.

Matters affecting the financial statements

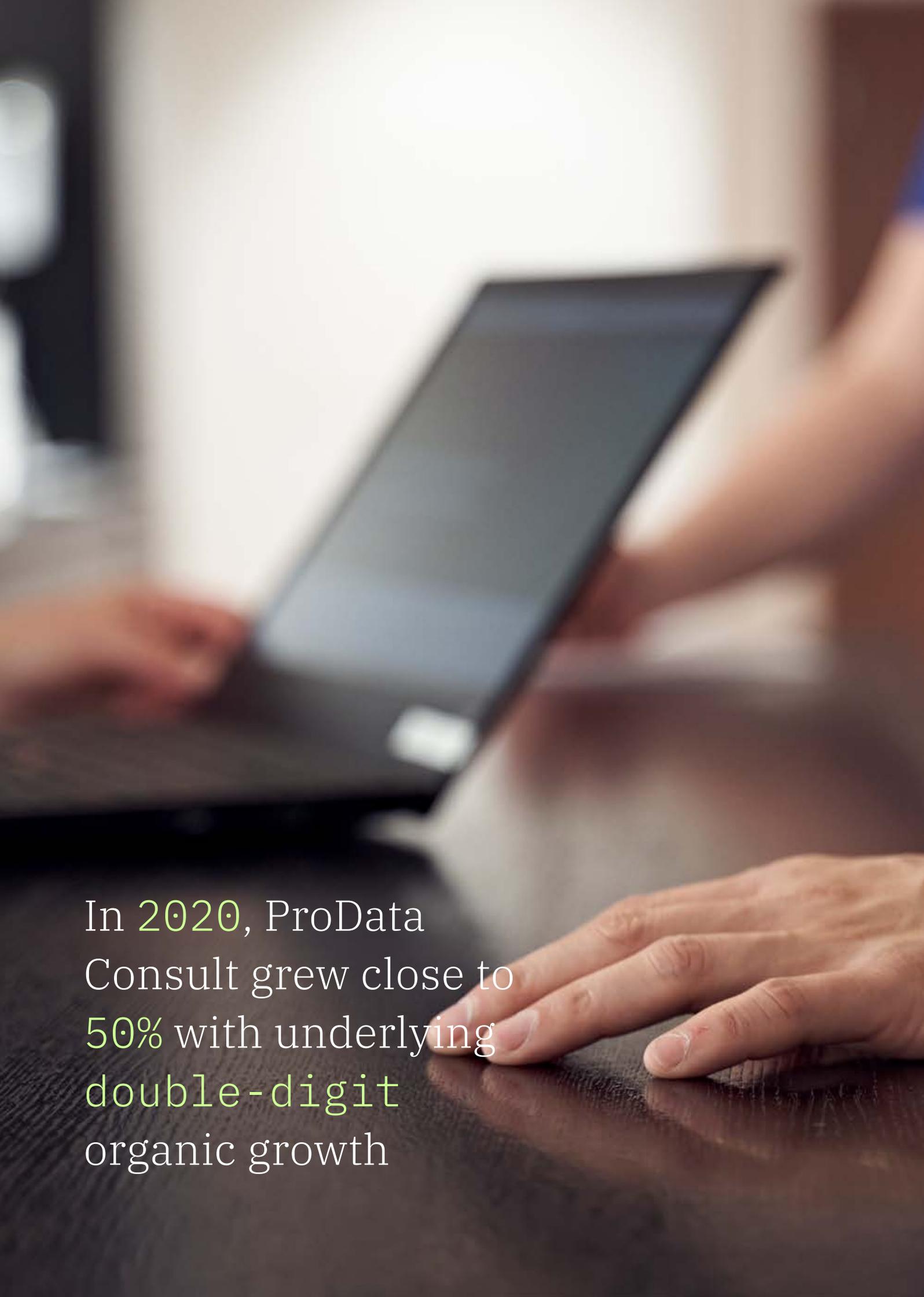
There have been no unusual circumstances which should be referred to in relation to the accounts.

Research and development activities

The Company continuously invests in the development of its central IT platform, which is a key lever in the continued successful development of the Company. The Company has no research activities.

Subsequent events

No events have occurred which affect the financial statement for 2020.

A close-up, shallow depth-of-field photograph of a person's hands typing on a laptop keyboard. The laptop is open and the screen is visible, though out of focus. The background is a bright, blurred office environment. The text is overlaid on the bottom left of the image.

In 2020, ProData
Consult grew close to
50% with underlying
double-digit
organic growth

Statutory report on

Corporate Social Responsibility

Our commitment

The Company's commitment to corporate social responsibility is founded on respect for internationally recognized principles for sustainable development, human rights (including labor rights), the environment, business ethics and the UN Global Compact principles as expressed in the UNGPs/OECD Guidelines. This commitment is integrated into the Company's strategy and business operations.

The Company is committed to diversity with respect to gender and nationality; to zero tolerance of discrimination; to excellence in managing the right to privacy; to supporting environmentally sustainable practices; to reducing our adverse environmental impacts by using environmentally friendly services, solutions and technologies; and to zero tolerance of any form of bribery, corruption or fraud.

Though risks related to anti-corruption and anti-bribery are limited due to the Company's business model, policies, and physical presence within EU, an anti-corruption impact assessment was conducted in 2020 and preventive and mitigating actions were initiated. No incidents of corruption were detected in 2020 and Management is not aware of any transgressions or violations of the strict anti-corruption policies of the Company.

The Company has been a member of the UN Global Compact initiative since 2014. The UN Global Compact is the world's largest initiative within corporate social responsibility (CSR). This international initiative was launched by the UN in order to engage private companies in solving the social and environmental challenges arising from globalization. The UN Global Compact makes it possible for companies all over the world to take an active part in solving these challenges.

As a member, the Company reports annually on its progress in implementing the 10 principles of the UN Global Compact in the areas of human rights, labor rights, environment and anti-corruption. To ensure transparency, the report is published on the UN Global Compact website. As an official member of the UN Global Compact Initiative, the

Company sends a signal to all our stakeholders that we endorse and are working to contribute to the implementation of the Global Compact initiative.

On an ongoing basis, the Company evaluates if its clients are involved in any non-compliance with the human rights.

The Company is also part of the Polaris Sustainability Report 2021 (published May 2021), where all of the actions and KPI's within CSR are outlined and further described.

In 2019, the Company updated its CSR Strategy (including its CSR commitment, which was approved by Management and the Board of Directors). In 2020 a CSR impact assessment (risk assessment) was performed, and measures to manage adverse impacts have been implemented.

During 2020 the Company implemented a new website – [Our Responsibility]. The website describes CSR actions and KPI's and provides access to remedy both through a whistleblower scheme if anonymous reporting is warranted or through a dialogue website [Get in touch] for open dialogue.

