

ProData Consult A/S

Stamholmen 157, 5., DK-2650 Hvidovre

Business registration no. 26 24 96 27

Annual report 2018

Approved at the Company's annual general meeting on 2 April 2019

Chairman:

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Statement by Management on the annual report

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of ProData Consult A/S for the financial year 1 January - 31 December 2018.

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 2018 and of the results of the Group's and the Parent Company's operations and the consolidated cash flows for the financial year 1 January - 31 December 2018.

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 and the results of the Group's and the Parent Company's operations and financial position.

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

Hvidovre, 2 April 2019

Executive Board:

Søren Nordal Rode

Board of Directors:

Agner Nørgaard Mark
Chairman

Anders Gratte

Rune Lillie Gornitzka

Jens Kyhnæb

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 2018, 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 2018 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 2018 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.

Independent auditor's report

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 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.



Independent auditor's report

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, 2 April 2019
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jan C. Olsen
State Authorised
Public Accountant
mne33717

Anders Flymer-Dindler
State Authorised
Public Accountant
mne35423

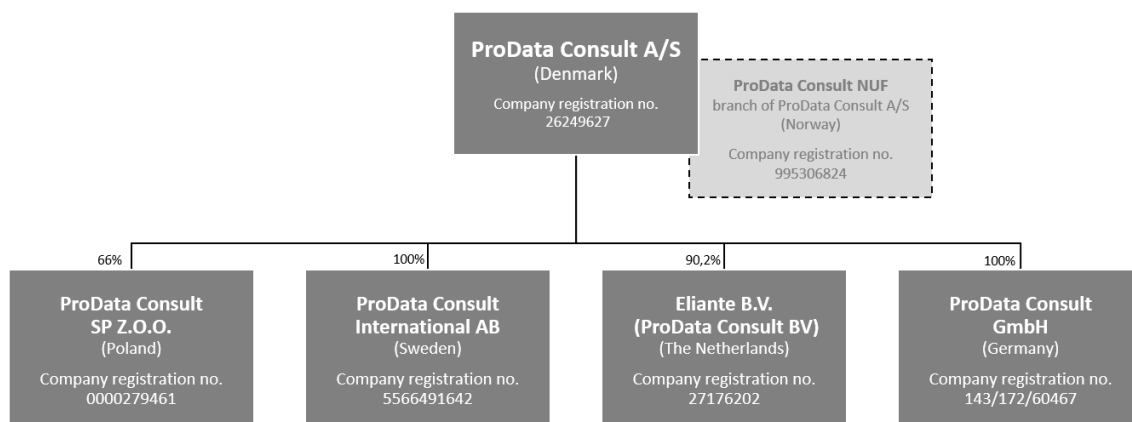
Management's review

Company details

Name	ProData Consult A/S
Address	Stamholmen 157, 5, DK 2650 Hvidovre, Denmark
Business registration number (CVR)	26 26 96 27
Established	21 September 2001
Registered office	Hvidovre
Financial year	1 January - 31 December 2018
Website	www.prodata.dk www.konsulenter.dk
Board of Directors	Agner Nørgaard Mark, Chairman Anders Gratte Rune Lillie Gornitzka Jens Kyhnæb
Executive Board	Søren Nordal Rode
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, DK-2000 Frederiksberg

Management's review

Group chart



Financial highlights for the Group

In DKK thousand	2018	2017	2016	2015	2014
Key figures					
Revenue	956,698	910,314	693,332	463,341	420,816
Gross profit	127,441	109,509	96,414	73,240	68,909
Profit before depreciation, amortisation (EBITDA)	63,952	44,133	50,062	37,189	29,495
Profit from ordinary activities	52,957	33,115	41,978	34,324	27,318
Loss from net financials	-1,717	-2,060	-1,963	-864	-444
Profit before tax	51,240	31,055	40,015	33,460	26,874
Profit for the year	37,544	21,535	29,352	24,863	19,662
Total assets	307,791	294,922	243,195	140,205	104,540
Portion relating to investments in items of property, plant and equipment	2,749	5,692	4,834	2,455	918
Equity	64,123	50,782	51,980	37,308	25,708
Cash flows from operating activities	53,084	12,118	42,395	20,094	23,543
Cash flow from investing activities	-7,320	-26,608	-47,533	-1,946	-12,197
Cash flows from financing activities	-21,080	-2,448	-12,861	-15,795	-3,644
Total cash flows	24,684	-16,938	-17,999	2,353	7,702
Financial ratios					
Return on equity	65.3%	41.9%	65.7%	78.9%	86.9%
Gross margin	13.3%	12.0%	13.9%	15.8%	16.4%
EBITDA margin	6.7%	4.8%	6.1%	8.0%	7.0%
Profit margin	3.9%	2.4%	6.1%	7.4%	6.5%
Rate of return	17.6%	12.3%	26.1%	28.1%	29.9%
Equity ratio	20.8%	17.2%	21.4%	26.6%	24.6%
Average number of full-time employees					
Average number of full-time employees	130	127	110	77	75

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios. For terms and definitions, please see the accounting policies.

Management's review

Business review

ProData Consult A/S Group conducts activities in IT and related consultancy services.

ProData Consult A/S Group (the Group) is one of the largest suppliers of senior business, management and IT consultants within the Group's segment and region. The Group has access to more than 30,000 validated senior business, management and IT consultants covering more than 4,500 different competencies and with an average experience of more than 10 years. The Group services a range of industries including finance, IT, energy, telecom, media, transport as well as the public sector with particular strong presence and domain knowledge within the financial sector assisting large Nordic, Dutch and Polish financial institutions.

