

# netcompany

# Q2 | 21

Company Announcement  
Six months ended 30 June 2021

Netcompany continues to grow and  
lifts expectations to full year revenue growth

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# Summary

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In Q2 2021, revenue grew organically by 21.2% in constant currencies to DKK 818.6m compared to the same period last year. In reported currencies revenue grew 22.4%.

Adjusted EBITA grew 3.3% to DKK 166.7m corresponding to an adjusted EBITA margin of 20.2% compared to 23.9% in Q2 2020.

Average number of full-time employees grew by 575, equal to an increase of 21.6% to 3,238 compared to 2,663 in Q2 2020.

Free cash flow was negative DKK 10.2m, impacted by a voluntary one-off payment to the Danish Vacation Fund of DKK 96.9m due to the new Danish Holiday Act. Normalised for the payment to the Danish Vacation Fund and on account income tax payments free cash flow was DKK 47.7m.

By the start of July 2021, revenue visibility for the full year increased by 23.4% to DKK 3,064.5m compared to DKK 2,483.6m at the beginning of July 2020 of which DKK 1,681.8m reflects realised revenue in the first half of 2021.

For 2021, Netcompany lifts expectations to organic revenue growth in constant currencies to be around 18%-20%. Netcompany still expects adjusted EBITA margin in constant currencies to be around 23-25%.

“In Q2 2021, we grew 21% and continued the strong momentum from the first quarter of 2021.

With the growth achieved in both the UK and Norway we see that the increased usage of resources across the Group was the right investment made to support long term sustainable growth.

Our continued growth is dependent on our ability to maintain and attract talent and I am pleased to have welcomed more than 350 new Netcompany employees to our large and growing family during the quarter.

As COVID-19 restrictions ease, we have increased our activities with our employees, and I am delighted to see more and more of our talented employees and meet our customers in face-to-face engagements again.

I am excited about the outlook for Netcompany and look forward to continue to expand our presence in Northern Europe together with our employees, customers and other key stakeholders.”

**André Rogaczewski**

NETCOMPANY CEO AND CO-FOUNDER

# Performance highlights Q2

## Financial overview

DKK million	Q2 2021 (reported)	Q2 2021 (constant)*	Q2 2020	% change (reported)	% change (constant)*
Revenue	826.7	818.6	675.5	22.4%	21.2%
Gross profit	293.4	290.3	259.7	13.0%	11.8%
Adjusted EBITA	166.7	164.5	161.3	3.3%	1.9%
<i>Adjusted EBITA margin</i>	20.2%	20.1%	23.9%	-3.7pp	-3.8pp
EBITA	166.7	164.5	161.3	3.3%	1.9%
<i>EBITA margin</i>	20.2%	20.1%	23.9%	-3.7pp	-3.8pp
Operating profit	157.7	155.5	136.0	15.9%	14.3%
<i>Operating profit margin</i>	19.1%	19.0%	20.1%	-1.1pp	-1.1pp
Net profit / loss	112.4	110.3	96.0	17.1%	14.9%
Free cash flow	-10.2	N/A	103.1	-109.9%	N/A
Cash conversion rate	-8.5%	N/A	89.1%	-97.7pp	N/A

\*Constant currencies measured using average exchange rates for Q2 2020

- Revenue increased by 22.4% to DKK 826.7 in reported currencies and by 21.2% in constant currencies.
- Gross profit margin was 35.5% against 38.4% in Q2 2020.
- Adjusted EBITA margin was 20.2% against 23.9% in Q2 2020.
- Free cash flow was DKK -10.2m and was negatively impacted by a one-off payment to the Danish Vacation Fund of DKK 96.9m. Adjusted for this, free cash flow was DKK 86.8m.
- Cash conversion rate was -8.5%. Adjusted for the payment to the Danish Vacation Fund and on account income tax payments conversion rate was 39.9%.
- Debt leverage to 12 months rolling adjusted EBITA was 0.8.

# Performance highlights First 6 months

## Financial overview

DKK million	YTD 2021 (reported)	YTD 2021 (constant)*	YTD 2020	% change (reported)	% change (constant)*	Total 2020
Revenue	1,681.8	1,674.4	1,371.1	22.7%	22.1%	2,838.6
Gross profit	619.0	615.0	534.2	15.9%	15.1%	1,155.2
Adjusted EBITA	383.0	379.3	325.4	17.7%	16.6%	744.4
<i>Adjusted EBITA margin</i>	22.8%	22.7%	23.7%	-1.0pp	-1.1pp	26.2%
EBITA	383.0	379.3	325.4	17.7%	16.6%	744.4
<i>EBITA margin</i>	22.8%	22.7%	23.7%	-1.0pp	-1.1pp	26.2%
Operating profit	364.8	361.2	274.8	32.8%	31.4%	644.9
<i>Operating profit margin</i>	21.7%	21.6%	20.0%	1.7pp	1.5pp	22.7%
Net profit / loss	311.9	308.4	188.8	65.2%	63.3%	321.9
Free cash flow	90.4	N/A	198.2	-54.4%	N/A	557.0
Cash conversion rate	27.7%	N/A	86.8%	-59.1pp	N/A	139.4%

\*Constant currencies measured using average exchange rates for 2020

- Revenue increased by 22.7% to DKK 1,681.8m in reported currencies and by 22.1% in constant currencies.
- Gross profit margin was 36.8% against 39% for the same period in 2020.
- Adjusted EBITA increased 17.7% and yielded a margin of 22.8%.
- Free cash flow was DKK 90.4m for the first 6M in 2021 compared to DKK 198.2m for the first 6M in 2020. Adjusted for the payment to the Danish Vacation Fund, free cash flow was DKK 187.3m.
- Cash conversion rate was 27.7%. Adjusted for the payment to the Danish Vacation Fund and on account income tax payments conversion rate was 67.9%.

# Conference call details

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In connection with the publication of the results for Q2 2021, Netcompany will host a conference call on 18 August 2021 at 11.00 CEST.

The conference call will be held in English and can be followed live via the company's website; [www.netcompany.com](http://www.netcompany.com).

## Dial-in details for investors and analysts

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## Webcast Player URL

<https://streams.eventcdn.net/netcompany/2021q2>

## Additional information

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# Financial highlights and key figures

DKK million	Q2 2021	Q2 2020	% change Q2	YTD 2021	YTD 2020	% change YTD
<b>Income statement</b>						
Revenue						
Public	488.0	442.2	10.4%	990.3	875.5	13.1%
Private	338.7	233.4	45.1%	691.5	495.6	39.5%
<i>Revenue by segments, total</i>	826.7	675.5	22.4%	1,681.8	1,371.1	22.7%
Development	513.2	347.4	47.7%	1,030.7	703.2	46.6%
Maintenance	313.5	328.1	-4.5%	651.2	668.0	-2.5%
<i>Revenue by types, total</i>	826.7	675.5	22.4%	1,681.8	1,371.1	22.7%
Organic	826.7	667.1	23.9%	1,681.8	1,345.0	25.0%
Acquisition	0.0	8.5	-100.0%	0.0	26.2	-100.0%
<i>Revenue by growth, total</i>	826.7	675.5	22.4%	1,681.8	1,371.1	22.7%
Special items	0.0	0.0	N/A	0.0	-0.0	-100.0%
Adjusted EBITA	166.7	161.3	3.3%	383.0	325.4	17.7%
EBITA	166.7	161.3	3.3%	383.0	325.4	17.7%
Operating profit (EBIT)	157.7	136.0	15.9%	364.8	274.8	32.8%
Net financials	-6.7	-16.2	-58.3%	-13.4	-35.3	-62.1%
Net profit / loss	112.4	96.0	17.1%	311.9	188.8	65.2%
<b>Financial position</b>						
Capex	-5.0	-3.3	50.3%	-23.2	-14.9	55.7%
Total assets	4,090.0	3,916.8	4.4%	4,090.0	3,916.8	4.4%
Equity	2,666.4	2,281.1	16.9%	2,666.4	2,281.1	16.9%
Dividends Paid	0.0	0.0	N/A	-49.1	0.0	N/A
Net increase in cash and cash equivalents	-134.6	92.1	-246.2%	-184.2	175.9	-204.8%
Free cash flow	-10.2	103.1	-109.9%	90.4	198.2	-54.4%
Free cash flow (tax normalised)	-49.2	75.7	-165.0%	124.6	211.8	-41.2%

**CONTINUED FINANCIAL HIGHLIGHTS AND KEY FIGURES**

DKK million	Q2 2021	Q2 2020	% change Q2	YTD 2021	YTD 2020	% change YTD
<b>Earnings per share</b>						
Earnings per share (DKK)	2.29	1.96	17.2%	6.35	3.85	65.3%
Diluted earnings per share (DKK)	2.26	1.95	16.2%	6.28	3.83	63.9%
<b>Employees</b>						
Average number of full-time employees	3,238	2,663	21.6%	3,173	2,624	20.9%
<b>Financial ratios</b>						
Revenue growth	22.4%	13.9%	8.5pp	22.7%	15.1%	7.5pp
Gross profit margin	35.5%	38.4%	-3.0pp	36.8%	39.0%	-2.2pp
Adjusted EBITA margin	20.2%	23.9%	-3.7pp	22.8%	23.7%	-1.0pp
EBITA margin	20.2%	23.9%	-3.7pp	22.8%	23.7%	-1.0pp
Operating profit margin	19.1%	20.1%	-1.1pp	21.7%	20.0%	1.7pp
Effective tax rate	22.9%	19.9%	2.9pp	20.0%	21.2%	-1.2pp
Return on equity	4.5%	4.6%	-0.1pp	12.6%	9.1%	3.5pp
Solvency ratio	65.2%	58.2%	7.0pp	65.2%	58.2%	7.0pp
ROIC	3.7%	3.3%	0.4pp	10.1%	6.5%	3.7pp
ROIC (Adjusted for Goodwill)	13.8%	14.7%	-0.9pp	38.4%	28.9%	9.5pp
Cash conversion rate	-8.5%	89.1%	-97.7pp	27.7%	86.8%	-59.1pp
Cash conversion rate (tax normalised)	-41.2%	65.4%	-106.7pp	38.2%	92.8%	-54.6pp