In 2020 the Company got an environmental ISO 14001 certification for the Swedish subsidiary which will be rolled out to the rest of the Company entities in 2021 to ensure consistency and compliance on environmental protection and processes.

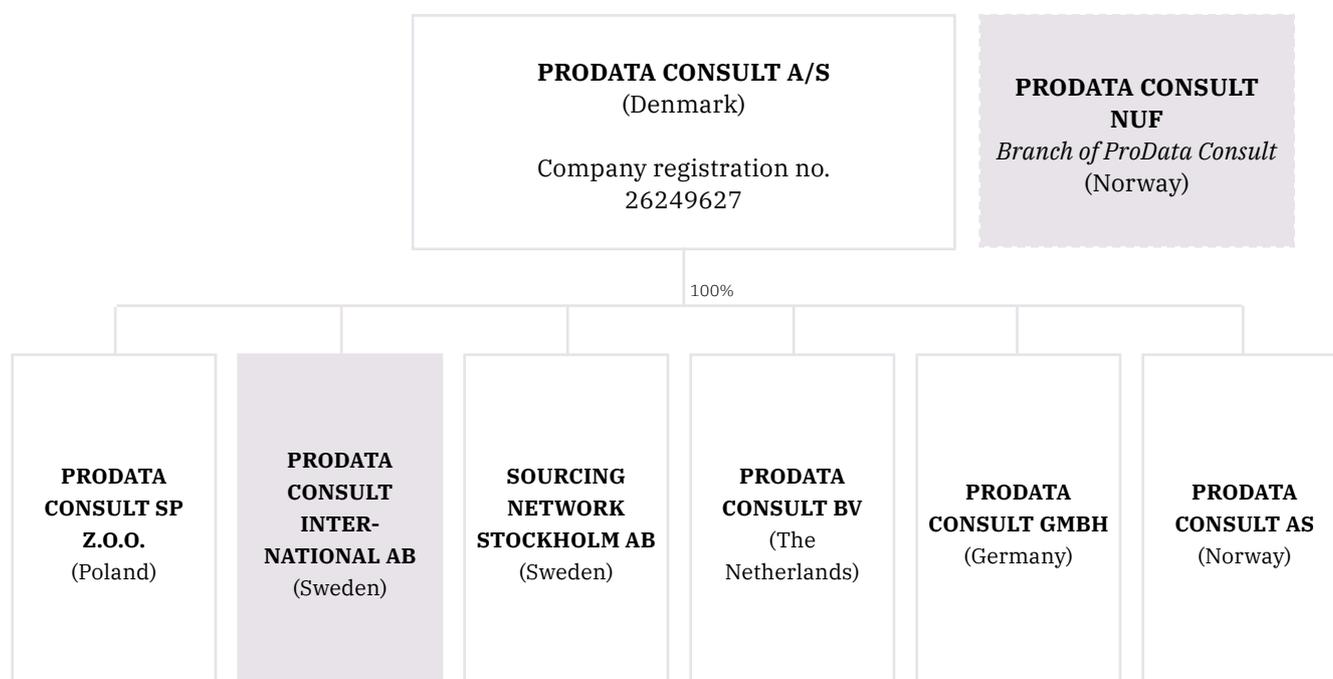
Risks related to human rights, the environment and climate are limited due to the Company's business model, policies and presence in the EU.

Extensive and continuous efforts were dedicated to CSR/ESG in 2020, and no violations of human rights were detected in 2020.

Please download our annual CSR/ESG report for further information on accomplishments, progress, and detailed reporting.

Ownership and capital structure

ProData Consult A/S (the Company) is majority-owned by ProData BidCo A/S. Polaris Management, a Nordic private equity firm, is the ultimate majority shareholder with approx. 54% ownership. The remaining shares are directly or indirectly owned by Management, employees, and Board members.



■ Is without activity end of 2020

The following additional ultimate shareholders own more than 5% of the share capital:

- Rode Invest ApS, CVR no. 25 94 44 29
- Hammerskov Invest ApS, CVR no. 26 24 58 85

The Company's equity consists of one class of shares, and the loan capital consists of bank debt provided by Danske Bank. Management finds the current capital structure to be appropriate and to provide the necessary financial flexibility in the Group to support the strategy.

Polaris is a member of the Danish Venture and Private Equity Association (DVCA) and is in compliance with the DVCA guidelines. Please see www.dvca.dk. As a private equity-owned company, the Company's practices and policies are in accordance with these recommendations.

Parent company

The parent company, ProData Consult A/S, revenue amounted to DKK 921 million in 2020. EBITDA amounted to DKK 51 million and EBIT was DKK 42 million. The parent company's equity amounted to DKK 179 million per 31 December 2020.

Besides the above, there are no other relevant issues regarding the parent company not mentioned in the Management Review for the Company.

Board of Directors, Executive Board and Company Management

The Board of Directors is comprised of the following members:

- Chairman: Agner Nørgaard Mark (Appointed in August 2018, representing Polaris Private Equity IV K/S)
- Member: Rune Lillie Gornitzka (Appointed in August 2018 representing Polaris Private Equity IV K/S)
- Member: Jens Kyhnæb (Appointed in May 2011 representing PDC Holding 2018 A/S)
- Member: Susann J. K. Selenius-Larsson (Appointed in August 2019 representing Polaris Private Equity IV K/S)
- Member: Bente Overgaard (Appointed in August 2019 representing Polaris Private Equity IV K/S)



The Company has
been a member of the
UN Global Compact
initiative since 2014



The Executive Board is comprised of the following member:

- CEO: Anders Gratte (Appointed in January 2021)

The Board of Directors and the Executive Board are the ultimate owners of approx. 5% of the shares.

Audit and Risk Committee

The Audit and Risk Committee was established in December 2019 and consists of the Board of Directors. The Audit and Risk Committee is meeting at least twice a year.

Remuneration to Management and the Board of Directors

To attract and retain the Company's management competencies, the remuneration of Management, senior employees and the Board of Directors is based on tasks, value creation and conditions in comparable companies. An incentive program has been implemented in the form of bonus schemes and share and warrant-based incentive programs for key employees.

The underrepresented gender, Board of Directors

In 2020 the gender split on the Board of Directors was 33% female and 67% male. In 2021 it is 40% female and 60% male. The Board of Directors have the goal of having at least 50% of the underrepresented gender by 2025. During 2020 no new board members were elected, and therefore, the representation of genders did not change.

The underrepresented gender, Management

The Company's overall policy is to employ and promote the most qualified people, regardless of gender, and to give equal access to leadership positions to all qualified candidates. To facilitate this, at least one female applicant must be invited to all job interviews, assuming qualified female applicants are available. The representation of women in leadership positions and with personnel management responsibility was 37% as of 1. January 2020. This rate has increased to 48% by the end of 2020.