The Group is a consulting company characterised by high-end consultants, competitive pricing, flexibility, quick delivery, security and stability as well as the highest standards of IT and management competencies. The Group believes cooperation and personalised services are paramount.

The Group's mission:

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

The Group offers a wide range of benefits and services. The Group's offers include:

- ▶ IT consulting
- ▶ Business and management consulting
- ▶ Nearshoring in Poland
- ▶ Vendor management services
- ▶ Managed services.

As the largest provider of on-site time and material based senior IT, business and management consultancy in Denmark and a solid presence in the Nordics and the Netherlands, the core business of the Group is to help customers scale up with the exact expert resources needed at the exact time and on the exact location.

The value proposition of on-site IT, business and management consulting is to source external consultants to match with customers project requests, which is a growing business for the Group.

The value proposition of Nearshoring is to source external consultants in Poland to match with customers abroad Poland, which is a fast-growing business for the Group. Nearshoring allows the Group's customers to get access to a fully scalable development and infrastructure services, and profit from the large amount of highly specialized and competent IT specialists Poland can offer a significant cost saving compared to an on-shore external consultant at the Group's other markets. By providing offices, high security infrastructure, hardware, but especially high-quality IT consultants, the Group's Nearshoring is a flexible and scalable model for quick access to the IT competences and talent.

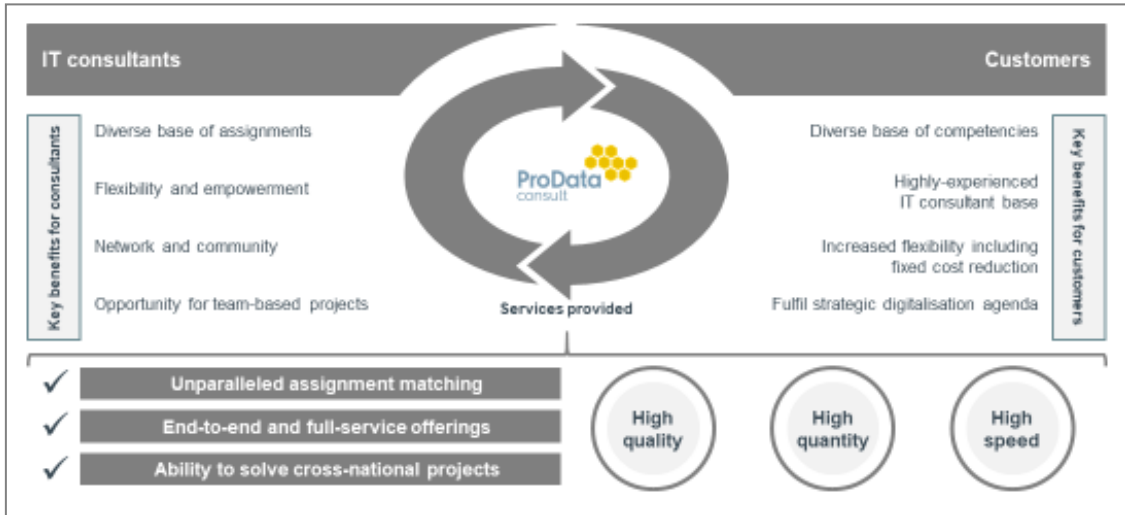
Vendor Management Services help customers consolidate their consultant vendor portfolio thus ensuring contract compliance, mitigated risks, transparency on consultant usage and spend as well as reduced administration. Furthermore, the customer gets access to the ProData Consult online Client-Module, an online tool which simplifies and automates consultant administration.

With Managed Services, the Group delivers an ongoing applications maintenance service according to defined service levels, at a fixed price.

Management's review

Business model

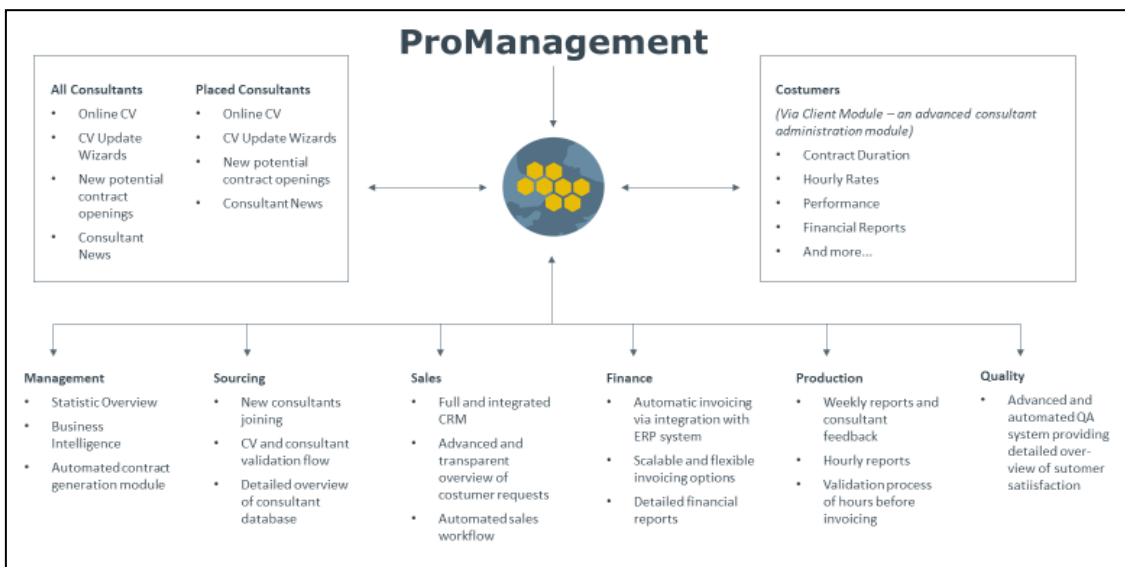
The Group's extensive national and international networks of business and IT consultants enable the group to identify the right consultant, matching the customer's needs. The Group ensures that consultants have industry relevant experience and possess the right skills to make the project a success.