# Performance overview Q2

DKK million	Q2 2021 (reported)	Q2 2021 (constant)*	Q2 2020	% change (reported)	% change (constant)*
Revenue	826.7	818.6	675.5	22.4%	21.2%
Cost of services	-533.3	-528.3	-415.8	28.2%	27.0%
<b>Gross profit</b>	<b>293.4</b>	<b>290.3</b>	<b>259.7</b>	<b>13.0%</b>	<b>11.8%</b>
<i>Gross profit margin</i>	35.5%	35.5%	38.4%	-3.0pp	-3.0pp
Sales and marketing costs	-6.1	-6.1	-3.8	60.6%	59.3%
Administrative costs	-120.6	-119.8	-94.6	27.5%	26.7%
<b>Adjusted EBITA</b>	<b>166.7</b>	<b>164.5</b>	<b>161.3</b>	<b>3.3%</b>	<b>1.9%</b>
<i>Adjusted EBITA margin</i>	20.2%	20.1%	23.9%	-3.7pp	-3.8pp
Special items	0.0	0.0	0.0	0.0%	0.0%
<b>EBITA</b>	<b>166.7</b>	<b>164.5</b>	<b>161.3</b>	<b>3.3%</b>	<b>1.9%</b>
<i>EBITA margin</i>	20.2%	20.1%	23.9%	-3.7pp	-3.8pp
Amortisation	-9.0	-9.0	-25.3	-64.4%	-64.4%
<b>Operating profit (EBIT)</b>	<b>157.7</b>	<b>155.5</b>	<b>136.0</b>	<b>15.9%</b>	<b>14.3%</b>
<i>Operating profit margin</i>	19.1%	19.0%	20.1%	-1.1pp	-1.1pp
Net financials	-6.7	-6.7	-16.2	-58.3%	-58.5%
Income / loss from investment in joint venture	-5.2	-5.2	0.0	N/A	N/A
<b>Profit / loss before tax</b>	<b>145.7</b>	<b>143.6</b>	<b>119.9</b>	<b>21.6%</b>	<b>19.7%</b>
Tax	-33.3	-33.3	-23.9	39.4%	39.3%
<i>Effective tax rate</i>	22.9%	23.2%	19.9%	2.9pp	3.3pp
<b>Net profit / loss</b>	<b>112.4</b>	<b>110.3</b>	<b>96.0</b>	<b>17.1%</b>	<b>14.9%</b>

\*Constant currencies measured using average exchange rates for Q2 2020

Reported revenue grew by 22.4% (constant 21.2%) to DKK 826.7m in Q2 2021 of which all was organic driven by growth in all units except the Netherlands.

In the same period, client facing FTEs grew by 22.7% and all business units, apart from the Netherlands, have in general benefited from a high level of client activity leading to high utilisation, as seen during the first quarter of the year.

As expected, an increased amount of vacation was held towards the end of the second quarter, which to some extent impacted utilisation negatively.

The gradual opening of parts of society in the countries where Netcompany operate led to an increased number of employee activities being held, which - as expected - also had a negative impact on utilisation.

**CONTINUED PERFORMANCE OVERVIEW Q2**

Gross profit margin was 35.5% in Q2, which was lower than the same period last year (38.4%). In Q2 2021, the gross profit margin was negatively impacted by a number of events combined with investments made to facilitate future growth. Increased usage of freelancers in Denmark was driven by the decision to utilise senior Danish resources across the Group assisting on business development and foreign projects, which had a dilutive impact on margins. These impacts were to some degree offset by significantly improved performance in the Norwegian and UK operations as outlined in the gross profit margin bridge below.

Sales and marketing costs increased by 60.6% to DKK 6.1m as a result of increased marketing campaigns, in particular the units outside of Denmark.

Administrative costs increased by 27.5% to DKK 120.6m in Q2 2021, mainly impacted by the non-recurring severance payment of around DKK 7m in the UK unit. In addition, a number of previously deferred employee activities were held during the quarter as more and more COVID-19 related restrictions were lifted allowing for increased in-person presence and meetings. These activities are essential in maintaining and building the culture for

Netcompany and the increase in costs related hereto was expected.

Adjusted EBITA increased slightly to DKK 166.7m in Q2 2021 yielding an adjusted EBITA margin of 20.2% compared to 23.9% in the same quarter last year. The greater part of the lower adjusted EBITA margin was explained by the lower gross profit margin. In addition hereto, the non-recurring severance payment made in the UK during Q2 had a negative impact on adjusted EBITA margin by around 0.8 percentage point in the quarter.

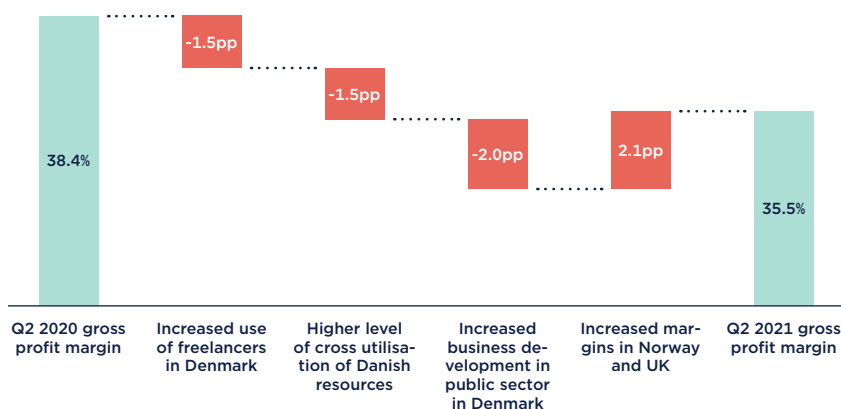
Amortisation were DKK 9m in the second quarter, which was 64.4% lower than the same period last year following the same trend as in Q1 2021 as a number of assets related to FSN acquiring 52% of the shares of Netcompany on 1 February 2016 were fully amortised during Q1 2021.

Net financials were negative with DKK 6.7m of which the majority was related to exchange rate adjustments. Compared to Q2 2020, the level of net exchange rate adjustments were significantly reduced from DKK 10.1m to DKK 1.6m, mainly as an

internal loan in the UK was converted to equity.

Loss from investment in joint venture was equal to the calculated internal profit on the revenue generated under the development phase in the JV "Smarter Airports", which was in line with previous quarters.

Net profit for the period increased 17.1% to DKK 112.4m. Effective tax rate was 22.9% compared to 19.9% in Q2 2020. The higher effective tax rate was driven by a higher amount of non tax-deductible costs incurred in Q2 2021 than was the case in the same period last year.



# Performance overview First 6 months

DKK million	YTD 2021 (reported)	YTD 2021 (constant)*	YTD 2020	% change (reported)	% change (constant)*	Total 2020
Revenue	1,681.8	1,674.4	1,371.1	22.7%	22.1%	2,838.6
Cost of services	-1,062.8	-1,059.4	-836.9	27.0%	26.6%	-1,683.4
<b>Gross profit</b>	<b>619.0</b>	<b>615.0</b>	<b>534.2</b>	<b>15.9%</b>	<b>15.1%</b>	<b>1,155.2</b>
<i>Gross profit margin</i>	36.8%	36.7%	39.0%	-2.2pp	-2.2pp	40.7%
Sales and marketing costs	-12.2	-12.2	-8.2	48.8%	48.4%	-17.1
Administrative costs	-223.8	-223.5	-200.6	11.6%	11.4%	-393.7
<b>Adjusted EBITA</b>	<b>383.0</b>	<b>379.3</b>	<b>325.4</b>	<b>17.7%</b>	<b>16.6%</b>	<b>744.4</b>
<i>Adjusted EBITA margin</i>	22.8%	22.7%	23.7%	-1.0pp	-1.1pp	26.2%
Special items	0.0	0.0	-0.0	-100.0%	-100.0%	-0.0
<b>EBITA</b>	<b>383.0</b>	<b>379.3</b>	<b>325.4</b>	<b>17.7%</b>	<b>16.6%</b>	<b>744.4</b>
<i>EBITA margin</i>	22.8%	22.7%	23.7%	-1.0pp	-1.1pp	26.2%
Amortisation	-18.2	-18.2	-50.6	-64.1%	-64.1%	-99.4
<b>Operating profit (EBIT)</b>	<b>364.8</b>	<b>361.2</b>	<b>274.8</b>	<b>32.8%</b>	<b>31.4%</b>	<b>644.9</b>
<i>Operating profit margin</i>	21.7%	21.6%	20.0%	1.7pp	1.5pp	22.7%
Net financials	-13.4	-13.4	-35.3	-62.1%	-62.2%	-47.0
Fair value adjustment of contingent consideration	49.5	49.5	0.0	N/A	N/A	-141.3
Income / loss from investment in joint venture	-11.2	-11.2	0.0	N/A	N/A	-5.0
<b>Profit / loss before tax</b>	<b>389.7</b>	<b>386.1</b>	<b>239.5</b>	<b>62.7%</b>	<b>61.2%</b>	<b>451.7</b>
Tax	-77.8	-77.7	-50.7	53.4%	53.3%	-129.8
<i>Effective tax rate</i>	20.0%	20.1%	21.2%	-1.2pp	-1.0pp	28.7%
<b>Net profit / loss</b>	<b>311.9</b>	<b>308.4</b>	<b>188.8</b>	<b>65.2%</b>	<b>63.3%</b>	<b>321.9</b>

\*Constant currencies measured using average exchange rates for 2020

Revenue increased by 22.7% (constant 22.1%) to DKK 1,681.8m – all organic. Revenue growth was driven by high activity level throughout the Group supported by continued strong demand in the private segment in Denmark and in both the private and public segment in both Norway and the UK.

