mpeople A/S

Nymøllevej 50, 2800 Kongens Lyngby

CVR no. 36 68 26 47

Annual report 2020/21

Approved at the Company's annual general meeting on 29 October 2021

Chair of the meeting:

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Penneo dokumentnøgle: 04HH4-IQB1L-4K616-7456Y-76B5J-CEM5T

Building a better working world

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of mpeople A/S for the financial year 1 July 2020 - 30 June 2021.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 - 30 June 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Kongens Lyngby, 29 October 2021
Executive Board:

Lars Blauenfeldt

Tommy Both Juul

Board of Directors:

Søren Bunk Jensen
Chair

Rune Petter Domsten

Søren Henning Rudfred

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Independent auditor's report

To the shareholders of mpeople A/S

Opinion

We have audited the financial statements of mpeople A/S for the financial year 1 July 2020 - 30 June 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 - 30 June 2021 in accordance with the Danish Financial Statements Act.

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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 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 the 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.

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Independent auditor's report

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Aarhus, 29 October 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Peter U. Faurschou
State Authorised Public Accountant
mne34502

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Management's review

Company details

Name	mpeople A/S
Address, Postal code, City	Nymøllevej 50, 2800 Kongens Lyngby
CVR no.	36 68 26 47
Established	16 March 2015
Registered office	Lyngby-Taarbæk
Financial year	1 July 2020 - 30 June 2021
Board of Directors	Søren Bunk Jensen, Chair Rune Petter Domsten Søren Henning Rudfred
Executive Board	Lars Blauenfeldt Tommy Both Juul
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management commentary

Business review

The company´s purpose is to carry out advisory, it-consultancy and other related activities.

Financial review

The income statement for 2020/21 shows a profit of DKK 4,095,074 against a loss of DKK 462,012 last year, and the balance sheet at 30 June 2021 shows equity of DKK 7,344,296.

Management considers the results satisfactory.

According to the merger plan, Mpeople A/S merged with Uni Consulting ApS, with Mpeople A/S as the continuing company. Uni Consulting ApS was registered with the Danish Business Authority as being disolved at 3 November 2020. For accounting purposes, the merger takes effect from 1 July 2020.
In connection with that, a capital increase was made with a nominal value of DKK 850.000 at a share price of 855,89.
The share capital is now DKK 1.250.000.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

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Financial statements 1 July 2020 - 30 June 2021

Income statement

Note	DKK	2020/21 12 months	2020 6 months
	Gross profit	24,842,307	1,843,462
2	Staff costs	-19,366,192	-2,339,744
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-94,756	-19,333
	Profit/loss before net financials	5,381,359	-515,615
	Financial income	326	0
3	Financial expenses	-106,183	-38,353
	Profit/loss before tax	5,275,502	-553,968
4	Tax for the year	-1,180,428	91,956
	Profit/loss for the year	4,095,074	-462,012
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	4,095,074	-462,012
		4,095,074	-462,012

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Financial statements 1 July 2020 - 30 June 2021

Balance sheet

Note	DKK	2020/21	2020
	ASSETS		
	Fixed assets		
5	**Property, plant and equipment**		
	Fixtures and fittings, other plant and equipment	1,244,596	91,615
		1,244,596	91,615
	Investments		
	Deposits, investments	76,350	39,300
		76,350	39,300
	Total fixed assets	1,320,946	130,915
	Non-fixed assets		
	Receivables		
	Trade receivables	21,362,517	4,026,993
6	Construction contracts	1,602,894	0
	Receivables from group enterprises	483,540	0
	Deferred tax assets	16,800	34,100
	Joint taxation contribution receivable	0	86,718
	Other receivables	0	195,947
	Prepayments	37,792	0
		23,503,543	4,343,758
	Cash	152,282	2,144,472
	Total non-fixed assets	23,655,825	6,488,230
	TOTAL ASSETS	24,976,771	6,619,145

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Financial statements 1 July 2020 - 30 June 2021

Balance sheet

Note	DKK	2020/21	2020
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	1,250,000	400,000
	Retained earnings	6,094,296	-425,892
	Dividend proposed	0	0
	Total equity	7,344,296	-25,892
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
	Other payables	1,170,314	83,871
		1,170,314	83,871
	Current liabilities other than provisions		
	Bank debt	591,006	43,792
	Lease liabilities	1,131,749	0
	Trade payables	6,304,900	2,806,296
	Payables to group enterprises	3,508,682	1,573,007
	Corporation tax payable	1,163,005	128,348
	Other payables	3,762,819	2,009,723
		16,462,161	6,561,166
		17,632,475	6,645,037
	TOTAL EQUITY AND LIABILITIES	24,976,771	6,619,145