The Group's business model is supported by industry-leading and differentiating IT platforms (ProManagement). It is the ambition of the Group to continuously offer the best IT platform for all stakeholders.

In 2018 the Group launched:

- ▶ A self-billing service for consultants
- ▶ Fully digitalised contract module in Poland
- ▶ Fully customer compliant digital billing structure
- ▶ Standardised ERP platform.



In 2018 the Group made significant investments in further compliance enhancements such as ISO9001 and ISAE3000 (GDPR). The Group attained the official ISAE3000 declaration in March 2019.

Management's review

Presence

The Group is headquartered in Copenhagen, Denmark and has additional offices in Aarhus (Denmark), Aalborg (Denmark), Malmo (Sweden), Stockholm (Sweden), Oslo (Norway), Munich (Germany), Warsaw (Poland), Cracow (Poland), Lodz, (Poland) and Den Haag (The Netherlands).

Strategy

In 2018 the Group partnered with Polaris, a leading Nordic Private Equity firm, in order to support the Group in building a strong platform and infrastructure capable of accelerating its growth ambitions. The overall strategy is to:

- ▶ maintain and strengthen the Group's market leading position in Denmark
- ▶ establish a top position in one of its other current geographical markets served
- ▶ become market leader in delivering near-shoring services for the Group's main markets
- ▶ invest, develop and strengthen the organisation, platforms and systems in all main areas in the ambition to offer the best platform for consultants and customers.

Financial review

In 2018, Management focused on consolidation and improved profitability.

The Group's revenue amounted to DKK 956.7 million, equivalent to an increase of 5.1% in comparison to the DKK 910.3 million in 2017, which was in line with expectations.

EBITDA amounted to DKK 64.0 million, and profit before tax ended at DKK 55.1 million, which was in line with expectations. Management considers the profit satisfactory.

Shareholders' equity amounted to DKK 64.1 million and consolidated total assets to DKK 307.8 million.

Matters affecting the financial statements

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

Branch abroad

ProData Consult NUF (branch of ProData Consult A/S), 1556 Son, Norway.

Ownership and capital structure

ProData Consult A/S is fully owned by ProData BidCo A/S. Polaris, a Nordic Private Equity firm, is the ultimate majority shareholder with approx. 62%. The remaining shares are directly or indirectly owned by Executive Management, employees and the Board of Directors.

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

- ▶ Trekroner Service 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 financial flexibility in the Group to support the strategy.

Polaris is a member of the Danish Venture and Private Equity Association (DVCA) and hence compliant with the DVCA-guidelines. Please see www.dvca.dk. These guidelines, published in June 2015, recommend a thorough review in particular regarding corporate governance, financial risks, employee relations and strategy. As a private equity owned company, the Group follows these recommendations.

Management's review

Financial resources

At year-end 2018, cash and non-utilised drawing facilities in credit institutions amounted to approx. DKK 95 million.

Risks

Market risks

The Group's services are primarily positioned to the bank, finance, IT, energy, telecom, media and transport industries as well as the public sector. The economic development in the industries and the public sector may affect the financial results.

Currency risks

The Group 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 economically 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 Group does not hedge this type of risk.

Interest rate risks

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

Credit risks

The Group's credit risks relate to trade receivables included in the balance sheet.

Employee risk

Having the right competencies with the adequate experience are vital. Therefore, it is important that the Group continues to attract, retain and develop skilled employees. In case of failure, it can potentially impact the expected development of the Group.

Supplier risk

Having access to the right competencies with the adequate experience is vital. Therefore, it is important that the Group continues to attract and keep the best knowledgeable resources. In case of failure, it can potentially impact the expected development of the Group.

IT risk

The Group depends on information technology to manage critical business processes including sales, sourcing, administrative and financial functions. The Group uses IT systems for internal purposes and externally to its customers and suppliers. Extensive disruption of IT systems could have a negative effect on the Group's operations.

Knowledge resources

The Group is in constant competition to attract and keep the best knowledge resources in the market for business and IT related development, operations and management.

Despite the fierce competition, the Group experiences a growing number of applicants fulfilling the required knowledge in demand.

Internally, the common IT platform ensures the combined knowledge is shared and documented to the largest possible extent in the system. The Group's vulnerability to individual knowledge of employees is therefore considered to be limited.

Management's review

Statutory report on Corporate Social Responsibility

The Group works with Corporate Social Responsibility both internally and externally in relation to society. The Group's core values are based on respect for others, openness, inclusiveness, tolerance and transparency.

In 2014, the Group decided to invest further in CSR by joining the UN Global Compact Initiative. In 2018 the Group reported to the UN on its documented efforts and compliance within the areas covered by the initiative.

The Group has formulated and adopted a CSR policy, which is solely based on the ten principles (<https://www.unglobalcompact.org/what-is-gc/mission/principles>).

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 globalisation. Global Compact makes it possible for companies all over the world to take an active part in solving these challenges.

As an official member of the UN Global Compact Initiative, the Group wishes to send a signal to all our stakeholders that we endorse, are working on and contribute to the implementation of the Global Compact's ten principles in the areas of human rights, labour rights, environment and anti-corruption.

Labour

The Group wants to create a healthy and desirable physical and psychological working environment with focus on the well-being of the employees including sickness absenteeism. The policy regarding sickness absenteeism covers on the one hand follow-up on the presence and behaviour of the employee and on the other hand expression of the Group's compassionate interest in the employee. Every year, an annual review and development session is held with each employee.