Gross profit margin was slightly lower than the same period last year driven by a higher usage of Danish resources on international projects leading to increased usage of freelancers in Denmark, which negatively impacted project margins internationally and in Denmark. Despite the short term negative impact on margin, the decision to utilise resources across the Group is expected to benefit Netcompany's growth in the future.

Adjusted EBITA margin was slightly reduced, which was mainly driven by the increased cost of service impacting gross profit margin. In addition, a number of non-recurring costs impacted margins negatively during the first six months of 2021.

# Business Segments Q2

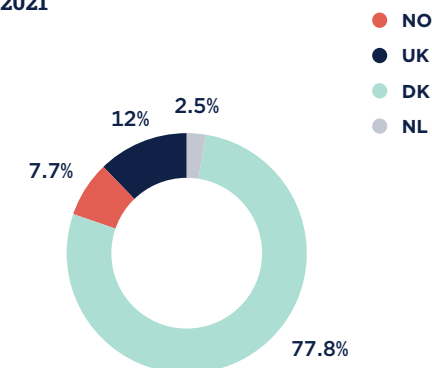
## Segment information related to operating entities

DKK million Constant (2020 rate)	Q2 2021				
	Group	Denmark	Norway	UK	Netherlands
Revenue from external customers	818.6	637.1	62.9	98.1	20.5
<b>Gross profit</b>	<b>290.3</b>	<b>246.8</b>	<b>15.2</b>	<b>23.6</b>	<b>6.2</b>
<i>Gross profit margin</i>	35.5%	38.7%	24.2%	24.1%	30.3%
Local admin costs	-115.8	-80.6	-10.5	-18.0	-8.1
<b>Adjusted EBITA before allocated cost from HQ</b>	<b>174.6</b>	<b>166.2</b>	<b>4.7</b>	<b>5.6</b>	<b>-1.9</b>
<i>Adjusted EBITA margin before allocated cost from HQ</i>	21.3%	26.1%	7.4%	5.7%	-9.3%
Allocated costs from HQ	-10.1	-7.5	-0.9	-1.4	-0.4
<b>EBITA</b>	<b>164.5</b>	<b>158.7</b>	<b>3.8</b>	<b>4.2</b>	<b>-2.3</b>
Client facing FTEs	3,045	2,250	260	400	135

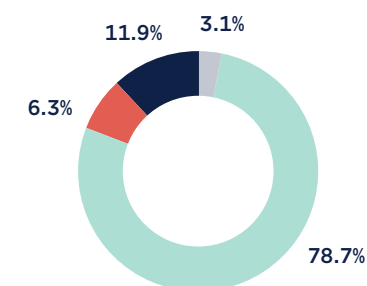
\*Constant currencies measured using average exchange rates for 2020

DKK million Reported	Q2 2020				
	Group	Denmark	Norway	UK	Netherlands
Revenue from external customers	675.5	531.5	42.8	80.2	21.1
<b>Gross profit</b>	<b>259.7</b>	<b>236.1</b>	<b>5.3</b>	<b>10.7</b>	<b>7.6</b>
<i>Gross profit margin</i>	38.4%	44.4%	12.4%	13.3%	36.1%
Local admin costs	-88.2	-66.6	-5.5	-10.9	-5.3
<b>Adjusted EBITA before allocated cost from HQ</b>	<b>171.5</b>	<b>169.5</b>	<b>-0.1</b>	<b>-0.2</b>	<b>2.3</b>
<i>Adjusted EBITA margin before allocated cost from HQ</i>	25.4%	31.9%	-0.3%	-0.2%	10.9%
Allocated costs from HQ	-10.2	-7.5	-0.6	-1.6	-0.5
<b>EBITA</b>	<b>161.3</b>	<b>162.0</b>	<b>-0.8</b>	<b>-1.7</b>	<b>1.9</b>
Client facing FTEs	2,482	1,774	223	381	103

Revenue, %  
Q2 2021



Revenue, %  
Q2 2020



**CONTINUED BUSINESS SEGMENTS Q2**

Group revenue increased by 21.2% in constant currencies in Q2 2021 to DKK 818.6m. The increase was driven by the Norwegian and UK businesses, which grew by 47.1% and 22.3%, respectively, whereas revenue grew by close to 20% in the Danish business unit. The growth was slightly offset by the Dutch business, which realised revenue that was slightly lower than Q2 2020.

Revenue in the Danish business grew by 19.9%, which was mainly driven by the private segment that grew 46.7%. The increased activity level seen in the private segment was a result of the ongoing increased focus on the private sector and continues the trend from Q1 2021. Revenue growth in Denmark was somewhat offset by increased level of business development, in particular the public segment in Denmark, leading to lower utilisation. In addition, the increased level of usage of Danish resources on projects in both the UK and Norway reduced revenue growth in Denmark as not all resources from the Danish organisation used on international projects was substituted by external freelancers.

The increase in revenue in Norway was driven by continued high activity with high demand from both new and existing customers, combined with improved utilisation. The larger new projects won in Q4 2020 continued to secure a strong foundation for the growth in Norway during Q2 2021. In Norway, the public segment was the key driver for revenue growth during Q2 as the segment grew by 77.6%.

**Revenue in Norway increased by**



In the UK, the increase was driven by high activity in particular the private segment, which grew 40.8%. In addition, new cases are now emerging in the public segment as a result of increased business with the NHS. Utilisation in the UK was improved during Q2 2021, which supported the growth of 22.3% while client facing FTEs only grew by 5.1% compared to Q2 2020.

**Revenue in UK increased by**



Revenue in the Netherlands decreased by 2.9% in Q2 2021 from DKK 21.1m to DKK 20.5m. The decrease in revenue was caused by a significant increase in time spent on business development activities, writing tenders and recruitment activities, which combined led to a lower utilisation compared to Q2 2020. In addition, the activity level and initiation of new projects was to some extent impacted negatively by the election in the Netherlands, which continued to slow down public tendering during Q2 2021. At the end of Q2 2021 though, the Netherlands won a project for the Foreign Ministry, which is expected to lead to higher utilisation throughout the rest of 2021.

Gross profit margin for the Group decreased by 3 percentage points to 35.5% in constant currencies. The decrease in

gross profit margin was mainly a consequence of a higher level of cross utilisation from the Danish business towards Norway, UK and the Netherlands, and an increased amount of time spent on business development leading to lower utilisation.

In Denmark, gross profit margin decreased by 5.7 percentage points to 38.7%. The decrease was caused by an increased focus on business development in the public sector and establishing a more broad “go-to” market approach for our GovTech Framework internationally, which is a prerequisite for facilitating and securing a stable future growth within both Denmark and the Group. Furthermore, the decrease was impacted by the usage of more freelancers on Danish projects, as the Danish business allocated more senior resources to Norway, UK and the Netherlands during Q2 2021. The usage of freelancers is of a temporary character and is expected to decline towards the end of the year, when the business in particular Norway and the UK and to a lesser extent the Netherlands, will be able to sustain future growth on a more independent basis.

**CONTINUED BUSINESS SEGMENTS Q2**

Gross profit margins in Norway increased by 11.7 percentage points, which was a result of a continued improved utilisation and releasing employees from the bench. Furthermore, the increase was somewhat impacted by a low comparable base in Q2 2020.

**Gross profit in UK increased by**

**121%**

In UK, gross profit margin increased by 10.7 percentage points from 13.3% to 24.1%, as activity level picked up leading to increased utilisation as also seen in Norway. In Q2 2020, the UK business was negatively impacted from COVID-19 related loss of business, yielding a lower comparable base to Q2 2021.

Gross profit margin in the Netherlands decreased by 5.8 percentage points, mainly as result of increased business development and writing tenders, which resulted

in a lower utilisation compared to Q2 2020.

Adjusted EBITA margin decreased by 4.1 percentage points, of which 3 percentage points was related to the negative impact on gross profit margins. The remaining reduction in EBITA margin was driven by an increase in administrative costs, which was partly due to COVID-19 restrictions being lifted throughout Q2 2021, allowing for increased employee activities. Furthermore, severance payment to the members of the previous UK management was expensed during Q2 2021, impacting adjusted EBITA for the Group negatively by around 0.8 percentage point.

Adjusted EBITA in Denmark decreased by 5.8 percentage points, which was mainly driven by the gross profit margin. In addition, administrative costs increased after many of the COVID-19 restrictions were lifted, making it possible again to socialise with colleagues and to participate in-person in education activities. It is expected that more restrictions in Denmark will be lifted throughout the following months,

which will increase administrative costs further as employee based activities, education and travel to customers and other units within the Group are expected to increase.

Adjusted EBITA in Norway increased by 7.8 percentage points to 7.4%. The increase was positively impacted by the development in gross profit, but somewhat offset by an increase of more than DKK 5m in local administration costs. The increase in local administration cost was mainly driven by costs relating to external recruitment fees, fees to external advisors related to the move to a new headquarter in Oslo and a new office in Trondheim and increased costs for local employee events in Norway.

Adjusted EBITA in the UK business was 5.7%, an increase of 5.9 percentage points compared to Q2 2020. The increase in adjusted EBITA was a direct consequence of the increase in gross profit margin of 10.7 percentage points, somewhat offset by an increase in local administrative costs of 66% in UK compared to Q2 2020.

The increase in administrative costs was mainly driven by the non-recurring severance payment of around DKK 6.7m to the former UK management, which was expensed fully in Q2 2021.

Adjusted EBITA in the Netherlands decreased by 20.2 percentage points. The decrease was a consequence of the decrease in gross profit, which decreased by 5.8 percentage points, and the conscious decision to allocate Danish senior employees to help prepare the Dutch business for further growth by investing extra in business development.