Other positions of the members of the Board of Directors and the Executive Board:
AGNER NØRGAARD MARK

Maconi Invest ApS	Executive board
Maconi Consult ApS	Executive board
ProData BidCo A/S	Chairman
ProData Holding A/S	Chairman
Schødt A/S	Board member

BENTE OVERGAARD

ProData BidCo A/S	Board member
ProData Holding A/S	Board member
Jyske Bank A/S	Board member
SP Group A/S	Board member
Holberg Fenger Administration A/S	Board member
Holberg Fenger Invest A/S	Board member
Holberg Fenger Holding A/S	Board member
Finansiel Stabilitet	Board member
HP Projekt & Udvikling A/S	Board member
Indertoften A/S	Board member
Tømmerhandler Johannes Fogs Fond	Board member
Den Danske Naturfond	Board member
Overgaard Advisory ApS	Executive board
Guldborgsundcentret A/S	Board member
Arbejdsmarkedets Erhvervssikring	Chairman
Domea.dk s.m.b.a	Board member

ANDERS GRATTE

ProData BidCo A/S	Executive board
ProData Holding A/S	Executive board
Brainville AB	Board member
MIBA Invest AB	Board member
Sapphire Gaming Ltd	Board member/director
Close Comms Ltd	Executive Board

JENS KYHNÆB

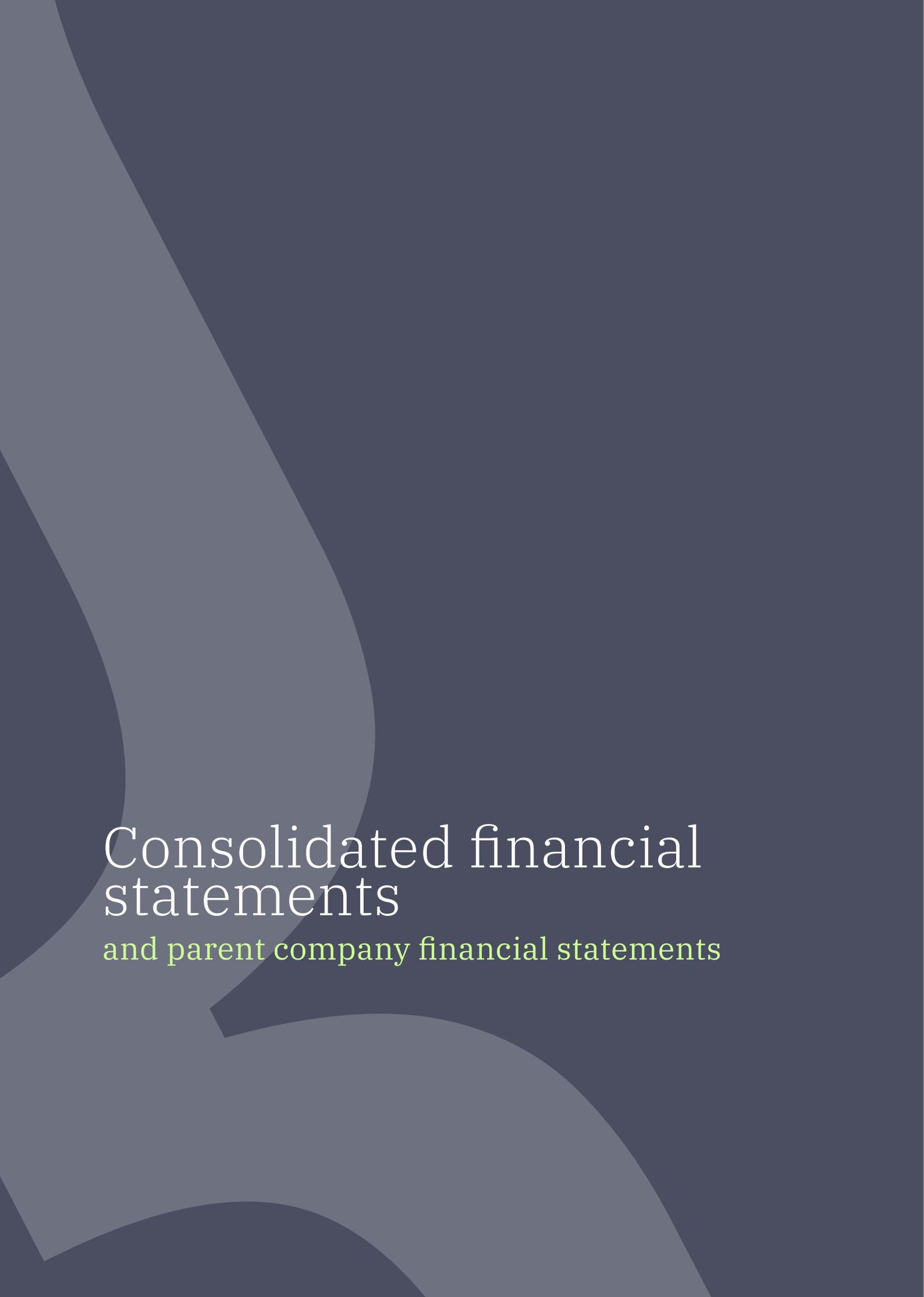
ProData BidCo A/S	Board member
ProData Holding A/S	Board member
PDC Holding Hvidovre A/S	Chairman
ProData Consult Holding II ApS	Executive board
PDC Holding 2018 A/S	Chairman
JK Invest ApS	Executive board
Kjærulf Pedersen Holding A/S	Chairman
Kjærulf Pedersen A/S	Chairman
Guldsmed Dirks Frederiksberg A/S	Chairman
Guldsmed Dirks Rødovre A/S	Chairman
Go Dogo ApS	Board member
Protica BoligInvest København - Rødovre II A/S	Board member
Ejendomsselskabet Valhøjs Allé 158 ApS	Board member
Go Dogo ApS	Board member
Ejd. selskabet Valhøjs Allé 158 ApS	Board member
Protica BoligInvest Kbh – Rødovre II A/S	Board member

SUSANN J. K. SELENIUS-LARSSON

ProData BidCo A/S	Board member
ProData Holding A/S	Board member
Prosus Consulting ApS	Executive Board

RUNE LILLIE GORNITZKA

Det Danske Madhus A/S	Board member
DDM Holding 1 A/S	Board member
DDM Holding 2 A/S	Board member
P-DDM 2014 A/S	Board member
P-DDM Holding 2019 A/S	Board member
ProData BidCo A/S	Board member
ProData Holding A/S	Board member
SSG A/S	Chairman
SSG Group A/S	Chairman
SSG HoldCo A/S	Chairman
SSG BidCo A/S	Chairman
P - SSG 2019 A/S	Chairman
Stella Invest ApS	Executive board