The employment policies contain a code of conduct and a list of initiatives to improve the working environment, health and staff retention. These include social arrangements, pension scheme, diversity, drug/alcohol, staff, smoking, senior and health policies. No further actions have been taken in 2018. Risks related to labour are considered to be limited due to the Group's business model and policies.

In 2018 no instances of forced, compulsory or child labour were detected. No cases of discrimination were detected, and no work injuries were reported.

Anti-corruption

The Group has an anti-corruption and anti-bribery policy in all affiliates and countries as corruption/bribery practices are not accepted in any shape or form. The Group expects the same from any of our stakeholders. Risks related to anti-corruption and anti-bribery are considered to be limited due to the Group's business model, policies and presence in EU.

No incidents of corruption were detected, and Management is not aware of any violation of the policy.

Whistle-blower

A central whistle-blower policy is in place, enabling all employees to anonymously report situations, incidents or circumstances that seem inappropriate or in contradiction to the Group's guidelines.

No incidents were detected, and the Board of Directors are not aware of any violation of the policy.

Management's review

Human rights

The Group has a formal policy for human rights. The internationally proclaimed human rights are an integral part of the Group's code of conduct. The Group's participation in the UN Global Compact, the Group's code of conduct and the full UN Human Rights Declaration have a permanent page on the Group's websites. The Group has a publicly known policy of not delivering to any customers abusing human rights. The Group on an on-going basis evaluates if its customers are involved in any non-compliance with the human rights. The Group is financially supporting Amnesty International and UNICEF with an annual donation. Thus, the Group is directly contributing to organisations advocating and working on protecting human rights. No further actions have been taking in 2018. Risks related to human rights are considered to be limited due to Group's business model, policies and presence in the EU. No violations of human rights have been detected in 2018.

Climate and environment

Risks to climate and environment and impact are considered to be limited due to Group's business model and policies. As such, the Group has no formal climate and environmental policy. The Group encourages to reduce energy consumptions and other actions that can impact the climate or environment negatively. The Group has a digital contract system making the contract flow 100% paperless. Internally, the Group recycles all paper. The Group's major vendors are certified CO₂ neutral. The Group is encouraging reduced printing and recommends recipients to not print in all outgoing mails.

Charity

In 2018 there was given aid to:

- ▶ UN Global Compact
- ▶ UNICEF
- ▶ Transparency international
- ▶ Danish cancer society
- ▶ Amnesty
- ▶ Danish sclerosis association

No other organisations were supported in 2018.

Employees

The Group's overall policy is to employ and promote the most suitable people no matter of gender. The Group promotes diversity and currently includes 9 nationalities. The Group has 130 employees of which 53% are female and 47% male. The majority of Danish employees are located in the Group's headquarters in Copenhagen.

Development in staff, no. of FTE	Denmark	Abroad	Group
Number of employees beginning of 2018	64	63	127
Recruited during 2018	9	24	33
Resigned during 2018	11	19	30
Number of employees by end of 2018	62	68	130

Statutory report on the underrepresented gender

The Group wants to give equal access to leadership positions for members of both genders.

The share of women in leadership positions with staff responsibility represented 31.5% at 1 January 2018. This share was 37.5% by the end of 2018. The Group wishes to continue increasing the share of women in leadership positions. To facilitate this, at least one female applicant must be admitted to job interview assuming qualified female applicants are available.

Through this policy and an ongoing focus on development of employees at all levels of the organisation irrespective of age and gender, the Group wishes to contribute to the education and development of potential female leaders.

Management's review

Target figure for the share of the under-represented gender in the Board of Directors

Currently the Board of Directors consists of 0% female and 100% male. It is the goal to recruit 1 female board member by the end of 2020 to increase the female share to 20%. The Board will follow up on the implementation of this goal on a yearly basis and is constantly seeking candidates with both relevant competencies and experience. Relevant knowledge and professional experience are key parameters when nominating new board members. In 2018, the recruitment goal was not achieved or prioritised due to change in ownership/Board of Directors.

The Board of Directors and the Executive Board aim to increase the proportion of the underrepresented gender at the other management levels, including company department heads and team leaders.

Statutory report on corporate governance

The Board of Directors and the Executive Board constantly strive 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 being defined in, amongst others, the Companies Act, the Danish Financial Statements Act, the Articles of Association and rules of procedure for Board of Directors. On this basis, an ongoing series of internal procedures are developed and maintained to ensure active, reliable and profitable management of the Group.

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 to the Board of Directors is provided systematically before and during meetings as well as through written and oral reports. These reports include market development, the Group'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 and the Group's 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 use committees for special tasks. Thus, a chairman committee has been set up and meets with executive management on a regular basis.

The Board of Directors consists of the following members:

Chairman: Agner Nørgaard Mark (Appointed in August 2018, representing Polaris Private Equity IV K/S)

Members: Rune Lillie Gornitzka (Appointed in August 2018 representing Polaris Private Equity IV K/S)
Anders Gratte (Appointed in August 2018 representing Polaris Private Equity IV K/S)
Jens Kyhnæb (Appointed in May 2011 representing PDC Holding 2018 A/S)

The Executive Board consists of the following member:

CEO: Søren Nordal Rode (Appointed in March 2009).

The Board of Directors and the Executive Board are the ultimate owners of approx. 16% of the shares.

