
SameSystem A/S

Rentemestervej 2A, DK-2400 Copenhagen

Annual Report for 1 October 2023 - 30 September 2024

CVR No. 31 48 79 27

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 29/1 2025

Leif Vestergaard
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of SameSystem A/S for the financial year 1 October 2023 - 30 September 2024.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 30 September 2024 of the Company and the Group and of the results of the Company and Group operations for 2023/24.

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

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

Copenhagen, 6 January 2025

Executive Board

Carsten Fensholt
CEO

Thomas Hviid Kobbernagel Sølvsten
CFO

Board of Directors

Leif Vestergaard
Chairman

Henrik Byrial Ritlov

Tommy Høyrup Holte

Christian Higræff

Michael Holmberg Andersen

Independent Auditor's report

To the shareholders of SameSystem A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 30 September 2024 and of the results of the Group's and the Parent Company's operations for the financial year 1 October 2023 - 30 September 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of SameSystem A/S for the financial year 1 October 2023 - 30 September 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

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

Management's responsibilities for the Financial Statements

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

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

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- 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.

Independent Auditor's report

Hellerup, 6 January 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jakob Thisted Binder

State Authorised Public Accountant

mne42816

Sune Christensen Bjerre

State Authorised Public Accountant

mne47832

Company information

The Company	SameSystem A/S Rentemestervej 2A DK-2400 Copenhagen CVR No: 31 48 79 27 Financial period: 1 October 2023 - 30 September 2024 Municipality of reg. office: Copenhagen
Board of Directors	Leif Vestergaard, chairman Henrik Byrial Ritlov Tommy Høyrup Holte Christian Higræff Michael Holmberg Andersen
Executive Board	Carsten Fensholt Thomas Hviid Kobbernagel Sølvsten
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Management's review

Key activities

The Group and Company's main activities are IT and software business and related activities.

SameSystem is a Software-as-a-Service (SaaS) company providing a workforce management (WFM) solution.

The SaaS solution fundamentally enables companies to optimise their organisations' performance by ensuring the right people are at the right place at the right time, so managers and employees can create more sales, lower costs and provide better customer service.

Market overview

The market continues to develop positively despite the pressure on the retail sector. A financially strained Retail industry has an even greater need for our solutions to optimise staff costs and maximise sales. Our pipeline is very strong, with significant buying interest from large customers seeking to replace 10-15-year-old systems with modern solutions that support their business.

Development in the year

The income statement of the Group for 2023/24 shows a loss of TDKK 8,719, and at 30 September 2024 the balance sheet of the Group shows a positive equity of TDKK 11,393.

Normalised operating profit (EBITDA) for FY2023/24 was DKK 3.8 million, an improvement of DKK 6.5 million compared to FY2022/23, driven by growth and cost adjustments. We expect to continue the strong underlying improvement in operating results. The FY2023/24 result is considered satisfactory.

The past year and follow-up on development expectations from last year

Gross Profit grew by 11% compared to FY2022/23. While acceptable, this was slightly below expectations due to timing of new sales. Q1 was weaker than expected, but sales in Q2 and Q3 significantly exceeded expectations. Q4 was slightly lower than anticipated due to delay in customers signing new agreed contracts. However, our pipeline is strong, and Q1 FY2024/25 expectations are significantly higher than previous quarters, promising a positive outlook for FY2024/25.

SameSystem restructuring completed

At the extraordinary general meeting on November 5, 2023, we decided to delist from Nasdaq Copenhagen, completed on January 18, 2024. The purpose was to maximise SameSystem's value, which, in our assessment, could no longer be realised on Nasdaq Copenhagen due to low stock liquidity, disappointing company performance, and general macroeconomic factors such as higher interest rates and inflation. Delisting allows us to raise new capital and explore opportunities for acquisitions, mergers, or a potential sale to maximise future value. It also enables administrative savings and business simplification. After three years of significant operational losses, we have returned to a normalised EBITDA (Danish GAAP) of DKK 3.8 million compared to DKK -2.7 million in FY2022/23 (Numbers restated from IFRS to Local GAAP). Due to one-time costs related to delisting and restructuring, the reported EBITDA was DKK -1.6 million, including one-time expenses of DKK 5.4 million.

Personnel

We are fully focused on training and developing our employees. Our key to success is our people; we actively work to develop them and minimise churn. Our development department in Vilnius has exceptionally low churn and is one of our strongest assets.

Security

We have renewed our ISAE 3000 certification for 2025 and are actively preparing for NIS2 compliance in 2025.

Management's review

Research and development

In FY2023/24, we maintained our historically strong focus on improving our software platform, investing DKK 5.4 million in further AI/Forecasting and feature/zone-based planning development. Our ambition is to focus 100% on retail and hospitality and offer the best workforce management solutions in these two business verticals. Two large customers are testing our AI/Forecasting solutions, and we plan to roll them out to more customers in 2025.