# Business Segments First 6 months

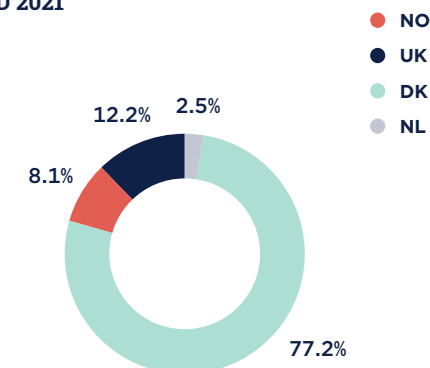
## Segment information related to operating entities

DKK million Constant (2020 rate)	YTD 2021				
	Group	Denmark	Norway	UK	Netherlands
Revenue from external customers	1,674.4	1,292.8	134.6	204.7	42.2
<b>Gross profit</b>	<b>615.0</b>	<b>527.1</b>	<b>35.9</b>	<b>44.6</b>	<b>7.4</b>
<i>Gross profit margin</i>	36.7%	40.8%	26.7%	21.8%	17.6%
Local admin costs	-218.5	-158.9	-18.5	-29.4	-11.7
<b>Adjusted EBITA before allocated cost from HQ</b>	<b>396.5</b>	<b>368.2</b>	<b>17.4</b>	<b>15.2</b>	<b>-4.2</b>
<i>Adjusted EBITA margin before allocated cost from HQ</i>	23.7%	28.5%	12.9%	7.4%	-10.1%
Allocated costs from HQ	-17.2	-12.5	-1.5	-2.5	-0.7
Special Items, allocated	0.0	0.0	0.0	0.0	0.0
<b>EBITA</b>	<b>379.3</b>	<b>355.7</b>	<b>15.9</b>	<b>12.7</b>	<b>-4.9</b>
Client facing FTEs	2,984	2,189	252	405	138

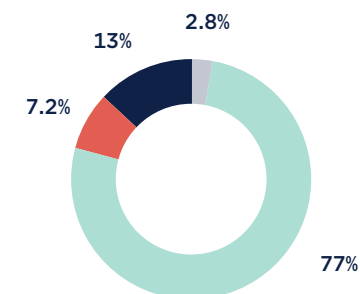
\*Constant currencies measured using average exchange rates for 2020

DKK million Reported	YTD 2020				
	Group	Denmark	Norway	UK	Netherlands
Revenue from external customers	1,371.1	1,056.2	97.7	178.5	38.8
<b>Gross profit</b>	<b>534.2</b>	<b>465.1</b>	<b>20.4</b>	<b>35.6</b>	<b>13.1</b>
<i>Gross profit margin</i>	39.0%	44.0%	20.9%	20.0%	33.9%
Local admin costs	-186.2	-138.9	-12.9	-24.6	-9.7
<b>Adjusted EBITA before allocated cost from HQ</b>	<b>348.1</b>	<b>326.1</b>	<b>7.5</b>	<b>11.0</b>	<b>3.4</b>
<i>Adjusted EBITA margin before allocated cost from HQ</i>	25.4%	30.9%	7.7%	6.2%	8.8%
Allocated costs from HQ	-22.7	-15.1	-3.4	-3.3	-0.8
Special Items, allocated	-0.0	-0.0	-0.0	-0.0	-0.0
<b>EBITA</b>	<b>325.4</b>	<b>311.0</b>	<b>4.1</b>	<b>7.7</b>	<b>2.6</b>
Client facing FTEs	2,348	1,748	224	376	N/A

Revenue, %  
YTD 2021



Revenue, %  
YTD 2020



**CONTINUED BUSINESS SEGMENTS FIRST 6 MONTHS**

Revenue for the first six months increased by 22.1% in constant currencies to DKK 1,674.4m. The increase was primarily driven by the Danish and the Norwegian businesses, which grew by 22.4% and 37.8%, respectively. Growth in the UK business unit was 14.7%. Revenue growth in the Netherlands was negatively impacted by the adjustment made to one larger fixed fee project in Q1 2021 and ended at 8.9%. Adjusting for the one-off adjustment made in Q1 2021 revenue growth in the Netherlands would have been around 17%.

**Gross profit in Norway increased by**

**76%**



Group revenue growth for the first six months was to some extent affected by increased level of business development, and senior employees from the Danish entity being allocated to other market units in the Group, to support growth going forward.

Gross profit margin for the Group decreased by 2.2 percentage points to 36.7% in constant currencies. The decrease in gross profit margin was mainly a consequence of lower margins in the Danish business, which decreased by 3.3 percentage points. However, this was somewhat offset by the Norwegian and UK businesses, which improved their margins by 5.8 and 1.8 percentage points, respectively. Furthermore, gross profit margins for the Group were negatively impacted by the development in margin in the Dutch business that decreased by 16.3 percentage points, mainly due to the one-time adjustment on one larger project in Q1 and the increased focus on business development throughout all 2021.

Adjusted EBITA margin for the Group decreased by 1.7 percentage points for the first six months, driven by the decrease in gross profit margins.

Local administrative cost for the first six months increased by 17.4% of which around 4 percentage points attributed to the non-recurring severance costs in UK

**Adjusted EBITA before allocated costs from HQ in UK increased by**

**38%**



in Q2 2021. Administration costs are expected to grow further as more of the COVID-19 imposed restrictions are expected to be lifted, which will allow for an increased number of employee related events. In addition, it is expected that in-person education and travels will come back to a more normal level during the second half of 2021.



# Public Q2

DKK million	Group			Denmark		Norway		UK		Netherlands	
	Q2 2021	Q2 2020	% change	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020
Revenue	488.0	442.2	10.4%	377.4	354.4	40.3	22.7	50.5	44.5	19.8	20.6
Cost of service	-331.0	-274.8	20.4%	-249.6	-204.7	-32.1	-20.3	-33.9	-36.6	-15.4	-13.2
<b>Gross profit</b>	<b>157.0</b>	<b>167.4</b>	<b>-6.2%</b>	<b>127.8</b>	<b>149.7</b>	<b>8.2</b>	<b>2.4</b>	<b>16.6</b>	<b>7.9</b>	<b>4.4</b>	<b>7.4</b>
<i>Gross profit margin</i>	<i>32.2%</i>	<i>37.9%</i>	<i>-5.7pp</i>	<i>33.9%</i>	<i>42.2%</i>	<i>20.2%</i>	<i>10.5%</i>	<i>32.9%</i>	<i>17.7%</i>	<i>22.2%</i>	<i>35.9%</i>
Allocated costs	-71.8	-60.2	19.2%	-50.4	-46.7	-6.7	-2.9	-8.2	-5.4	-6.5	-5.2
<b>Adjusted EBITA before allocated cost from HQ</b>	<b>85.2</b>	<b>107.1</b>	<b>-20.5%</b>	<b>77.5</b>	<b>103.1</b>	<b>1.4</b>	<b>-0.5</b>	<b>8.4</b>	<b>2.4</b>	<b>-2.1</b>	<b>2.2</b>
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>17.5%</i>	<i>24.2%</i>	<i>-6.8pp</i>	<i>20.5%</i>	<i>29.1%</i>	<i>3.5%</i>	<i>-2.3%</i>	<i>16.6%</i>	<i>5.5%</i>	<i>-10.5%</i>	<i>10.5%</i>
Allocated costs from HQ	-6.2	-6.8	-9.3%	-4.7	-5.2	-0.5	-0.3	-0.6	-0.8	-0.4	-0.4
<b>EBITA</b>	<b>79.0</b>	<b>100.3</b>	<b>-21.2%</b>	<b>72.8</b>	<b>97.8</b>	<b>0.9</b>	<b>-0.9</b>	<b>7.7</b>	<b>1.6</b>	<b>-2.4</b>	<b>1.7</b>
<i>EBITA margin</i>	<i>16.2%</i>	<i>22.7%</i>	<i>-6.5pp</i>	<i>19.3%</i>	<i>27.6%</i>	<i>2.2%</i>	<i>-3.8%</i>	<i>15.3%</i>	<i>3.7%</i>	<i>-12.3%</i>	<i>8.3%</i>
Amortisation	-5.5	-17.0	-67.6%	-4.2	-13.1	-0.5	-0.9	-0.6	-2.0	-0.3	-1.1
<b>Operating profit</b>	<b>73.5</b>	<b>83.3</b>	<b>-11.8%</b>	<b>68.6</b>	<b>84.7</b>	<b>0.4</b>	<b>-1.7</b>	<b>7.2</b>	<b>-0.3</b>	<b>-2.7</b>	<b>0.6</b>
<i>Operating profit margin</i>	<i>15.1%</i>	<i>18.8%</i>	<i>-3.8pp</i>	<i>18.2%</i>	<i>23.9%</i>	<i>1.0%</i>	<i>-7.6%</i>	<i>14.2%</i>	<i>-0.7%</i>	<i>-13.9%</i>	<i>3.0%</i>

**CONTINUED PUBLIC Q2**

Revenue in the public segment increased by 10.4% in Q2 2021 to DKK 488m. The growth was mainly driven by Norway and UK, which grew by 77.6% and 13.6%, respectively.

Revenue grew by 6.5% in Denmark, which was in line with expectations and the decision to be focusing more on the private market. In addition, Danish resources from the public sector was allocated to both Norway and UK, to assist in both business development and on project deliveries.

In Norway, revenue grew by 77.6% compared to Q2 2020. The growth was mainly due to the work performed on projects won in the end of 2020, and the start up on new big projects as Statens legemiddelverk, Oslo kommune and DigiBarnevern.

Revenue in UK grew by 13.6% in the public segment compared to Q2 2020. The growth in UK was mainly due to the continued work on large projects won during the end of 2020 and Q1 2021 - with NHS and Department for Health and Social

Care as key projects with full effect in Q2.

In the Netherlands, revenue decreased by 3.9% in the public segment in Q2 2021. The decrease was in line with expectations and the result of prioritising business development in order to sustain future growth on a more independent basis.

Gross profit margin in the public segment was 32.2% compared to 37.9% in Q2 2020. The decrease in gross profit margin was impacted by a higher level of cross utilisation from the Danish business towards UK, the Netherlands and Norway, whereby Danish resources to a larger extent than the same period last year, worked on international projects and spent more time on business development.