Management's review

Statutory report on corporate governance

Other positions of the members of the Board of Directors and the Executive Board:

Agner Nørgaard Mark		Jens Kyhnæb	
ProData BidCo A/S	Chairman	ProData BidCo A/S	Board member
ProData Holding A/S	Chairman	ProData Holding A/S	Board member
Danaweb A/S	Chairman	JK Invest ApS	Executive Board
Danaweb International A/S	Chairman	Kjærulf Pedersen Holding A/S	Chairman
Schødt A/S	Board member	Kjærulf Pedersen A/S	Chairman
Maconi Consult ApS	Executive Board	Guldsmed Dirks Holding A/S	Board member
Maconi Invest ApS	Executive Board	Guldsmed Dirks Frederiksberg A/S	Chairman
		Guldsmed Dirks Rødovre A/S	Board member
Rune Lillie Gornitzka		PDC Holding Hvidovre A/S	Chairman
ProData BidCo A/S	Board member	ProData Consult Holding II ApS	Executive Board
ProData Holding A/S	Board member	PDC Holding 2018 A/S	Chairman
Stella Invest ApS	Executive Board	TempX A/S	Board member
Det Danske Madhus A/S	Board member	TempX A/S	Executive Board
DDM Holding 2 A/S	Board member	E'liante B.V. (ProData Consult BV).	Chairman
DDM Holding 1 A/S	Board member		
Anders Gratte		Søren Nordal Rode	
ProData BidCo A/S	Board member	ProData BidCo A/S	Executive Board
ProData Holding A/S	Board member	ProData Holding A/S	Executive Board
Human IT-consulting Sverige AB	Board member	Trekroner Service ApS	Executive Board
MIBA Invest AB	Board member	PDC Holding Hvidovre A/S	Executive Board
Projected Solutions Ltd	Executive Board	PDC Holding Hvidovre A/S	Board member
Close Comms Ltd	Executive Board	PDC Holding 2018 A/S	Executive Board
		PDC Holding 2018 A/S	Board member
		ProData Consult International AB	Executive Board
		ProData Consult International AB	Chairman
		ProData Consult SP Z.O.O.	Management Board

Audit Committee

No audit committee is established due to the modest size and complexity of the Group.

Remuneration to Management and Board of Directors

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

Research and development activities

Development of the IT platform and services is a key contributor to the continued positive development of the Group and to cater customer and supplier needs and expectations. It is expected that the Group will continue to invest in development. The Group does not conduct research activities.

Subsequent events

No events have occurred which effect the financial statement for 2018.

Outlook

In 2019, the Group expects growth of more than 5% in revenue, gross profit, EBITDA and in numbers of employees. There will be a continuous focus on the cost base in order to ensure a reasonable and controlled development of profit.

Management's review

Operating review for the parent company

The parent company's revenue amounted to DKK 776.8 million in 2018 (2017: DKK 760.9 million). The parent company's profit after tax amounted to DKK 34.3 million in 2018 (2017: DKK 20.2 million).

The parent company's equity amounted to DKK 58.5 million per 31 December 2018 (31 December 2017: DKK 47.2 million).

Besides the above mentioned, no other issues regarding the parent company are relevant which are not mentioned in the operating review for the Group.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

Note	DKK'000	Group		Parent	
		2018	2017	2018	2017
2	Revenue	956,698	910,314	776,827	760,891
	Other operating income	0	161	0	1,442
	Cost of sales	-807,688	-783,220	-673,214	-667,616
	Other external expenses	-21,569	-17,746	-8,386	-11,194
	Gross profit	127,441	109,509	95,227	83,523
3	Staff costs	-63,489	-65,376	-42,393	-43,945
	Operating profit	63,952	44,133	52,834	39,578
	Depreciation and amortisation	-10,995	-10,705	-7,130	-6,929
	Other operating expenses	0	-313	0	-109
	Profit before net financials	52,957	33,115	45,704	32,540
	Income from equity investments in group				
5	entities	0	0	1,448	-2,423
6	Financial income	844	804	823	891
7	Financial expenses	-2,561	-2,864	-1,990	-2,166
	Profit before tax	51,240	31,055	45,985	28,842
	Tax on profit for the year	-13,696	-9,520	-11,662	-8,620
	Profit for the year	37,544	21,535	34,323	20,222
	Attributable to:				
	Owners of ProData Consult A/S	34,323	20,222		
	Non-controlling interests	3,221	1,313		
		37,544	21,535		

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group		Parent	
		2018	2017	2018	2017
	ASSETS				
	Non-current assets				
9	Intangible assets				
	Goodwill	55,816	63,927	37,791	43,546
	Development projects	2,270	0	2,270	0
	Acquired rights	366	833	366	819
		<u>58,452</u>	<u>64,760</u>	<u>40,427</u>	<u>44,365</u>
10	Property, plant and equipment				
	Leasehold improvements	317	202	65	67
	Fixtures and fittings, plant and equipment	4,240	4,327	1,806	2,498
		<u>4,557</u>	<u>4,529</u>	<u>1,871</u>	<u>2,565</u>
	Other non-current assets				
11	Equity investments in subsidiaries	0	0	31,237	27,351
12	Deposits	2,859	750	758	711
		<u>2,859</u>	<u>750</u>	<u>31,995</u>	<u>28,062</u>
	Total non-current assets	<u>65,868</u>	<u>70,039</u>	<u>74,293</u>	<u>74,992</u>
	Current assets				
	Receivables				
	Trade receivables	204,502	185,820	153,143	152,937
	Receivables from group entities	0	20,379	12,703	27,312
17	Deferred tax	668	0	0	0
	Other receivables	630	6,412	542	1,044
13	Prepayments	1,034	1,867	790	835
		<u>206,834</u>	<u>214,478</u>	<u>167,178</u>	<u>182,128</u>
	Cash	<u>35,089</u>	<u>10,405</u>	<u>29,442</u>	<u>2,036</u>
	Total current assets	<u>241,923</u>	<u>224,883</u>	<u>196,620</u>	<u>184,164</u>
	TOTAL ASSETS	<u><u>307,791</u></u>	<u><u>294,922</u></u>	<u><u>270,913</u></u>	<u><u>259,156</u></u>