Consolidated financial
statements
and parent company financial statements

INCOME STATEMENT

Note	DKK'000	Group		Parent	
		2020	2019	2020	2019
2	Revenue	1,509,691	1,022,310	920,985	785,706
21	Cost of sales	-1,299,472	-859,999	-800,798	-677,317
21	Other external expenses	-27,393	-14,205	-19,879	-7,286
	Gross profit	182,826	148,106	100,308	101,103
3, 21	Staff costs	-83,550	-67,988	-49,284	-45,395
	Operating profit	99,276	80,118	51,024	55,708
	Depreciation and amortisation	-29,495	-21,355	-9,219	-8,918
	Profit before net financials	69,781	58,763	41,805	46,790
5	Income from equity investments in group entities	0	0	19,257	4,567
6	Financial income	877	307	994	735
7	Financial expenses	-5,044	-3,985	-3,592	-1,593
	Profit before tax	65,614	55,085	58,464	50,499
8	Tax on profit for the year	-19,421	-14,083	-12,271	-11,354
	Profit for the year	46,193	41,002	46,193	39,146
9	Attributable to:				
	Owners of ProData Consult A/S	46,193	39,146		
	Non-controlling interests	0	1,856		
		46,193	41,002		

Consolidated financial statements and parent company financial statements | 1 January – 31 December 2020

Notes

Balance sheet

Note	DKK'000	Group		Parent	
		2020	2019	2020	2019
		EQUITY AND LIABILITIES			
		Equity			
15	Share capital	540	540	540	540
	Reserve for capitalized development costs	0	0	11,794	5,827
	Currency translation reserve	-1,828	0	-1,828	0
	Retained earnings	179,743	102,090	167,949	96,263
	Equity holders' share of equity, ProData Consult A/S	178,455	102,630	178,455	102,630
	Total equity	178,455	102,630	178,455	102,630
17	Non-current liabilities				
	Lease liabilities	33,428	32,391	1,087	2,948
16	Deferred tax	11,156	1,764	3,560	1,721
	Other payables	0	1,803	0	1,803
	Total non-current liabilities	44,584	35,959	4,647	6,472
17	Current liabilities				
	Short-term portion of lease liabilities	11,046	11,189	486	2,222
	Trade payables	269,107	150,596	141,753	127,614
	Payables to group entities	18,007	529	55,200	0
	Joint taxation payable	1,849	2,382	1,849	2,382
	Income taxes	13,035	1,961	7,746	476
	Other payables	52,800	13,895	38,911	17,657
	Deferred income	12,885	2,183	12,885	2,167
	Total current liabilities	378,730	182,735	258,830	152,518
	Total liabilities	423,314	218,694	263,477	158,990
	TOTAL LIABILITIES	601,769	321,323	441,932	261,620

- 1 Accounting policies
- 18 Contingent liabilities
- 19 Related parties
- 21 Special items
- 22 Subsequent events

Statement of changes in equity

DKK'000	Group					
	Share capital	Currency translation reserve	Retained earnings	Equity held by the owners of capital in the parent company	Non-controlling interests	Total equity
Equity at 1 January 2019	500	0	58,012	58,512	5,611	64,123
Other adjustments, after tax	0	0	0	0	0	0
Equity at 1 January 2019	500					
Foreign exchange adjustments, foreign subsidiary	0	0	231	231	45	276
Capital increase	40	0	34,162	34,202	0	34,202
Adjustment from purchase of non-controlling interest	0	0	-29,461	-29,461	-4,539	-34,000
Purchase of shares for redemption	0	0	0	0	-2,973	-2,973
Appropriation of profit/loss	0	0	39,146	39,146	1,856	41,002
Equity at 1 January 2020	540	0	102,090	102,630	0	102,630
Foreign exchange adjustments, foreign subsidiary	0	-1,828	0	-1,828	0	-1,828
Capital contribution	0	0	31,460	31,460	0	31,460
Appropriation of profit/loss	0	0	46,193	46,193	0	46,193
Equity at 31 December 2020	540	-1,828	179,743	178,455	0	178,455

DKK'000	Parent					
	Share capital	Currency translation reserve	Reserve for net revaluation according to the equity method	Reserve for capitalized development costs	Retained earnings	Equity held by the owners of capital in the parent company
Equity at 1 January 2019	500	0	0	1,770	56,241	58,512
Other adjustments, after tax	0	0	0	0	0	0
Equity at 1 January 2019	500	0	0	1,770	56,241	58,512
Foreign exchange adjustments, foreign subsidiaries	0	0	0	0	231	231
Capital increase	40	0	0	0	34,162	34,202
Adjustment from purchase of non-controlling interests	0	0	0	0	-29,461	-29,461
Appropriation of profit/loss	0	0	0	4,057	35,090	39,147
Equity at 1 January 2020	540	0	0	5,827	96,263	102,630
Foreign exchange adjustments, foreign subsidiary	0	-1,828	0	0	0	-1,828
Capital contribution	0	0	0	0	31,460	31,460
Appropriation of profit/loss	0	0	0	5,967	40,226	46,193
Equity at 31 December 2020	540	-1,828	0	11,794	167,949	178,455

Consolidated financial statements and parent company financial statements | 1 January – 31 December 2020

Notes

Cash flow statement

		Group	
Note	DKK'000	2020	2019
	Profit for the year	46,193	41,002
20	Adjustments	53,214	36,785
		99,407	77,787
	Changes in working capital:		
	Receivables	-18,833	17,886
	Trade payables	65,102	-14,478
	Other payables	31,010	-153
	Cash generated from operations	176,686	81,042
	Interest received	877	307
	Interest paid	-3,330	-2,656
	Interest paid on lease liabilities	-1,616	-1,329
	Income taxes paid	-7,781	-10,710
	Cash flows from operating activities	164,836	66,654
	Acquisition of business	-41,215	0
	Investment in financial assets	-196	-1,155
	Acquisition of intangible assets	-109	-63
	Disposal, financial assets	2,599	0
	Capitalised development cost	-8,350	-5,514
	Acquisition of property, plant and equipment	-3,498	-3,900
	Disposal of property, plant and equipment	842	615
	Cash flows from investing activities	-49,927	-10,017
	Loan financing:		
	Repayments of loans and borrowings		
	Repayment of lease liabilities	-13,305	-9,037
	Repayment and proceeds from intercompany loans	17,895	-54,913
	Shareholders:		
	Purchase of shares for redemption (minority shares)	0	-2,973
	Cash flows from financing activities	4,590	-66,923
	Net cash flows	119,499	-66,923
	Cash and cash equivalents, beginning of year	24,802	35,089
	Cash and cash equivalents, year-end	144,301	24,801

1 Accounting policies

The annual report of ProData Consult A/S for 2020 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

Effective from the financial year 2020, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed new and amended presentation and disclosure requirements.

All numbers in the annual report are presented in DKK thousands, unless otherwise stated.