Increase in cost of services in Denmark was 21.9% compared to Q2 2020, yielding a decrease in gross profit margin of 8.4 percentage points. The decrease in gross profit margin in Denmark was mainly due to the Danish business allocating senior employees to UK, Norway and the Netherlands, which meant that the demand for

freelancers increased in order to deliver against already agreed deadlines on projects.

Gross profit margin in the public segment in Norway increased by 9.7 percentage points, mainly due to high activity and high utilisation of employees in the Norwegian business. The growth in margins was slightly offset by the continued usage of resources from Denmark on newly won projects in the public market, however, ensuring stabile and established start-up processes as in Netcompany Denmark.

In the UK, gross profit margins increased by 15.2 percentage points, which was a result of the overall high activity and high utilisation in the UK business. The high increase in gross profit margin compared to Q2 2020 was also affected by a low comparable base, as the UK government began to defer some projects following COVID-19 restrictions during Q2 2020.

In the Netherlands, gross profit margin decreased by 13.6 percentage points. The decrease was due to lower utilisation as

more time was spent on business development. Furthermore, the usage of senior employees from the Danish business also effected the gross profit margin negatively.

Allocated costs for the Group increased by 19.2%, which was mainly a result of increased Group costs related to employee activities as some COVID-19 restrictions were lifted throughout Q2 2021.

Adjusted EBITA in the public segment was 17.5%, which was lower compared to Q2 2020. The main reason for the decrease in adjusted EBITA was driven by actions taken related to top line growth and thus related to gross profit margins and increased time being spend on business development in all market units within the Group. These activities are expected to strengthen the Group's capability to deliver and sustain future growth.

# Private Q2

DKK million	Group			Denmark		Norway		UK		Netherlands	
	Q2 2021	Q2 2020	% change	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020
Revenue	338.7	233.4	45.1%	259.7	177.1	28.0	20.1	50.3	35.7	0.6	0.5
Cost of service	-202.3	-141.1	43.4%	-140.8	-90.7	-19.3	-17.2	-41.9	-32.9	-0.3	-0.2
<b>Gross profit</b>	<b>136.4</b>	<b>92.3</b>	<b>47.7%</b>	<b>119.0</b>	<b>86.3</b>	<b>8.7</b>	<b>2.9</b>	<b>8.4</b>	<b>2.8</b>	<b>0.3</b>	<b>0.2</b>
<i>Gross profit margin</i>	40.3%	39.6%	0.7pp	45.8%	48.8%	30.9%	14.6%	16.7%	7.9%	49.2%	48.5%
Allocated costs	-44.8	-28.0	60.2%	-30.2	-19.9	-4.5	-2.5	-9.9	-5.4	-0.1	-0.1
<b>Adjusted EBITA before allocated cost from HQ</b>	<b>91.6</b>	<b>64.4</b>	<b>42.2%</b>	<b>88.7</b>	<b>66.4</b>	<b>4.2</b>	<b>0.4</b>	<b>-1.5</b>	<b>-2.6</b>	<b>0.2</b>	<b>0.1</b>
<i>Adjusted EBITA margin before allocated cost from HQ</i>	27.0%	27.6%	-0.5pp	34.2%	37.5%	14.8%	1.9%	-2.9%	-7.3%	26.3%	29.8%
Allocated costs from HQ	-3.9	-3.3	17.1%	-2.8	-2.2	-0.4	-0.3	-0.7	-0.8	-0.0	-0.0
<b>EBITA</b>	<b>87.7</b>	<b>61.0</b>	<b>43.6%</b>	<b>85.9</b>	<b>64.2</b>	<b>3.8</b>	<b>0.1</b>	<b>-2.2</b>	<b>-3.4</b>	<b>0.2</b>	<b>0.1</b>
<i>EBITA margin</i>	25.9%	26.2%	-0.3pp	33.1%	36.3%	13.5%	0.4%	-4.4%	-9.4%	25.0%	28.1%
Amortisation	-3.5	-8.3	-57.9%	-2.5	-5.6	-0.3	-0.8	-0.7	-1.9	-0.0	-0.0
<b>Operating profit</b>	<b>84.2</b>	<b>52.8</b>	<b>59.5%</b>	<b>83.4</b>	<b>58.6</b>	<b>3.5</b>	<b>-0.7</b>	<b>-2.9</b>	<b>-5.3</b>	<b>0.1</b>	<b>0.1</b>
<i>Operating profit margin</i>	24.9%	22.6%	2.2pp	32.1%	33.1%	12.4%	-3.4%	-5.7%	-14.8%	23.9%	24.1%

**CONTINUED PRIVATE Q2**

Private segment revenue for the Group grew by 45.1% in Q2 2021 to DKK 338.7m. The growth was driven by strong performance in both Denmark, Norway and in the UK, which grew by 46.7%, 39.4% and 40.8%, respectively.

**Private revenue increased by**

**45.1%**



Revenue growth in Denmark was a result of the ongoing increased focus on strengthening the private segment in Denmark and continued the trend seen from the end of 2020 and into 2021. More and more projects are emerging supporting continued strong growth in the private segment.

In Norway, revenue grew by 39.4% in Q2 2021 in the private segment but unlike in Denmark the growth should be seen in the light of a soft second quarter of 2020 in Norway making the comparable

somewhat light. As in Denmark, a general strong demand is emerging in the private segment in Norway.

Revenue in UK increased by 40.8% compared to Q2 2020, which – as was the case in Norway – mainly was a result of Q2 2020 being an low comparable.

Revenue in the private segment in the Netherlands increased by 30.3%, but based on low numbers. For all practical matters, focus in the Netherlands is on the public segment.

**Private gross profit margin was**

**40.3%**



Gross profit margin increased by 0.7 percentage point across the Group, which was mainly driven by the improved margins in Norway and UK, which improved by 16.3 and 8.8 percentage points, respectively. However, this was somewhat offset

by the Danish business.

In Denmark, gross profit margin was 45.8% corresponding to a decrease of 3 percentage points. The decrease was mainly due to the usage of freelancers in the Danish business, as senior employees was allocated to business development in both Norway, UK and the Netherlands.

Gross profit margin in Norway improved by 16.3 percentage points to 30.9% compared to Q2 2020. The increase was driven by a higher activity in the private market as well as a high utilisation seen throughout Q2 2021.

In UK, gross profit margin improved by 8.8 percentage points in Q2 2021 to 16.7%, which was driven by a general higher activity in the private segment and higher utilisation throughout the entire quarter.

Gross profit margin in the Netherlands increased by 0.7 percentage point, all though based on small absolute numbers. The Dutch business contributed with 0.2% for Groups overall private segment.

Allocated costs for the Group increased by 60.2% compared to Q2 2020. The relatively higher increase in allocated costs compared to growth was mainly based on increased employee activities following the gradual lift of several COVID-19 imposed restrictions.

Adjusted EBITA margin was 27% and in line with Q2 2020.

# Public First 6 months

DKK million	Group			Denmark		Norway		UK		Netherlands	
	YTD 2021	YTD 2020	% change	YTD 2021	YTD 2020	YTD 2021	YTD 2020	YTD 2021	YTD 2020	YTD 2021	YTD 2020
Revenue	990.3	875.5	13.1%	756.9	696.2	79.6	48.3	112.8	93.1	41.0	37.8
Cost of service	-667.3	-547.3	21.9%	-486.4	-409.4	-62.7	-39.6	-84.2	-73.2	-34.0	-25.1
<b>Gross profit</b>	<b>322.9</b>	<b>328.2</b>	<b>-1.6%</b>	<b>270.5</b>	<b>286.8</b>	<b>16.8</b>	<b>8.7</b>	<b>28.6</b>	<b>19.9</b>	<b>7.0</b>	<b>12.7</b>
<i>Gross profit margin</i>	<i>32.6%</i>	<i>37.5%</i>	<i>-4.9pp</i>	<i>35.7%</i>	<i>41.2%</i>	<i>21.2%</i>	<i>18.0%</i>	<i>25.4%</i>	<i>21.4%</i>	<i>17.1%</i>	<i>33.5%</i>
Allocated costs	-136.4	-124.1	9.9%	-99.0	-96.9	-11.4	-6.4	-14.6	-11.3	-11.4	-9.6
<b>Adjusted EBITA before allocated cost from HQ</b>	<b>186.5</b>	<b>204.1</b>	<b>-8.6%</b>	<b>171.5</b>	<b>190.0</b>	<b>5.4</b>	<b>2.3</b>	<b>14.0</b>	<b>8.7</b>	<b>-4.4</b>	<b>3.1</b>
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>18.8%</i>	<i>23.3%</i>	<i>-4.5pp</i>	<i>22.7%</i>	<i>27.3%</i>	<i>6.8%</i>	<i>4.8%</i>	<i>12.4%</i>	<i>9.3%</i>	<i>-10.8%</i>	<i>8.3%</i>
Allocated costs from HQ	-10.7	-14.5	-26.6%	-7.8	-10.6	-0.9	-1.6	-1.3	-1.5	-0.7	-0.8
Special items	0.0	-0.0	-100.0%	0.0	-0.0	0.0	-0.0	0.0	-0.0	0.0	-0.0
<b>EBITA</b>	<b>175.9</b>	<b>189.5</b>	<b>-7.2%</b>	<b>163.7</b>	<b>179.4</b>	<b>4.5</b>	<b>0.7</b>	<b>12.7</b>	<b>7.1</b>	<b>-5.1</b>	<b>2.3</b>
<i>EBITA margin</i>	<i>17.8%</i>	<i>21.7%</i>	<i>-3.9pp</i>	<i>21.6%</i>	<i>25.8%</i>	<i>5.7%</i>	<i>1.4%</i>	<i>11.3%</i>	<i>7.7%</i>	<i>-12.4%</i>	<i>6.1%</i>
Amortisation	-11.3	-33.3	-66.2%	-8.2	-25.8	-0.9	-1.7	-1.4	-3.7	-0.7	-2.0
<b>Operating profit</b>	<b>164.6</b>	<b>156.2</b>	<b>5.3%</b>	<b>155.5</b>	<b>153.6</b>	<b>3.6</b>	<b>-1.1</b>	<b>11.3</b>	<b>3.4</b>	<b>-5.8</b>	<b>0.3</b>
<i>Operating profit margin</i>	<i>16.6%</i>	<i>17.8%</i>	<i>-1.2pp</i>	<i>20.5%</i>	<i>22.1%</i>	<i>4.5%</i>	<i>-2.2%</i>	<i>10.1%</i>	<i>3.7%</i>	<i>-14.2%</i>	<i>0.8%</i>

Revenue for the first six months in the public segment increased by 13.1% to DKK 990.3m. The increase was primarily driven by the Norwegian and the UK business, which grew by 64.7% and 21.1%, respectively.