1 Accounting policies
7 Contractual obligations and contingencies, etc.
8 Collateral

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Financial statements 1 July 2020 - 30 June 2021

Statement of changes in equity

DKK	Share capital	Retained earnings	Dividend proposed	Total
Equity at 1 July 2020	400,000	-425,892	0	-25,892
Transfer through appropriation of profit	0	4,095,074	0	4,095,074
Additions on merger/corporate acqusition	850,000	2,425,114	4,000,000	7,275,114
Dividend distributed	0	0	-4,000,000	-4,000,000
Equity at 30 June 2021	1,250,000	6,094,296	0	7,344,296

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Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 Accounting policies

The annual report of mpeople A/S for 2020/21 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Intra-group business combinations

The book value method is applied to business combinations such as acquisition and disposal of investments, mergers, demergers, contributions of assets and share conversions, etc. in which entities controlled by the parent company are involved, provided that the combination is considered completed at the time of acquisition without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly in equity.

Income statement

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

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

Gross profit

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Depreciation

The item comprises depreciation of property, plant and equipment.

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Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 Accounting policies (continued)

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	3-7 years

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

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

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (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 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.

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Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 Accounting policies (continued)

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 tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's 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 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.

Construction contracts

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

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Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 Accounting policies (continued)

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the 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 and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or 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 is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

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. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

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Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

	DKK	2020/21 12 months	2020 6 months
2	**Staff costs**		
	Wages/salaries	16,482,296	2,298,770
	Pensions	2,357,615	0
	Other social security costs	165,421	28,469
	Other staff costs	360,860	12,505
		19,366,192	2,339,744
	Average number of full-time employees	23	6
3	**Financial expenses**		
	Interest expenses, group entities	9,641	10,667
	Other financial expenses	96,542	27,686
		106,183	38,353
4	**Tax for the year**		
	Estimated tax charge for the year	1,163,228	0
	Deferred tax adjustments in the year	17,200	-5,238
	Refund in joint taxation	0	-86,718
		1,180,428	-91,956

5 Property, plant and equipment

DKK	Fixtures and fittings, other plant and equipment
Cost at 1 July 2020	193,327
Additions on merger/corporate acquisition	16,077
Additions	1,247,416
Cost at 30 June 2021	1,456,820
Impairment losses and depreciation at 1 July 2020	101,712
Accumulated impairment losses and depreciation of additions through mergers and business combinations	9,757
Depreciation	100,755
Impairment losses and depreciation at 30 June 2021	212,224
Carrying amount at 30 June 2021	1,244,596

Note 8 provides more details on security for loans, etc. as regards property, plant and equipment.

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Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

	DKK	2020/21	2020
6	**Construction contracts**		
	Selling price of work performed	1,602,894	0
		1,602,894	0
	recognised as follows:		
	Construction contracts (assets)	1,602,894	0
		1,602,894	0

7 Contractual obligations and contingencies, etc.

The Company is jointly taxed with its parent, DIS Group Holding A/S which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2021 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 10 October 2020.

Other financial obligations

Rent and lease liabilities include a rent obligation totalling t.DKK 107 in interminable rent agreements with remaining contract terms of 3 months.

8 Collateral

The Company has not provided any security or other collateral in assets at 30 June 2021.

The Company has provided suretyship to the bank for other group entities' debt.

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Lars Blauenfeldt
Direktion
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2021-11-03 12:38:57 UTC
NEM ID

Tommy Both Juul
Direktion
På vegne af: mpeople A/S
Serienummer: PID:9208-2002-2-676527298490
IP: 87.104.xxx.xxx
2021-11-04 07:10:47 UTC
NEM ID

Rune Petter Domsten
Bestyrelse
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Serienummer: PID:9208-2002-2-425762574798
IP: 62.66.xxx.xxx
2021-11-04 08:17:15 UTC
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Søren Henning Rudfred
Bestyrelse
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Serienummer: PID:9208-2002-2-582661736318
IP: 87.59.xxx.xxx
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Søren Bunk Jensen
Bestyrelse
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Peter Ulrik Faurschou
Statsautoriseret revisor
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Serienummer: CVR:30700228-RID:78371490
IP: 85.191.xxx.xxx
2021-11-09 12:47:18 UTC
NEM ID

Eske Mathias Ulsted Sørensen
Dirigent
På vegne af: mpeople A/S
Serienummer: PID:9208-2002-2-788495883085
IP: 213.237.xxx.xxx
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