In general, rounding will occur and cause variances in sums and percentages in the consolidated and parent company financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

CONSOLIDATED FINANCIAL STATEMENTS

Control

The consolidated financial statements comprise the Parent Company ProData Consult A/S and subsidiaries controlled by ProData Consult A/S.

Control means the power to exercise decisive influence over a subsidiary's financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

In assessing if the Parent Company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity may become empowered to exercise decisive influence over another entity's financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements have been prepared as a consolidation of the Parent Company's and the individual subsidiaries'

financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised losses are eliminated in the same way as unrealised gains unless they do not reflect impairment.

The subsidiaries' financial statement items are included 100% in the consolidated financial statements. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries that are not wholly-owned are included in the Group's profit/loss and equity, respectively, but are presented separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Business combinations

Newly acquired entities are recognised in the consolidated financial statements from the acquisition date. Entities sold or otherwise disposed of are recognised in the consolidated financial statements up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The acquisition date is the date when the Group actually obtains control of the acquiree.

The purchase method is applied to acquisitions of new businesses over which the Group obtains control. The acquired businesses' identified assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax on revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill in intangible assets. Goodwill is amortised on a straight-line basis in the income statement based

1 Accounting policies

on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the acquisition date.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the Group's presentation currency are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The purchase consideration for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the purchase consideration is contingent on future events or compliance with agreed terms, such part of the purchase consideration is recognised at fair value at the acquisition date. Subsequent adjustments of contingent purchase considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

If uncertainties regarding the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the purchase consideration exist at the acquisition date, initial recognition will take place on the basis of provisional values. If it turns out subsequently that the identification or measurement of the purchase consideration, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Subsequently, any adjustments are recognised as errors.

Gains or losses from divestment or winding-up of subsidiaries that implies that control is no longer maintained are calculated as the difference

between, on the one hand, the net selling price and, on the other hand, the proportionate share of the carrying amount of net assets. If the Parent Company still holds equity investments in the divested entity, the remaining proportionate share of the carrying amount forms the basis for the measurement of equity investments in associates or securities and equity investments.

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' proportionate share of the fair value of the acquired entity's identifiable assets, liabilities and contingent liabilities. Goodwill relating to the non-controlling interests' share is not recognised.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rate at the transaction date and the rate at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at closing rates. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries are considered separate entities. Items in such entities' income statements are translated at average exchange rates for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign entities to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

Foreign exchange adjustments of balances with separate foreign subsidiaries which are considered part of the total investment in the subsidiary are taken directly to equity. Foreign exchange gains and losses on loans and derivative financial

1 Accounting policies

instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

Income statement

Revenue

The Company has chosen IFRS 15 as interpretation for revenue recognition.

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Revenue from the sale of services

Income from the sale of services, which comprise consultancy services, is recognised as the control over the individual identifiable performance obligation is transferred to the customer. Sale of consultancy services typically comprise one performance obligation, which is recognised in revenue over the period in which the services are provided.

Cost of sales

Cost of sales comprise costs incurred in generating the year's revenue and relates primarily to costs regarding external consultancy services as well as internal consultants.

Other external expenses

Other external expenses comprise costs including expenses related to administration, sale, advertising, bad debts, office expenses etc.

Staff costs

Staff costs comprise wages and salaries, including compensated absence and pension to the Group and Parent Company's administrative employees, as well as other social security contributions, etc.

Special items

Special Items are presented in a separate note. Special items consist of non-recurring income and expenses in connection with acquisitions, restructuring and other non-recurring cost.

Profit/loss from equity investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented

as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, exchange gains and losses on transactions denominated in foreign currencies, amortisation of financial assets and liabilities, including lease commitments as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The ultimate Danish Parent Company P – ProData 2018 A/S acts as administrative company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

The tax expense for the year, which comprises the year's current tax charge, joint taxation contributions and changes in the deferred tax charge – including changes arising from changes in tax rates – is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

BALANCE SHEET**Intangible assets****Goodwill**

Goodwill and customer relationship are

1 Accounting policies

amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 10-20 years. customer relationship is amortised on a straight-line basis over the amortisation period, which is 10 years. The amortisation period for goodwill is fixed on the basis of the expected repayment horizon, longest for strategically acquired business enterprises with strong market positions and long-term earnings profiles.

Development projects

Development projects comprise internally developed software. Development costs comprise expenses and salaries directly attributable to development activities.

Development projects that are clearly defined and identifiable and where the technical feasibility, sufficient resources and a potential future market or development potential are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is 10 years.

Property, plant and equipment

Leasehold improvements, fixtures and fittings and plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Where individual components of an item of property, plant and equipment have different

useful lives, they are accounted for as separate items, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Leasehold improvements	2-4 years
Fixtures and fittings, plant and equipment	5 years

The basis of depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the amortisation charges is recognised prospectively as a change in accounting estimates.

Gains and losses on the disposal of items of property, plant and equipment are calculated as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Leases

The Group and the Company has chosen IFRS 16 as interpretation for classification and recognition of leases.

Right-of-use assets and lease liabilities are recognised in the balance sheet when the right-of-use asset under a lease entered into regarding a specific identifiable asset is made available to the Group and/or the Parent Company in the lease term, and when the Group and/or the Parent Company obtains the right to almost all economic benefits from the use of the identified asset and the right to control the use of the identified asset.

On initial recognition, lease commitments are measured at the present value of the future lease payments discounted by an incremental borrowing

1 Accounting policies

rate. The following lease payments are recognised as part of the lease commitment:

- Fixed payments.
- Variable payments that change concurrently with changes to an index and an interest rate based on said index or interest rate.
- Payments overdue subject to a residual value guarantee.
- Payments subject to an extension option that it is highly probable that the Group will exercise.
- Penalty related to a termination option unless it is highly probable that the Group will not exercise the option.

The lease commitment is measured at amortised cost according to the effective interest method. The lease commitment is recalculated when the underlying contractual cash flows change due to changes in an index or an interest rate if the Group's estimate of a residual value guarantee changes or if the Group changes its assessment of whether call options, extension options or termination options can reasonably be expected to be exercised.

On initial recognition, the right-of-use asset is measured at cost, corresponding to the value of the lease commitment adjusted for prepaid lease payments plus directly related costs and estimated costs for demolition, repairs or the like and less discounts or other types of incentive payments received from the lessor.

Subsequently, the asset is measured at cost less accumulated depreciation and impairment losses. The right-of-use asset is depreciated over the shorter of the lease term and the useful life of the right-of-use asset. Depreciation charges are recognised on a straight-line basis in the income statement.

The right-of-use asset is adjusted for changes to the lease commitment due to changes to the terms of the lease or changes to the cash flows of the lease concurrently with changes to an index or an interest rate.