External environment

Generally, we have a minimal negative environmental impact. We have introduced waste sorting at all offices and are working with our operations supplier, Hetzner GmbH, to minimise electricity consumption in server operations.

Uncertainty relating to recognition and measurement

Reference is made to Note 2.

Unusual events

The financial position at 30 September 2024 of the Group and the results of the activities and cash flows of the Group for the financial year for 2023/24 have not been affected by any unusual events.

Subsequent events

Reference is made to Note 13.

Income statement 1 October 2023 - 30 September 2024

	Note	Group		Parent company	
		2023/24	2022/23	2023/24	2022/23
		TDKK	TDKK	TDKK	TDKK
Gross profit	5	40,117	36,285	16,683	19,822
Staff expenses	5,4	-41,760	-38,942	-21,981	-23,688
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-6,212	-5,013	-6,076	-4,872
Profit/loss before financial income and expenses		-7,855	-7,670	-11,374	-8,738
Financial income		9	0	53	1
Financial expenses	6	-849	-405	-874	-295
Profit/loss before tax		-8,695	-8,075	-12,195	-9,032
Tax on profit/loss for the year	7	-24	-5,353	0	-5,401
Net profit/loss for the year		-8,719	-13,428	-12,195	-14,433

Distribution of profit

	Parent company	
	2023/24	2022/23
	TDKK	TDKK
Proposed distribution of profit		
Retained earnings	-12,195	-14,433
	-12,195	-14,433

Balance sheet 30 September 2024

Assets

	Note	Group		Parent company	
		2023/24	2022/23	2023/24	2022/23
		TDKK	TDKK	TDKK	TDKK
Completed development projects		29,696	22,751	29,696	22,751
Development projects in progress		4,181	11,627	4,181	11,627
Intangible assets	8	33,877	34,378	33,877	34,378
Other fixtures and fittings, tools and equipment		717	576	470	374
Property, plant and equipment	9	717	576	470	374
Investments in subsidiaries	10	0	0	327	327
Deposits	11	682	792	550	515
Fixed asset investments		682	792	877	842
Fixed assets		35,276	35,746	35,224	35,594
Raw materials and consumables		167	63	167	63
Inventories		167	63	167	63
Trade receivables		2,197	1,179	1,668	1,142
Other receivables		66	156	0	0
Corporation tax		119	0	0	0
Prepayments		1,986	761	1,929	971
Receivables		4,368	2,096	3,597	2,113
Cash at bank and in hand		1,472	2,392	1,042	1,997
Current assets		6,007	4,551	4,806	4,173
Assets		41,283	40,297	40,030	39,767

Balance sheet 30 September 2024

Liabilities and equity

	Note	Group		Parent company	
		2023/24	2022/23	2023/24	2022/23
		TDKK	TDKK	TDKK	TDKK
Share capital		732	732	732	732
Share premium account		0	0	0	0
Reserve for development costs		0	0	33,877	34,378
Retained earnings		10,661	20,983	-25,913	-14,021
Equity		11,393	21,715	8,696	21,089
Prepayments received from customers		8,610	6,653	8,610	6,653
Trade payables		4,763	2,870	3,164	2,451
Payables to group enterprises		0	0	3,838	1,406
Payables to owners and Management		0	82	0	82
Corporation tax		0	0	0	558
Other payables		16,517	8,977	15,722	7,528
Short-term debt		29,890	18,582	31,334	18,678
Debt		29,890	18,582	31,334	18,678
Liabilities and equity		41,283	40,297	40,030	39,767
Going concern	1				
Uncertainty relating to recognition and measurement	2				
Contingent assets, liabilities and other financial obligations	12				
Subsequent events	13				
Accounting Policies	14				

Statement of changes in equity

Group

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 October 2023	732	20,983	21,715
Net effect of correction of material misstatements	0	-1,603	-1,603
Adjusted equity at 1 October 2023	732	19,380	20,112
Net profit/loss for the year	0	-8,719	-8,719
Equity at 30 September 2024	732	10,661	11,393

Group

	Share capital	Share premium account	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 October 2022	702	0	31,974	32,676
Net effect of correction of material misstatements	0	0	-1,651	-1,651
Net effect from change of accounting policy	0	0	244	244
Adjusted equity at 1 October 2022	702	0	30,567	31,269
Exchange adjustments	0	0	-106	-106
Cash capital increase	30	3,535	0	3,565
Other equity movements	0	0	415	415
Net profit/loss for the year	0	0	-13,428	-13,428
Transfer from share premium account	0	-3,535	3,535	0
Equity at 30 September 2023	732	0	20,983	21,715