The Danish business grew by 8.7% whereas the Netherlands grew by 8.4% in the

public segment. Besides an overall increased level of business development throughout all 2021, which entails lower utilisation, the public segment was additionally negatively impacted by the adjustment of estimated time to complete on one large fixed fee project in the Netherlands in Q1 2021.

Gross profit margin decreased by 1.6 percentage points in the first six months, which was mainly due to the short term usage of freelancers, while senior employees from the Danish entity was allocated to other market units within the Group.

Allocated cost increased by 9.9%, yielding a decrease in adjusted EBITA before allo-

cated costs from HQ for the Group by 4.5 percentage points.

# Private First 6 months

DKK million	Group			Denmark		Norway		UK		Netherlands	
	YTD 2021	YTD 2020	% change	YTD 2021	YTD 2020	YTD 2021	YTD 2020	YTD 2021	YTD 2020	YTD 2021	YTD 2020
Revenue	691.5	495.6	39.5%	535.9	360.0	61.5	49.4	93.0	85.3	1.1	1.0
Cost of service	-395.5	-289.6	36.6%	-279.4	-181.8	-40.2	-37.7	-75.2	-69.6	-0.7	-0.5
<b>Gross profit</b>	<b>296.1</b>	<b>206.0</b>	<b>43.7%</b>	<b>256.6</b>	<b>178.2</b>	<b>21.3</b>	<b>11.7</b>	<b>17.8</b>	<b>15.7</b>	<b>0.4</b>	<b>0.5</b>
<i>Gross profit margin</i>	<i>42.8%</i>	<i>41.6%</i>	<i>1.2pp</i>	<i>47.9%</i>	<i>49.5%</i>	<i>34.6%</i>	<i>23.6%</i>	<i>19.2%</i>	<i>18.4%</i>	<i>38.0%</i>	<i>48.3%</i>
Allocated costs	-82.4	-62.0	32.8%	-59.9	-42.0	-7.9	-6.5	-14.4	-13.4	-0.2	-0.2
<b>Adjusted EBITA before allocated cost from HQ</b>	<b>213.7</b>	<b>144.0</b>	<b>48.4%</b>	<b>196.7</b>	<b>136.2</b>	<b>13.4</b>	<b>5.2</b>	<b>3.4</b>	<b>2.3</b>	<b>0.2</b>	<b>0.3</b>
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>30.9%</i>	<i>29.1%</i>	<i>1.8pp</i>	<i>36.7%</i>	<i>37.8%</i>	<i>21.8%</i>	<i>10.6%</i>	<i>3.7%</i>	<i>2.7%</i>	<i>16.2%</i>	<i>29.2%</i>
Allocated costs from HQ	-6.5	-8.2	-19.8%	-4.7	-4.6	-0.6	-1.8	-1.2	-1.8	-0.0	-0.0
Special items	0.0	-0.0	-100.0%	0.0	-0.0	0.0	-0.0	0.0	-0.0	0.0	-0.0
<b>EBITA</b>	<b>207.1</b>	<b>135.9</b>	<b>52.5%</b>	<b>192.0</b>	<b>131.6</b>	<b>12.8</b>	<b>3.4</b>	<b>2.2</b>	<b>0.6</b>	<b>0.2</b>	<b>0.3</b>
<i>EBITA margin</i>	<i>30.0%</i>	<i>27.4%</i>	<i>2.5pp</i>	<i>35.8%</i>	<i>36.6%</i>	<i>20.7%</i>	<i>7.0%</i>	<i>2.4%</i>	<i>0.6%</i>	<i>15.0%</i>	<i>27.6%</i>
Amortisation	-6.9	-17.3	-60.2%	-5.0	-11.2	-0.7	-1.7	-1.3	-4.3	-0.0	-0.0
<b>Operating profit</b>	<b>200.2</b>	<b>118.6</b>	<b>68.9%</b>	<b>187.1</b>	<b>120.4</b>	<b>12.1</b>	<b>1.7</b>	<b>0.9</b>	<b>-3.8</b>	<b>0.1</b>	<b>0.2</b>
<i>Operating profit margin</i>	<i>29.0%</i>	<i>23.9%</i>	<i>5.0pp</i>	<i>34.9%</i>	<i>33.4%</i>	<i>19.7%</i>	<i>3.4%</i>	<i>1.0%</i>	<i>-4.4%</i>	<i>13.7%</i>	<i>23.5%</i>

Revenue for the first six months in the private segment increased by 39.5% to DKK 691.5m. The increase was primarily driven by the Danish and the Norwegian business, which grew by 48.9% and 24.6%, respectively.

The UK business grew by 9.1%, whereas the Netherlands grew by 11.3% in the

private segment. Revenue growth was to some extent affected by an overall increased level of business development, where the Danish entity allocated resources to other market units, in order to secure future growth for the Group.

Gross profit margin increased by 1.2 percentage points in the first six months,

mainly driven by Norway, which grew by 10.9 percentage points and to some extent the UK business, which grew 0.8 percentage point.

Allocated cost increased by 32.8%, which was lower than the increase in gross profit, yielding an increase in adjusted EBITA margin before allocated costs from HQ for

the Group by 1.8 percentage points.

# Currency exposures

Netcompany is exposed to exchange rate risk in the countries where Netcompany has its sales activities outside Denmark, which means Norway, UK and the Netherlands and to a lesser extent, exchange rate risk in Poland and Vietnam, which is used as sourcing centres and therefore do not have an exchange rate risk related to sales activities, but only net costs exposures. As most of Netcompany's sales are in DKK, it implies limited foreign exchange risk due to the ultimate parent company's functional and reporting currency being in DKK.

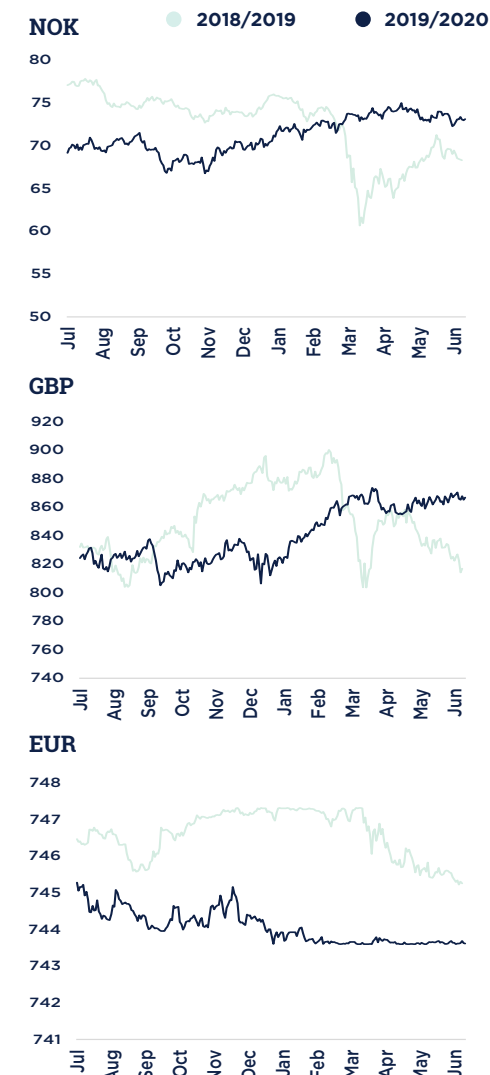
Netcompany's policy is to hedge any exchange risk net exposure, that would yield a +2/-2 percentage points EBIT margin impact from a 10%/-10% change in that given currency. The graphs illustrate the development in the currency exchange rates used for Netcompany's main currencies.

Local currency million	Q2 2021					
	DKK	NOK	GBP	EUR	VND	PLN
Revenue	637.1	92.7	11.7	2.7	0.0	0.0
EBIT	149.3	1.9	0.1	-0.0	3,261.8	3.0
Net result	106.7	1.1	0.0	-0.2	2,739.7	2.3

Local currency million	Q2 2020					
	DKK	NOK	GBP	EUR	VND	PLN
Revenue	531.5	63.0	9.5	2.8	0.0	0.0
EBIT	135.2	3.9	-0.7	0.1	2,538.5	1.9
Net result	95.7	3.2	-0.6	0.1	1,924.4	1.4

Local currency million	YTD 2021					
	DKK	NOK	GBP	EUR	VND	PLN
Revenue	1,292.8	193.1	24.0	5.7	0.0	0.0
EBIT	339.7	15.1	0.4	-0.5	6,761.7	5.3
Net result	292.7	11.8	0.3	-0.5	5,624.3	3.9

Local currency million	YTD 2020					
	DKK	NOK	GBP	EUR	VND	PLN
Revenue	1,056.2	139.6	20.9	5.2	0.0	0.0
EBIT	260.3	11.9	-0.2	0.1	4,941.3	3.4
Net result	178.9	9.1	-0.2	0.1	3,361.3	2.4



# Revenue visibility

Netcompany measures revenue visibility on a 12-month rolling basis, based on two main input parameters, which are defined as total value of committed engagements (which is comprised of fixed price engagements and service agreements), and ongoing time and material engagements with a high likelihood of conversion and/or prolongation, defined as non-contractual committed engagements.