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	Group		Parent	
		2018	2017	2018	2017
		EQUITY AND LIABILITIES			
		Equity			
14	Share capital	500	500	500	500
	Reserve for capitalized development costs	0	0	1,770	0
	Retained earnings	58,012	46,812	56,242	46,812
	Equity holders' share of equity, ProData Consult A/S	58,512	47,312	58,512	47,312
15	Non-controlling interests	5,611	3,470	0	0
	Total equity	64,123	50,782	58,512	47,312
	Non-current liabilities				
16	Pensions and similar obligation	535	628	0	0
17	Deferred tax	770	187	770	415
	Total non-current liabilities	1,305	815	770	415
	Current liabilities				
	Short-term portion of long-term payables	0	2,738	0	2,738
	Debt to credit institutions	0	73,670	0	62,632
	Prepayments received from customers	2,279	2,961	2,035	2,960
	Trade payables	165,074	139,206	134,116	111,554
	Payables to group entities	58,775	0	59,539	11,961
	Income taxes	1,014	8,390	0	8,568
	Other payables	15,221	16,360	15,941	11,016
	Total current liabilities	242,363	243,325	211,631	211,429
	Total liabilities	243,668	244,140	212,401	211,844
	TOTAL LIABILITIES	307,791	294,922	270,913	259,156
18	Contingent liabilities				
19	Related parties				
21	Subsequent events				

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Group				
	Share capital	Retained earnings	Equity held by the owners of capital in the parent company	Non-controlling interests	Total equity
Equity at 1 January 2017	500	48,519	49,019	3,294	52,313
Other adjustments, after tax		-1,326	-1,326	0	-1,326
Equity at 1 January 2017	500	47,193	47,693	3,294	50,987
Foreign exchange adjustments, foreign subsidiary	0	-3	-3	169	166
Extraordinary dividend distribution	0	-20,600	-20,600	0	-20,600
Dividend distribution	0	0	0	-1,306	-1,306
Appropriation of profit/loss	0	20,222	20,222	1,313	21,535
Equity at 1 January 2018	500	46,812	47,312	3,470	50,782
Foreign exchange adjustments, foreign subsidiary	0	-296	-296	-81	-377
	0	0	0	0	0
Extraordinary dividend distribution	0	-22,827	-22,827	0	-22,827
Dividend distribution	0	0	0	-999	-999
Appropriation of profit/loss	0	34,323	34,323	3,221	37,544
Equity at 31 December 2018	500	58,012	58,512	5,611	64,123

DKK'000	Parent				
	Share capital	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 2017	500	5,065	0	43,454	49,019
Other adjustments, after tax	0	0	0	-1,326	-1,326
Equity at 1 January 2017	500	5,065	0	42,128	47,693
Foreign exchange adjustments, foreign subsidiaries	0	0	0	-3	-3
Extraordinary dividend distribution	0	0	0	-20,600	-20,600
Appropriation of profit/loss	0	-5,065	0	25,287	20,222
Equity at 1 January 2018	500	0	0	46,812	47,312
Foreign exchange adjustments, foreign subsidiaries	0	0	0	-296	-296
Extraordinary dividend distribution	0	0	0	-22,827	-22,827
Appropriation of profit/loss	0	0	1,770	32,553	34,323
Equity at 31 December 2018	500	0	1,770	56,242	58,512

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Cash flow statement

Note	DKK'000	Group	
		2018	2017
	Profit for the year	37,544	21,535
20	Adjustments	25,676	22,941
		63,220	44,476
	Changes in working capital:		
	Receivables	-12,067	-52,623
	Trade payables	25,868	32,881
	Other payables	-1,820	-453
	Cash generated from operations	75,201	24,281
	Interest received	844	804
	Interest paid	-2,561	-2,864
	Income taxes paid	-20,400	-10,103
	Cash flows from operating activities	53,084	12,118
	Investment in financial assets	-2,109	0
	Acquisition of intangible assets	-2,443	-22,478
	Acquisition of property, plant and equipment	-2,768	-5,692
	Disposal of property, plant and equipment	0	1,459
	Disposal of investments	0	103
	Cash flows from investing activities	-7,320	-26,608
	Loan financing:		
	Arrangement of credit for company acquisition	0	-11,075
	Repayments of loans and borrowings	-73,670	33,327
	Change in receivables and payables to/from intercompany	58,775	-141
	Change in other receivables	20,379	0
	Repayments, other	-2,738	-2,653
	Shareholders:		
	Dividend distribution	-23,826	-21,906
	Cash flows from financing activities	-21,080	-2,448
	Net cash flows	24,684	-16,938
	Cash and cash equivalents, beginning of year	10,405	27,343
	Cash and cash equivalents, year-end	35,089	10,405

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes

1 Accounting policies

The annual report of ProData Consult A/S for 2018 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The financial statements have been prepared in accordance with the same accounting policies as 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.

In the consolidated financial statements, the items of subsidiaries are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries which are not wholly-owned are included in the Group's profit/loss and equity, but are disclosed separately.

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

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.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes

1 Accounting policies (continued)

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

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 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 include consultancy services, is recognised as the services are rendered.

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, office premises, office expenses etc.

Other operating income

Other operating income comprises items secondary to the entities' activities, including gains on disposal of intangible assets and items of property, plant and equipment.