Right-of-use assets are depreciated on a straight-line basis over the expected lease term, which is:

Operating equipment	5 years
Sale and administration properties	4-5 years

The Group and the Parent Company presents the right-of-use asset and the lease commitment separately in the balance sheet.

Equity investments in subsidiaries in the parent company financial statements

Equity investments in subsidiaries are measured according to the equity method in the parent company financial statements. The Parent Company has chosen to consider the equity method a consolidation method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding the consolidated financial statements above.

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

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies in the consolidated financial statements. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

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

Other securities and investments

Other securities and investments consisting in shares are measured at cost at the balance sheet date.

Impairment of non-current assets

The carrying amount of intangible assets, property,

1 Accounting policies

plant and equipment and equity investments in subsidiaries is tested for impairment when an objective indication of impairment exist.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. Assets are written down to the lower of the carrying amount and the recoverable amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the net present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost.

Receivables are considered sold when the credit risk is transferred to the buyer. Invoices sold as part of a non-recourse factoring agreement are derecognised, as the contractual rights to the underlying cash flows are transferred to the factoring company.

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

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are assessed for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the country of domicile and credit ratings of the debtors in accordance with the Group's credit risk management policy. The objective evidence applied to portfolios is determined based on

historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the net present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Current assets" comprise costs incurred concerning subsequent financial years.

EQUITY

Reserve for net revaluation according to the equity method

Net revaluation of equity investments in subsidiaries is recognised at cost in the reserve for net revaluation according to the equity method.

The reserve can be eliminated in case of losses, realisation of equity investments or a change in accounting estimates.

The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises capitalized development costs less amortisation and tax. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Dividend

Dividend proposed for the year is recognised as a liability at the date when it is adopted at the general meeting (declaration date). Dividend expected to be distributed for the year is disclosed as a separate item under equity.

Income tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on prior-year taxable income and tax paid on

1 Accounting policies

account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as “Joint taxation receivable” or “Joint taxation payable”.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes or on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting neither the profit/loss for the year nor the taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management’s intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Deferred income

Deferred income recognised under “Current liabilities” comprise received payments regarding revenue concerning subsequent financial years.

CASH FLOW STATEMENT

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

The Company has chosen to apply the exemption in § 86(4) of the Danish Financial Statements Act and has not prepared a separate cash flow statement for the Parent Company.

The cash flow effect of acquisitions and disposals of entities is shown separately in cash flows from investing activities. Cash flows from corporate acquisitions are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group’s share of the profit/loss adjusted for non-cash operating items, changes in working capital, interest received and paid, including the interest element related to recognised lease commitments and income taxes paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and financial assets.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group’s share capital and related costs as well as the raising of loans, repayment of interest-bearing debt, repayment of lease commitments and payment of dividend to shareholders.

Cash flows from assets held under leases are recognised as payment of interest and repayment of debt.

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1 Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are subject to only minor risks of changes in value.

SEGMENT INFORMATION

Information is disclosed by activity and geographical market. Segment information follows the Group's accounting policies, risks and internal financial management.

FINANCIAL RATIOS

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

EBITDA margin	$\text{Operating profit (EBITDA) / Revenue}$
Adjusted EBITDA margin	$\text{Operating profit (EBITDA) + Special items / Revenue}$
EBITA margin	$\text{Operating profit (EBITDA) + Depreciation / Revenue}$
Ajusted EBITA margin	$\text{Operating profit (EBITDA) + Depreciation + Special items / Revenue}$
Solvency ratio	$\text{Equity / Total assets}$
Return on equity	$\text{Profit for the year / Average equity}$

2 Revenue

Information about the distribution of revenue by activities and geographical markets is provided below. The segment information is prepared in accordance with the Company's accounting policies and follows the Company's internal financial management.

Revenue comprises the following activities:

DKK'000	Group		Parent	
	2020	2019	2020	2019
IT consultancy services	1,509,691	1,022,310	920,985	785,706

Revenue comprises the following geographical markets:

Denmark	903,206	746,619	903,206	746,619
Other countries	606,485	275,691	17,779	39,087
Total	1,509,691	1,022,310	920,985	785,706

3 Staff costs

Wages and salaries	67,069	55,568	40,699	38,438
Pensions	6,361	4,193	5,187	3,868
Other social security costs	5,568	3,259	287	405
Other staff costs	4,552	4,968	3,111	2,683
Total	83,550	67,988	49,284	45,394

Average number of employees during the year	150	141	61	65
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Remuneration to the Executive Board and Board of Directors	3,329	2,681	2,182	2,681
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Total staff costs amount to DKK 104,579 thousand (2019: DKK 91,161 thousand). Wages and salaries for agency and project staff consultants of DKK 21,029 thousand (2019: DKK 23,174 thousand) is included in cost of sales. Development cost capitalised amounts to DKK 6,500 thousand (2019: DKK 5,514 thousand)

DKK'000	Group		Parent	
	2020	2019	2020	2019
4 Fees paid to auditors appointed at the annual general meeting				
Fee for statutory audit	740	365	486	215
Other assurance engagements	0	34	0	34
Fees for tax advisory services	3,972	99	3,972	77
Other assistance	4,924	388	4,924	297
	9,636	886	9,382	623

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DKK'000	Group		Parent	
	2020	2019	2020	2019
5 Income from equity investments in group entities				
Share of net profit/loss in equity investments			26,742	6,820
Goodwill and customer relationship amortisations, net of deferred tax			-7,485	-2,253
			<u>19,257</u>	<u>4,567</u>
6 Financial income				
Interest income from group entities	0	0	819	435
Foreign exchange income	699	0	0	0
Other interest income	178	307	175	300
	<u>877</u>	<u>307</u>	<u>994</u>	<u>735</u>
7 Financial expenses				
Interest expenses, group entities	1249	0	867	29
Interest expenses regarding leasing	1,616	1,329	327	156
Other interest expenses	914	827	776	458
Foreign exchange losses	407	1,321	915	529
Other financial expenses	858	508	707	421
	<u>5,044</u>	<u>3,985</u>	<u>3,592</u>	<u>1,593</u>
8 Tax for the year				
Current tax for the year	17,562	13,549	10,126	10,403
Deferred tax adjustment for the year	1,553	534	1,839	951
Adjustments to tax in prior years	306	0	306	0
	<u>19,421</u>	<u>14,083</u>	<u>12,271</u>	<u>11,354</u>
9 Distribution of net profit				
Capitalized development costs	0	0	5,967	0
Non-controlling interests	0	1,856	0	0
Retained earnings	46,193	39,146	40,226	39,146
	<u>46,193</u>	<u>41,002</u>	<u>46,193</u>	<u>39,146</u>