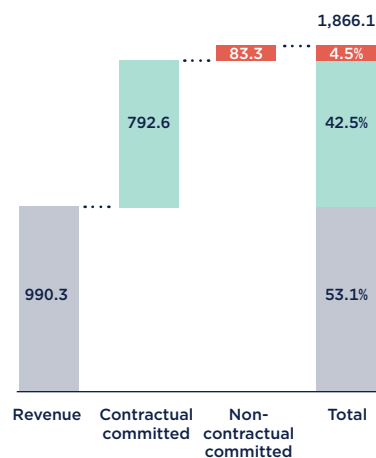
By the beginning of July 2021, revenue visibility for 2021 amounted to DKK 3,064.5m. Of this, contractual committed revenue amounted to DKK 1,231.7m and non-contractual committed engagements amounted to DKK 151m, while realised revenue in 6M 2021 amounted to DKK 1,681.8m.

Compared to Q2 2020, revenue visibility improved 23.4% from DKK 2,483.6m to DKK 3,064.5m for 2021.

Revenue visibility in the public segment amounted to DKK 1,866.1m of which contractual committed revenue amounted to DKK 792.6m and non-contractual com-

DKK million

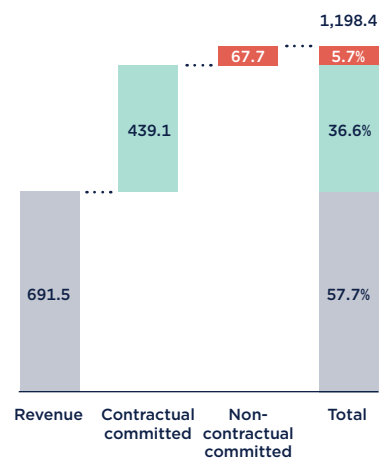
## Public segment



mited engagements amounted to DKK 83.3m, while realised revenue in 6M 2021 amounted to DKK 990.3m.

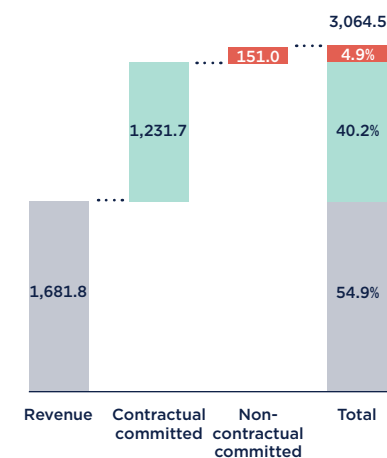
Revenue visibility in the private segment amounted to DKK 1,198.4m of which contractual committed revenue amounted to DKK 439.1m and non-contractual com-

## Private segment



mited engagements amounted to DKK 67.7m, while realised revenue in 6M 2021 amounted to 691.5m.

## Total segment





# Employees

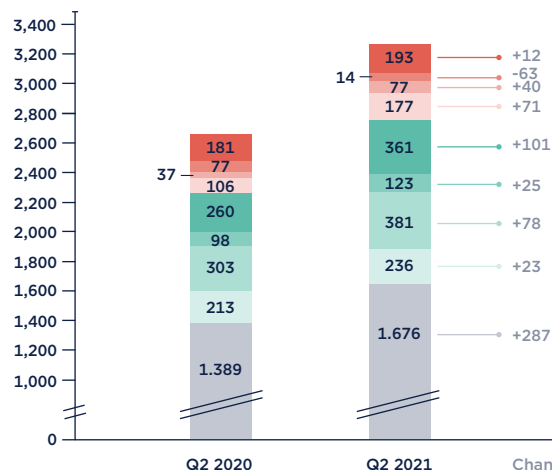
Netcompany employed an average of 3,238 FTEs in Q2 2021, which was an increase of 575 FTEs compared to Q2 2020 (2,663 FTEs). The increase in FTEs was driven by the intake of new employees in all countries.

The number of client facing employees for the Group increased by 563 from 2,482 in Q2 2020 to 3,045 in Q2 2021, while the level of non-client facing employees was 5.9% in Q2 2021 compared to 6.8% in Q2 2020.

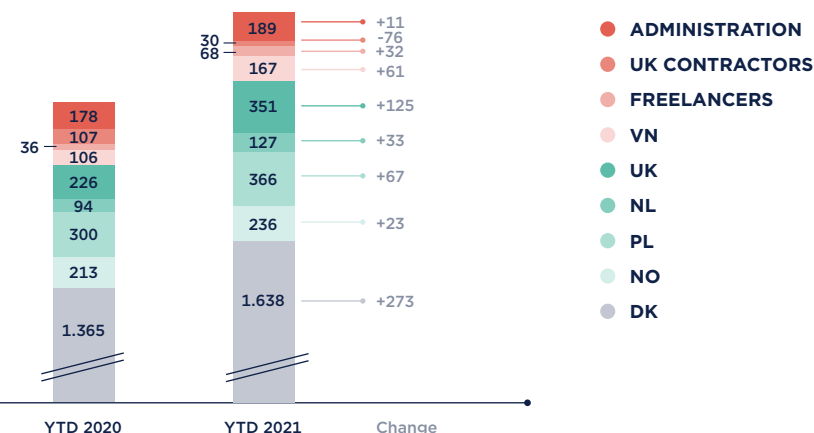
The transition away from independent contractors towards own employees in the UK continued in Q2 2021. As of June 2021, the independent contractors in the UK operation were 16, which was 4% of the client facing FTEs (22% in June 2020).

The attrition rate for the last twelve months was 18.3%, which was an increase of 2.4 percentage points compared to the same period last year. Attrition rates in Denmark, UK and the Netherlands increased by 2.9, 5.6 and 12.5 percentage points, respectively, and was due to a higher number of voluntary leavers in a more labour tight market post COVID-19, compared to the same period last year.

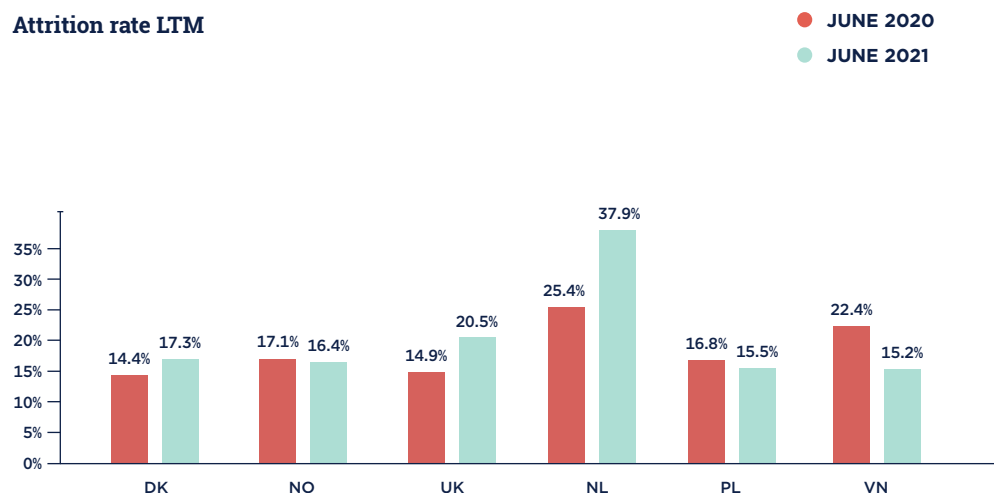
**Avg. FTEs increased to 3,238 during Q2 2021**



**Avg. FTEs increased to 3,173 during 2021**



**Attrition rate LTM**



# Cash flow and other significant financial positions

## Free cash flow and cash conversion rate<sup>1</sup>

The Group generated a free cash flow of negative DKK 10.2m in Q2 2021, compared to DKK 103.1m in Q2 2020. The negative free cash flow was affected by a voluntary one-off payment to the Danish Vacation Fund of DKK 96.9m, following the new Danish Holiday Act. Adjusted for this and taxes paid on account, the Group generated a free cash flow of DKK 47.7m compared to DKK 75.7m in Q2 2020, which corresponds to a decrease in normalised free cash flow of 37.1%.

The decrease in free cash flow was mainly driven by the negative development in working capital changes compared to the same period last year. However, this was somehow offset by the increased operating result. The development in working capital changes in Q2 2021 was driven by an increase of DKK 154.2m in trade receivables from DKK 448.6m by the end of Q1 2021 to DKK 602.8m, which was slightly offset by a decrease in work in progress of DKK 43.8m from DKK 498.4m by the end

of Q1 2021 to DKK 454.6m. In addition, the one-off payment to the Danish Vacation Fund also had a negative effect on working capital changes.

Cash conversion rate decreased from 89.1% in Q2 2020 to -8.5% in Q2 2021. Adjusted for the payment to the Danish Vacation Fund and taxes paid on account, cash conversion rate decreased from 65.4% in Q2 2020 to 39.9% in Q2 2021.

## Trade receivables

On 30th June 2021, trade receivables amounted to DKK 596.7m, which was an increase of 25.9% compared to the same period last year. Days sales outstanding increased from 63 days in Q2 2020 to 65 days in Q2 2021. The overdue part of trade receivables increased from 26.1% by the end of Q2 2020 to 29.8% by the end of Q2 2021.