Parent company

	Share capital	Reserve for development costs	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 October 2023	732	34,378	-14,021	21,089
Net effect from change of accounting policy	0	0	-198	-198
Adjusted equity at 1 October 2023	732	34,378	-14,219	20,891
Development costs for the year	0	4,138	-4,138	0
Depreciation, amortisation and impairment for the year	0	-4,639	4,639	0
Net profit/loss for the year	0	0	-12,195	-12,195
Equity at 30 September 2024	732	33,877	-25,913	8,696

Statement of changes in equity

Parent company

	Share capital	Share premium account	Reserve for development costs	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 October 2022	702	0	27,082	5,105	32,889
Net effect of correction of material misstatements	0	0	-1,288	-363	-1,651
Adjusted equity at 1 October 2022	702	0	25,794	4,742	31,238
Cash capital increase	30	3,555	0	0	3,585
Other equity movements	0	-3,555	-289	4,543	699
Development costs for the year	0	0	13,661	-13,661	0
Depreciation, amortisation and impairment for the year	0	0	-4,788	4,788	0
Net profit/loss for the year	0	0	0	-14,433	-14,433
Equity at 30 September 2023	732	0	34,378	-14,021	21,089

Notes to the Financial Statements

1. Going concern

The Group has in 2023/24 realized a loss of DKK 8.7 million and the equity as of 30 September 2024 amounts to DKK 11.4 million. The available cash including external credit facilities as 30 September 2024 amounts to DKK 1.5 million. The Group has after the balance sheet date obtained a temporarily credit facility of DKK 5.0 million from the main shareholder which expires in January 2025 to ensure that sufficient liquidity is available.

The Group has prepared a P&L and liquidity forecast for 2024/25. The forecast indicates a positive result and the liquidity forecast shows headroom throughout the financial year. The main assumptions in the liquidity forecasts are in all material aspects within the Group's own control.

Based on the above the liquidity and capital resources are deemed sufficient.

2. Uncertainty relating to recognition and measurement

Development Projects

The carrying amount of the Group's fixed assets, including in particular the Group's development projects, requires assessments, estimates and assumptions about future events.

The estimates and assumptions made are based on historical experience that Management considers appropriate in the circumstances and are inherently uncertain and unpredictable. As a result of the risks and uncertainties to which the Group is exposed, the actual results may differ from the estimates made. In respect of SameSystem A/S, the measurement of the value of the assets may be significantly affected by material changes in estimates and assumptions or due to new knowledge or subsequent events.

At 30 September 2024, the Group has a total of DKK 33.9 million in capitalised development projects, which are expected to represent the future value for the Company and which meet the recognition criteria of the Danish Financial Statements Act. A number of the Group's projects are still in a relatively early phase, and therefore, there is greater inherent uncertainty in relation to the exact future market potential.

3. Other operating income

Other income

Group		Parent company	
2023/24	2022/23	2023/24	2022/23
TDKK	TDKK	TDKK	TDKK
40	1,016	1,800	1,016
40	1,016	1,800	1,016

Notes to the Financial Statements

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
4. Staff expenses				
Wages and salaries	39,671	35,507	20,059	21,644
Pensions	1,071	1,072	1,071	882
Other social security expenses	1,018	2,363	851	1,162
	41,760	38,942	21,981	23,688
Including remuneration to the Executive Board and Board of Directors:				
Executive board	3,095	2,495	3,095	2,495
Board of directors	500	320	500	320
	3,595	2,815	3,595	2,815
Average number of employees	70	72	30	32

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
5. Special items				
Transaction costs	2,732	0	2,732	0
Restructuring costs	2,744	0	2,744	0
	5,476	0	5,476	0

- Gross loss for the Parent and the Group are affected negatively by TDKK 2,732 in 2023/2024
- Staff cost for the Parent and the Group are affected negatively by TDKK 2,744 in 2023/2024

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
6. Financial expenses				
Interest expenses	700	347	725	237
Foreign exchange losses	83	58	83	58
Other financial expenses	66	0	66	0
	849	405	874	295

Notes to the Financial Statements

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
7. Income tax expense				
Current tax for the year	24	-48	0	5,401
Deferred tax for the year	0	4,843	0	0
Adjustment of tax concerning previous years	0	558	0	0
	24	5,353	0	5,401

8. Intangible fixed assets

	Group		Parent company	
	Completed development projects	Development projects in progress	Completed development projects	Development projects in progress
	TDKK	TDKK	TDKK	TDKK
Cost at 1 October	47,451	11,627	47,451	11,627
Additions for the year	0	5,446	0	5,446
Transfers for the year	12,892	-12,892	12,892	-12,892
Cost at 30 September	60,343	4,181	60,343	4,181
Impairment losses and amortisation at 1 October	24,700	0	24,700	0
Amortisation for the year	5,947	0	5,947	0
Impairment losses and amortisation at 30 September	30,647	0	30,647	0
Carrying amount at 30 September	29,696	4,181	29,696	4,181

At the balance sheet date, the Group has several development projects. The development projects are AI/Forecasting and feature/zone-based planning development.