Other operating expenses

Other operating expenses comprise items secondary to the entities' activities, including losses on disposal of intangible assets and items of property, plant and equipment.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes

1 Accounting policies (continued)

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 and associates 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, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities 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 mandatory 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 acts as management 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

Goodwill

Goodwill is 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 20 years. The amortisation period 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 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.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes

1 Accounting policies (continued)

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	5 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

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

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

All other leases are considered operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed in contingencies, etc.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes

1 Accounting policies (continued)

Equity investments in subsidiaries

Equity investments in subsidiaries are measured according to the equity method in the parent company financial statements.

On initial recognition, equity investments in subsidiaries and associates 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 and associates measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of non-current assets

The carrying amount of intangible assets, property, 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.

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

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.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes

1 Accounting policies (continued)

Prepayments

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

Equity

Reserve for net revaluation according to the equity method

Net revaluation of equity investments in subsidiaries and associates 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 recognised development costs. 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 account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Income tax receivable" or "Income tax 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.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes

1 Accounting policies (continued)

Financial 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, which typically corresponds to nominal value.

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 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, and payment of dividend to shareholders.

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.

Assets in the segment comprise the assets that are used directly in the revenue-generating activity of the segment.

Segment liabilities comprise liabilities resulting from the activities of the segment, including trade and other payables.

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Notes

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	
	2018	2017	2018	2017
IT consultancy services	956,698	910,314	776,827	760,891

Revenue comprises the following geographical markets:

Denmark	747,201	740,356	747,201	740,259
Other countries	209,497	169,958	29,626	20,632
Total	956,698	910,314	776,827	760,891

3 Staff costs

Wages and salaries	51,327	58,444	35,970	38,525
Pensions	3,900	3,201	3,275	2,909
Other social security costs	3,167	1,525	350	730
Other staff costs	5,095	2,206	2,798	1,781
Total	63,489	65,376	42,393	43,945
Average number of employees during the year	130	127	78	88
Remuneration to the Executive Board and Board of Directors	2,455	2,537	2,455	2,537

Total staff costs amount to DKK 88,561 thousand. (2017: DKK 99,877 thousand). Wages and salaries for agency and project staff consultants of DKK 25,072 thousand (2017: DKK 34,501) is included in cost of sales.

4 Fees paid to auditors appointed at the annual general meeting

DKK'000	Group		Parent	
	2018	2017	2018	2017
Fee for statutory audit	295	265	210	195
Other assurance engagements	0	54	0	50
Fees for tax advisory services	50	67	50	34
Other assistance	27	650	27	596
	372	1,036	287	875

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Notes

DKK'000	Group		Parent	
	2018	2017	2018	2017
5	Income from equity investments in group entities			
Share of net profit/loss in equity investments	0	0	3,696	-151
Goodwill amortisations	0	0	-2,248	-2,272
	<u>0</u>	<u>0</u>	<u>1,448</u>	<u>-2,423</u>
6	Financial income			
Interest income from group entities	338	298	314	385
Other interest income	506	506	509	506
	<u>844</u>	<u>804</u>	<u>823</u>	<u>891</u>
7	Financial expenses			
Interest expenses, group entities	0	0	0	39
Other interest expenses	1,340	2,275	834	1,462
Foreign exchange losses	818	391	823	474
Other financial expenses	403	198	333	191
	<u>2,561</u>	<u>2,864</u>	<u>1,990</u>	<u>2,166</u>
8	Distribution of net profit			
Reserve for net revaluation according to the equity method	0	0	0	-5,065
Extraordinary dividend for the financial year	22,827	20,600	22,827	20,600
Non-controlling interests	973	1,313	3,221	0
Retained earnings	14,724	-378	12,476	4,687
	<u>38,524</u>	<u>21,535</u>	<u>38,524</u>	<u>20,222</u>
9	Intangible assets			
	Group			
DKK'000	Acquired rights	Development projects	Goodwill	
Cost at 1 January 2018	4,338	0	80,024	
Additions	0	2,400	43	
Cost at 31 December 2018	<u>4,338</u>	<u>2,400</u>	<u>80,067</u>	
Depreciations, amortisation and impairment losses at 1 January 2018	-3,519	0	-16,249	
Depreciations during the year	-453	-130	-8,002	
Amortisation and impairment losses at 31 December 2018	<u>-3,972</u>	<u>-130</u>	<u>-24,251</u>	
Carrying amount at 31 December 2018	<u>366</u>	<u>2,270</u>	<u>55,816</u>	

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes

9 Intangible assets (continued)

DKK'000	Parent		
	Acquired rights	Development projects	Goodwill
Cost at 1 January 2018	4,338	0	57,547
Additions	0	2,400	0
Cost at 31 December 2018	4,338	2,400	57,547
Amortisation and impairment losses at 1 January 2018	-3,519	0	-14,001
Amortisation	-453	-130	-5,755
Amortisation and impairment losses at 31 December 2018	-3,972	-130	-19,756
Carrying amount at 31 December 2018	366	2,270	37,791

Capitalised software relates to the internally developed IT platform ProManagement. The platform support 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.