10 Intangible assets

DKK'000	Group			
	Acquired rights	Development projects	Goodwill	Customer Relations
Cost at 1 January 2020	4,401	7,914	80,024	0
Additions	767	8,350	0	0
Additions on acquisitions of subsidiaries	0	0	64,073	36,949
Cost at 31 December 2020	5,168	16,264	144,097	36,949
Amortisation and impairment losses at 1 January 2020	-4,233	-442	-32,259	0
Amortisation during the year	-564	-701	-10,730	-3,197
Amortisation and impairment losses at 31 December 2020	-4,797	-1,143	-42,989	-3,197
Carrying amount at 31 December 2020	371	15,121	101,108	33,752

DKK'000	Parent		
	Acquired rights	Development projects	Goodwill
Cost at 1 January 2020	4,401	7,914	57,547
Additions	80	8,350	0
Cost at 31 December 2019	4,481	16,264	57,547
Depreciations, amortisation and impairment losses at 1 January 2020	-4,233	-442	-25,510
Amortisation during the year	-97	-701	-5,755
Amortisation and impairment losses at 31 December 2019	-4,330	-1,143	-31,265
Carrying amount at 31 December 2019	151	15,121	26,282

Capitalised software relates to the internally developed IT platform ProManagement. The platform supports the Group's business model and is expected to result in considerable competitive advantages. The capitalised expenses primarily consist of internal expenses in the form of payroll costs and et.

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11 Tangible assets

DKK'000	Group			
	Right-of-use assets	Leasehold improvements	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2020	52,538	732	14,571	67,841
Exchange rate adjustments	-910	-27	-1,445	-2,382
Additions	10,445	38	3,460	13,943
Remeasurement during year	3,754	0	0	3,754
Disposals	0	0	-1,386	-1,386
Cost at 31 December 2020	65,827	743	15,200	81,770
Depreciation and impairment losses at 1 January 2020	-10,159	-209	-9,779	-20,147
Exchange rate adjustments	150	4	863	1017
Depreciation during the year	-12,540	-119	-2,565	-15,224
Reversal on depreciation of and impairment losses on disposed assets	0	0	1,142	1,142
Depreciation and impairment losses at 31 December 2020	-22,549	-324	-10,339	-33,212
Carrying amount at 31 December 2020	43,278	419	4,861	48,558
	Parent			
DKK'000	Right-of-use assets	Leasehold improvements	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2020	7,001	247	4,369	11,617
Exchange rate adjustments	-150	0	0	-150
Additions	3	31	390	424
Remeasurement during year	-958	0	0	-958
Disposals	0	0	-575	-575
Cost at 31 December 2020	5,896	278	4,184	10,358
Depreciation and impairment losses at 1 January 2020	-1,976	-97	-2,712	-4,785
Exchange rate adjustments	24	0	0	24
Depreciation during the year	-2,108	-63	-468	-2,639
Reversal on depreciation of and impairment losses on disposed assets	0	0	333	333
Depreciation and impairment losses at 31 December 2020	-4,060	-160	-2,847	-7,067
Carrying amount at 31 December 2020	1,836	118	1,337	3,291

12 Equity investments in subsidiaries

DKK'000	Parent
	Equity investments in group entities
Cost at 1 January 2020	65,677
Additions	95,097
Cost at 31 December 2020	160,774
Value adjustments at 1 January 2020	-19,012
Foreign exchange adjustment	-1,506
Profit/loss for the year	26,473
Adjustments purchase of non-controlling interests	0
Share of other movements in equity	0
Value adjustments at 31 December 2020	6,224
Depreciation and impairment losses at 1 January 2020	-6,837
Goodwill and customer relationship amortisations, net of deferred tax	-7,485
Depreciation and impairment losses at 31 December 2020	-14,322
Set-off against receivables from group entities	4,875
Carrying amount at 31 December 2020	157,551
Hereof goodwill and customer relationship	108,621
Name and registered office	Voting rights and ownership
ProData Consult International AB, Sweden	100%
Sourcing Network Stockholm AB, Sweden	100%
ProData Consult AS, Norway	100%
ProData Consult GmbH, Germany	100%
ProData Consult Z.o.o., Poland	100%
ProData Consult B.V., The Netherlands	100%

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Notes

13 Other financial assets

	Parent
DKK'000	Equity investments in group entities
Group	
Cost at 1 January 2020	3,707
Exchange rate adjustments	-206
Additions	196
Disposals	-2,599
Cost at 31 December 2020	1,098
Parent	
Cost at 1 January 2020	809
Exchange rate adjustments	-7
Additions	16
Disposals	-75
Cost at 31 December 2020	743

DKK'000	Group		Parent	
	2020	2019	2020	2019
14 Prepayments				
Insurance premiums	176	80	149	55
Rent	0	1,725	0	542
Other	912	506	642	326
	<u>1,088</u>	<u>2,311</u>	<u>791</u>	<u>923</u>

15 Share capital

The share capital comprises:
53,933,197 shares of DKK 0.01 each.

	Group		Parent	
	2020	2019	2020	2019
DKK'000				
16 Deferred tax				
Deferred tax at 1 January	-636	-102	-1,721	-770
Acquisition of subsidiary	-7,888	0	0	0
Deferred tax recognised in the income statement	-1,553	-534	-1,839	-951
Deferred tax at 31 December	-10,077	-636	-3,560	-1,721

Deferred tax is recognised in the balance sheet as follows:

Deferred tax asset	1,079	1,129	0	0
Deferred tax liability	-11,156	-1,764	-3,560	-1,721
Deferred tax at 31 December	-10,077	-636	-3,560	-1,721

Deferred tax assets primarily relate to temporary differences. Management considers it likely that there will be future taxable income against which tax deductions can be offset.

	Group		Parent	
	2020	2019	2020	2019
DKK'000				
17 Interest-bearing loans and borrowings				
Non-current	33,428	32,391	1,087	2,948
Current	11,046	11,189	486	2,222
Interest-bearing loans and borrowings at 31 December	44,474	43,580	1,573	5,170

Interest-bearing loans and borrowings are expected to mature within:

0-1 years	11,046	11,189	486	2,222
1-5 years	33,428	32,391	1,087	2,948
> 5 years	0	0	0	0
	44,474	43,580	1,573	5,170

18 Contingent liabilities

Pledges and guarantee commitments

The shares in ProData Consult A/S as well certain subsidiaries in Norway, Poland, Sweden and the Netherlands have been pledged as security for the senior facility agreement entered into by the parent company ProData BidCo A/S.

As security for the parent company's debt to credit institution, a floating charge of DKK 25 million in the assets of ProData Consult A/S covering trade receivables, goodwill, development projects, acquired rights, and fixtures and fittings, plant and equipment, with a total carrying amount of DKK 157,248 thousand at 31 December 2020, has been provided. Further, a floating charge of SEK 0.8 million in the assets in the Swedish subsidiary and EUR 20 thousand in the assets of the subsidiary in the Netherlands has been provided. Bank guaranties in Poland of DKK 3.5 million has reduces the group credit facility limit of DKK 60 million. Further, Prodata Consult A/S has registered pledge on shares of Prodata Consult Sp. z o.o. of DKK 427.5 million.