The Group's development projects are developing according to plan and it is expected that all the development projects can be commercialized.

A reference to note 2 concerning "uncertainty relating to recognition and measurement" is made for further description.

Notes to the Financial Statements

9. Property, plant and equipment

	Group	Parent company
	Other fixtures and fittings, tools and equipment	Other fixtures and fittings, tools and equipment
	TDKK	TDKK
Cost at 1 October	1,807	958
Additions for the year	412	225
Cost at 30 September	2,219	1,183
Impairment losses and depreciation at 1 October	1,231	584
Depreciation for the year	271	129
Impairment losses and depreciation at 30 September	1,502	713
Carrying amount at 30 September	717	470

Parent company	
2023/24	2022/23
TDKK	TDKK

10. Investments in subsidiaries

Cost at 1 October	327	327
Cost at 30 September	327	327
Carrying amount at 30 September	327	327

11. Other fixed asset investments

	Group	Parent company
	Deposits	Deposits
	TDKK	TDKK
Cost at 1 October	792	550
Disposals for the year	-110	0
Cost at 30 September	682	550
Carrying amount at 30 September	682	550

Notes to the Financial Statements

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
	TDKK	TDKK	TDKK	TDKK
12. Contingent assets, liabilities and other financial obligations				
Charges and security				
The following assets have been placed as security with loan providers.				
For loan providers, security has been made in Fixed Assets, Inventories, and Trade receivables.				
Total loan is TDKK 9,954.				
Amounts for security totals:	36,647	0	36,647	0
Rental and lease obligations				
Lease obligations, period of non-terminability 29 months	4,446	4,958	3,507	4,958
Other contingent liabilities				
At the balance sheet data, a lawsuit of 750 tDKK is pending against the company and the Group regarding the stock listing in 2021. The outcome is uncertain, and the company and the Group does not expect any significant impact on its financial position.				

13. Subsequent events

The Company has after the Balance Sheet date received a loan of DKK 5 million from the main shareholder which expires in January 2025. No other events are materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

14. Accounting policies

The Annual Report of SameSystem A/S for 2023/24 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023/24 are presented in TDKK.

Changes in accounting policies

The Group has chosen to prepare the consolidated financial statements for 2023/24 in accordance with the provisions of the Danish Financial Statements Act. Previously, the consolidated financial statements were prepared in accordance with IFRS. Comparative figures for 2022/23 have been adjusted as of October 1, 2022.

The transition to preparing the consolidated financial statements under the provisions of the Danish Financial Statements Act has led to a change in the applied accounting policies in the following areas:

The income statement within Consolidated Financial Statement has for the financial year 2022/23 been positively impacted by TDKK 43 due to reversed depreciations and financial expenses following the reversal of IFRS 16. The equity was adjusted by TDKK 244 as a result of the reversal of IFRS 2. Additionally the total assets decreased by TDKK 5,740 and the liabilities decreased by TDKK 5,740.

The above have no tax implication.

Correction of material misstatements

The Parent Company has in 2023/2024 adjusted the comparative figures due to additional costs recognized in subsidiaries which relates to prior year. The accumulated effect for the financial year 2022/23 is TDKK 1,651.

The Parent Company has in 2023/2024 adjusted the comparative figures due to a reclassification misstatement between staff expenses and operating expenses. Staff cost has therefore decreased with TDKK 11.408 in 2022/2023.

The error mentioned above doesn't lead to any tax concerns or changes.

Recognition and measurement

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

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

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

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

Notes to the Financial Statements

Basis of consolidation

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

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

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

Translation policies

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

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

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

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

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

Income statement

Revenue

As income recognition criterion for license sales, the sales method is applied. Revenue is recognised in the income statement when delivery is made and risk has been transferred to the buyer before the end of the financial year.

As income recognition criterion for sale of support and maintenance, the sales method is applied. Revenue is recognised over the contract period regarding support and maintenance and therefore deferred revenue is recognised within the balance sheet.

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

Notes to the Financial Statements

Other external expenses

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

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, work on own account recognised in assets, other operating income and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

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

Financial income and expenses

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

Tax on profit/loss for the year

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

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 7 year.

Property, plant and equipment

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

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

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

Other fixtures and fittings, tools and equipment	5-10 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

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

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

Investments in subsidiaries

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

Other fixed asset investments

Other fixed asset investments consist of deposit.

Notes to the Financial Statements

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of raw materials and consumables equals landed cost.

Receivables

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

Prepayments

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

Current tax receivables and liabilities

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

Financial liabilities

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

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