10 Tangible assets

DKK'000	Group		
	Leasehold improvements	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2018	331	10,233	10,564
Exchange rate adjustments	0	-141	-141
Additions	71	2,678	2,749
Disposals	0	-1,057	-1,057
Cost at 31 December 2018	402	11,713	12,115
Amortisation and impairment losses at 1 January 2018	-34	-5,906	-5,940
Exchange rate adjustments	0	89	89
Depreciation during the year	-51	-2,051	-2,102
Reversal on depreciation of and impairment losses on disposed assets	0	395	395
Amortisation and impairment losses at 31 December 2018	-85	-7,473	-7,558
Carrying amount at 31 December 2018	317	4,240	4,557

DKK'000	Parent		
	Leasehold improvements	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2018	84	4,776	4,860
Additions	15	503	518
Disposals	0	-920	-920
Cost at 31 December 2018	99	4,359	4,458
Amortisation and impairment losses at 1 January 2018	-17	-2,278	-2,295
Depreciation during the year	-17	-666	-683
Depreciations regarding disposals	0	391	391
Amortisation and impairment losses at 31 December 2018	-34	-2,553	-2,587
Carrying amount at 31 December 2018	65	1,806	1,871

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11 Equity investments in subsidiaries

	Parent
	Equity investments in group entities
DKK'000	
Cost at 1 January	27,534
Additions	43
Cost at 31 December	27,577
Value adjustments at 1 January	2,153
Foreign exchange adjustment	-189
Profit/loss for the year	3,696
Dividends received	-1,917
Value adjustments at 31 December	3,743
Depreciation and impairment losses at 1 January	-2,336
Amortisation of goodwill	-2,248
Depreciation and impairment losses at 31 December	-4,584
Set-off against receivables from group entities	4,501
Carrying amount at 31 December	31,237
Goodwill on initial recognition of equity investments measures at equity value	22,478

Name and registered office	Voting rights and ownership	Recognised value DKK'000
ProData Consult International AB, Sweden	100%	0
ProData Consult GmbH, Germany	100%	0
ProData Consult Z.o.o., Poland	66%	10,383
E'liantie B.V., The Netherlands	90%	20,770

12 Other financial assets

	Parent Deposits
DKK'000	
Group	
Cost at 1 January	750
Additions	2,109
Disposals	0
Cost at 31 December	2,859
Parent	
Cost at 1 January	711
Additions	47
Disposals	0
Cost at 31 December	758

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13 Prepayments

DKK'000	Group		Parent	
	2018	2017	2018	2017
Insurance premiums	106	254		254
Rent	638	882		494
Other	290	731		87
	<u>1,034</u>	<u>1,867</u>	<u>0</u>	<u>835</u>

14 Share capital

The share capital comprises:
5,000 shares of DKK 100 each.

15 Non-controlling interests

Non-controlling interest, beginning of year	3,470	2,960	0	0
Net effect of mergers and acquisition of enterprises	0	334	0	0
Foreign currency translation adjustment of foreign enterprises	-81	169	0	0
Dividend paid	-999	-1,306	0	0
Net profit/loss for the year (distribution of net profit)	3,221	1,313	0	0
	<u>5,611</u>	<u>3,470</u>	<u>0</u>	<u>0</u>

16 Provisions for pensions and similar obligations

Provisions for pension obligations comprise retirement benefits for the Company's employees in certain subsidiaries.

17 Deferred tax

DKK'000	Group		Parent	
	2018	2017	2018	2017
Deferred tax at 1 January	-187	-370	-415	-359
Other adjustments	374	0	374	0
Deferred tax recognised in the income statement	-289	183	-729	-56
Deferred tax at 31 December	<u>-102</u>	<u>-187</u>	<u>-770</u>	<u>-415</u>

Deferred tax is recognised in the balance sheet as follows:

Deferred tax asset	-770	0	0	0
Deferred tax liability	668	-187	-770	-415
Deferred tax at 31 December	<u>-102</u>	<u>-187</u>	<u>-770</u>	<u>-415</u>

Deferred tax assets primarily related to temporary differences.

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18 Contingent liabilities

Lease commitments

The Group has concluded lease agreements with terms to maturity of between 4 and 33 months with a total lease obligation at 31 December 2018 of DKK 1,493 thousand (31 December 2017: DKK 1,763 thousand).

The Group has concluded rent agreements which can be terminated between 3 and 61 months with a total rent obligation at 31 December 2018 of DKK 33,667 thousand (31 December 2017: DKK 26,696 thousand).

Lease commitments

The Company has concluded lease agreements with terms to maturity of between 30 and 33 months with a total lease obligation per 31 December 2018 of DKK 548 thousand (31 December 2017: DKK 59 thousand).

The Company has concluded rent agreements which can be terminated between 3 and 36 months with a total rent obligation per 31 December 2018 of DKK 3,023 thousand (31 December 2017: DKK 3,743 thousand).

Pledges and guarantee commitments

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

Further, a floating charge of DKK 25 million in the assets of ProData Consult A/S and SEK 0.8 million in the assets of the subsidiary in Sweden has been provided.

ProData Holding A/S, ProData BidCo A/S and ProData Consult A/S and its subsidiaries in Poland and Sweden jointly guarantee as obligor for any amounts due under the senior facility agreement.

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.

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19 Related parties

ProData Consult A/S' related parties comprise the following:

Parties exercising control

ProData Holding A/S.

ProData BidCo A/S holds 100% of the share capital in the entity.

The Group is included in the consolidated financial statements of Prodata BidCo A/S and Prodata Holding A/S.

Related party transactions include:

DKK'000	Group	Parent
	2018	2018
Sale of services	0	948
Purchases	0	106,208
Interest bearing loans and borrowings	-58,407	-58,407
Trade receivables	0	12,703
Trade payables	0	-1,132
Interest income from group entities	338	314

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

20 Adjustments for the cash flow statement

DKK'000	Group	
	2018	2017
Depreciation, amortisation, impairment losses and write-downs	10,995	10,705
Financial income	-844	-804
Financial expenses	2,561	2,864
Tax on profit or loss for the year	13,696	9,520
Other provisions	-93	156
Other adjustments	-639	500
	<u>25,676</u>	<u>22,941</u>

21 Subsequent events

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