The ProData companies in Denmark, Sweden and Poland are part of a cash pool agreement with a credit limit of DKK 60 million. The ProData companies in Denmark, Sweden and Poland have made a guarantee on a jointly basis towards the credit institution. ProData Holding A/S, ProData BidCo A/S and ProData Consult A/S and its subsidiaries in Poland, Sweden, Norway and the Netherlands jointly guarantee as obligor for any amounts due under the senior facility agreement in ProData BidCo A/S, the total amount drawn on the facility as of 31 December 2020 amounts DKK 253.4 million.

Other contingent liabilities

The Company is taxed jointly with the other Danish companies in the Group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly taxable income, etc.

19 Related parties

P – ProData 2018 A/S, Copenhagen.
ProData Holding A/S, Hvidovre.
ProData BidCo A/S, Hvidovre holds 100% of the share capital in the entity.

The Group is included in the consolidated financial statements of ProData BidCo A/S, ProData Holding A/S and P – ProData 2018 A/S.

Related party transactions include:

Remuneration for Management is specified in note 3 "Staff costs".

Payables to parent companies and payables to owners of capital are disclosed in the balance sheet, interest income and expenses are disclosed in note 7 and 6.

Contribution from parent company DKK 31.5 million

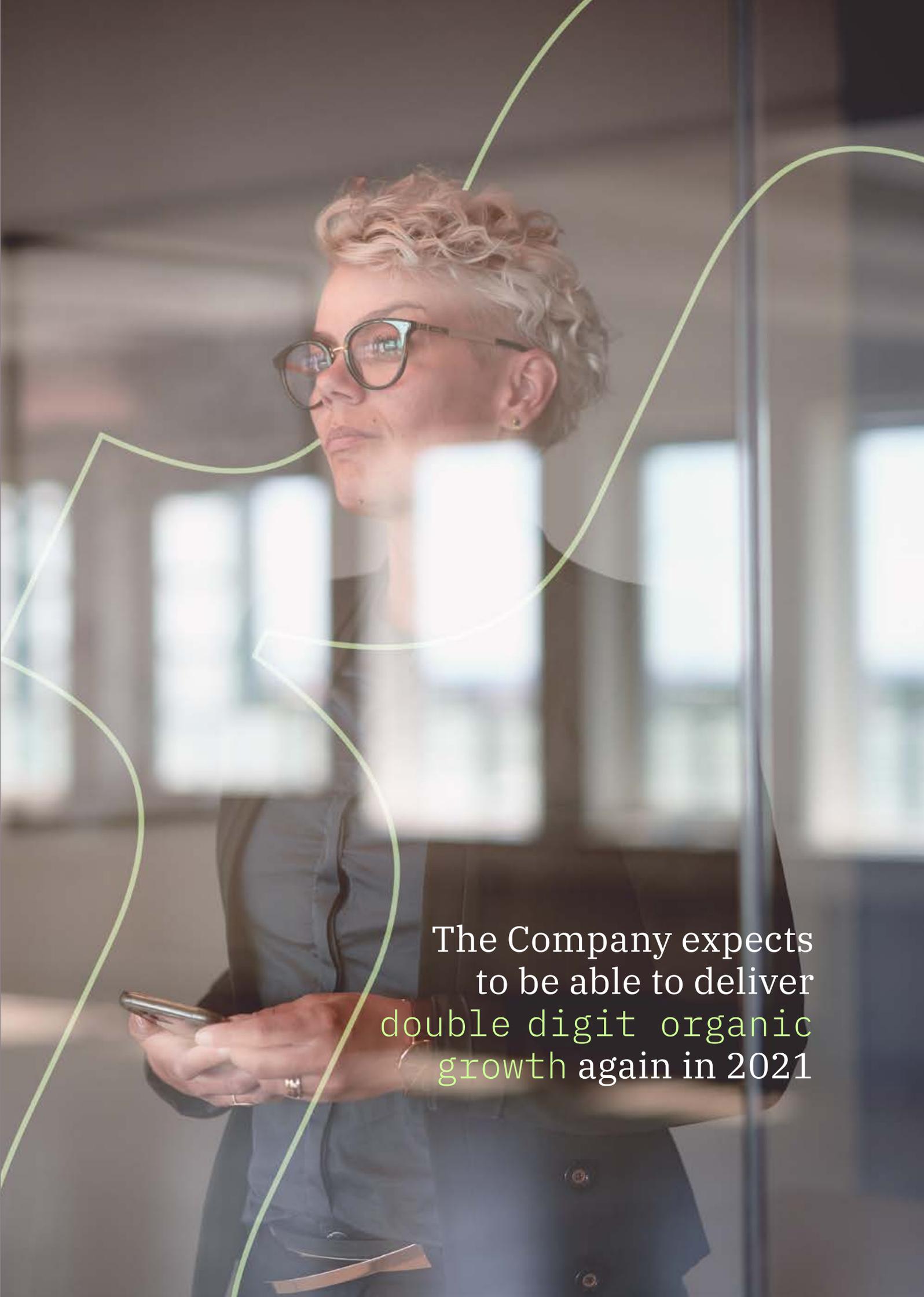
The parent company applies an exemption provision in section 98c (1) of the Danish Financial Statements Act. 3, concerning transactions with related parties, that have been made with wholly owned subsidiaries.

DKK'000	Group	
	2020	2019
20 Adjustments for the cash flow statement		
Depreciation, amortisation, impairment losses and write-downs	29,495	21,355
Financial income	-877	-307
Financial expenses	5,044	3,985
Tax on profit or loss for the year	19,421	14,083
Other adjustments	131	-2,331
	<u>53,214</u>	<u>36,785</u>

DKK'000	Group		Parent	
	2020	2019	2020	2019
21 Special items				
Restructuring and merge of business areas	2,890	1,419	0	0
M&A	13,624	1,203	13,217	943
Non-recurring severance pay	3,125	0	3,125	0
Write-down of debtors due to bankruptcy	0	253	0	253
Disputes	703	0	703	0
Cost of sales previously years	0	-1,747	0	-1,747
Interest-bearing loans and borrowings at 31 December	<u>20,342</u>	<u>1,128</u>	<u>17,045</u>	<u>-552</u>
Special items are recognised in the below line items				
Cost of sales	0	-1,747	0	-1,747
Other external expenses	14,816	2,096	13,920	1,196
Staff costs	5,526	779	3,125	0
	<u>20,342</u>	<u>1,128</u>	<u>17,045</u>	<u>-552</u>

22 Subsequent events

No events significantly impacting the Company's and the Group's financial statements have occurred subsequent to the financial year-end.



The Company expects
to be able to deliver
double digit organic
growth again in 2021

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ProData Consult A/S

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