Trade receivables paid in the following month amounted to DKK 293.2m of which DKK 154.2m was overdue as of 30 June

DKK million	Not overdue	0-30 days	30-60 days	60-90 days	>90 days	Total
Trade receivables, 30 June 2021	418.7	155.7	8.3	4.7	9.3	596.7
<i>Paid in the following month</i>	<i>139.0</i>	<i>149.8</i>	<i>1.0</i>	<i>2.9</i>	<i>0.5</i>	<i>293.2</i>
<i>% paid subsequently</i>	<i>33.2%</i>	<i>96.2%</i>	<i>12.3%</i>	<i>62.4%</i>	<i>5.3%</i>	<i>49.1%</i>

DKK million	Not overdue	0-30 days	30-60 days	60-90 days	>90 days	Total
Trade receivables, 30 June 2020	350.4	72.7	27.6	8.4	14.9	474.1
<i>Paid in the following month</i>	<i>262.6</i>	<i>60.2</i>	<i>21.3</i>	<i>5.7</i>	<i>3.8</i>	<i>353.6</i>
<i>% paid subsequently</i>	<i>74.9%</i>	<i>82.7%</i>	<i>77.3%</i>	<i>68.0%</i>	<i>25.4%</i>	<i>74.6%</i>

2021. Compared to payments received in the following month in July 2020, payments in July 2021 decreased from DKK 353.6m to DKK 293.2m, which in particular was caused by a decrease in payments of the "not overdue" part because July 2021 ended on a weekend.

<sup>1</sup>Taxes paid within the Group are, due to local tax regulations, paid on account in Q1 and in Q4. To adjust for this timing mismatch between expensed and paid corporate income taxes the free cash flow should be viewed in a tax normalised manner to better reflect the underlying development in free cash flow based on operations rather than impact from local tax legislation in Denmark.

**CONTINUED CASH FLOW AND OTHER SIGNIFICANT FINANCIAL POSITIONS**

**Work in progress**

At 30 June 2021, Netcompany's work in progress amounted to DKK 454.6m, represented by contract work in progress of DKK 485.1m and prepayments received from customers of DKK 30.5m.

Work in progress increased by 16.3% from DKK 390.9m in Q2 2020 to DKK 454.6m in Q2 2021. In the same period revenue increased by 22.4% from DKK 675.5m in Q2 2020 to DKK 826.7m in Q2 2021, while revenue for last twelve months increase by

19.6% whereas work in progress increased by 16.3%.

The lower increase in work in progress compared to revenue growth reflects that a number of projects reached their respective payment milestones during Q2, which reduced the work in progress and increased the trade receivables. This is expected to have a positive effect on the cash flow in Q3, when collected from trade receivables.

As a total, trade receivables and work in progress increased by 23.1% from DKK 858.7m end of Q2 2020 to DKK 1,057.4m end of Q2 2021.

**Funding and liquidity**

Netcompany's bank agreement consists of committed facilities constituting a total amount of DKK 1,500m and an additional facility of DKK 400m, available only for new acquisitions. At 30 June 2021, DKK 730m of the committed lines were utilised on borrowings and DKK 118.1m on guarantees, leaving a total of DKK 1,051.9m available in unutilised funding of which DKK 651.9m can be utilised for normal operations if needed with no additional costs or covenants. Including the net cash balance as of 30 June 2021 of DKK 179m available funding was DKK 1,230.9m.

**Risk management**

Please refer to the overview of risk factors provided by the Group in the Annual Report for 2020.

**Capital structure**

Netcompany considers a debt ratio of between 0.5 to 1.0 as desirable. End of Q2 2021, the debt ratio was 0.8.

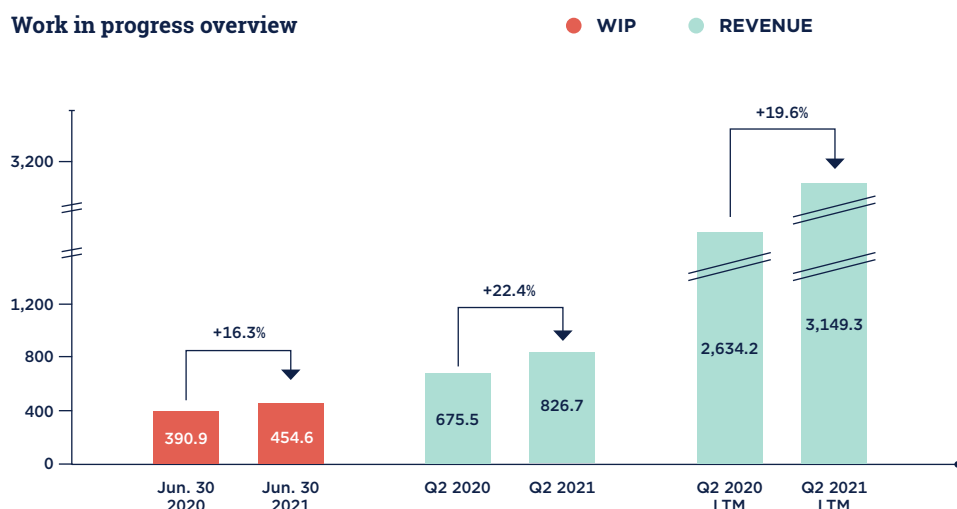
During Q2 2021, Netcompany executed a share buyback programme of DKK 50m.

**Events after the balance sheet date**

To this date, no events have occurred after the balance sheet date, which would influence the evaluation of this report.

DKK million

**Work in progress overview**



In June 2021, Netcompany paid DKK 25m to Smarter Airports A/S, whereby capital contribution to the Joint Venture was finalised.

# Guidance 2021

## Financial metrics in constant currencies

	Updated Target 2021	Original Target 2021	Actual performance 2020
Organic revenue growth in constant currencies	-18-20%	-15-20%	15.5%
Adjusted EBITA margin from organic businesses in constant currencies	-23-25%	-23-25%	26.3%
Non-organic revenue growth	0	0	1.1%
Reported revenue growth in constant currencies	-18-20%	-15-20%	16.6%
Adjusted EBITA margin in constant currencies	-23-25%	-23-25%	26.1%

Based on strong performance in the first six months of 2021 and the level of revenue visibility for 2021 based on updated performance as of end of July 2021, Netcompany lifts expectations to revenue growth to be between 18% and 20% for the full year measured in constant currencies – both in terms of organic and non-organic revenue growth – from previous expectations of revenue growth in constant currencies of between 15% and 20%.

Part of the strong performance in the first six months of 2021 in the top line growth was caused by employees taking less vacation than would be the norm, as COVID-19 restrictions imposed during the

first six months of the year led employees to defer vacation – to the extent where possible – to the latter part of 2021. Thus, we do expect somewhat slower revenue growth in the second half of 2021 compared to the first part of 2021 on a relative basis, which is fully reflected in the updated guidance for the year.

In the first quarter, Netcompany invested heavily in building local capabilities and competences by utilising a higher than normal amount of Danish resources on projects and business development in Norway, UK and the Netherlands. This continued in the second quarter and is now expected to continue throughout the remaining part of 2021. While this

will have a short term dilutive impact on margins in the second half of 2021 we are of the firm belief that the decision to do so will enable growth and margin expansion in the future as the units outside of Denmark will become more self-sustaining, win larger new contracts and attract significant levels of new talent.

In addition, as more and more of society re-opens following the lifting of COVID-19 imposed restrictions, we expect the employee related activities to increase, which will have a negative impact on margins in the latter part of 2021.

As a consequence we maintain expectations to adjusted EBITA margin of around 23%-25%.

A number of risks to our initial guidance for 2021 was given in connection with our Annual Report for 2020. Those risks still exists and could impact our performance for the remaining part of 2021 even though they are currently unlikely to occur.

The main risks are:

- Change in our markets following negative changes in the macroeconomic environment.
- New hard lockdown restrictions imposed related to new mutations of COVID-19.
- A stop to public digitalisation.
- Delay of deferral of ongoing or planned public tender processes.
- Increased competition for talent combined with increased flexibility in the workforce following a general re-opening of society.

# Shareholder information

## Capital

Netcompany's share capital is DKK 50m divided into 50m shares. During Q2 2021, Netcompany initiated a share buyback whereby additional 74,700 shares was acquired. Netcompany now holds 974,513 treasury shares equivalent to 1.9% of the share capital, which will be used to honour the Group's commitments under its RSU and LTIP programs.

## Share-based incentive schemes/restricted stock units

In total, 387,227 RSUs were granted at 30 June 2021 of which 116,121 were granted to Executive Management and 271,106 were granted to other Key Management Personnel and other employees. The fair value of the RSUs at grant was DKK 109.1m. The cost related hereto is expensed over the vesting period.

A total amount of DKK 9.3m was recognised as personnel costs in the income statement in Q2 2021 and DKK 17.9m in 6M 2021. Additional information on the holdings of Netcompany shares and restricted stock units by members of the Board of

Directors and Executive Management Board is disclosed in the remuneration policy.

## Contingent purchase price / restricted stock units

In connection with the acquisition of 100% of the shares of QDelft B.V. (now Netcompany Netherlands) in 2019, a total of 305,068 RSUs have been granted, which will vest in February 2023. Further 285,262 RSUs will be granted and vest in February 2023 depending performance in the period 2020-2022.

## Financial Calendar

### 4 November 2021

Interim report for the first 9 months of 2021.

# Statement of the Board of Directors and Executive Management

Today, the Board of Directors and Executive Management considered and approved the interim consolidated financial statements for Netcompany Group A/S (“Netcompany” or “the company” and together with all its subsidiaries “the Group”) for the period 1 January 2021 to 30 June 2021. The Q2 2021 report has not been audited or reviewed by the company’s independent auditors.

The interim consolidated financial statements have been prepared in accordance with IAS 34 as adopted by the EU and additional Danish regulations for the presentation of interim reports by listed companies. Furthermore, the interim report has been prepared in accordance with the accounting policies set out in the Group’s Annual Report for 2020.

In our opinion, the accounting policies used are appropriate, and the overall presentation of the interim consolidated financial statements gives a true and fair view

of the Group’s assets, liabilities and financial position as at 30 June 2021 and of the results of the Group’s operations and cash flows for the period 1 January 2021 to 30 June 2021.

We further consider that the Management’s Review in the preceding pages includes a true and fair account of the development and performance of the Group, the results for the period and the financial position, as well as a description of the principal risks and uncertainties that the Group faces in accordance with Danish disclosure requirements for listed companies.

COPENHAGEN, 18 AUGUST 2021

## Executive Management

**André Rogaczewski**  
CEO

**Claus Jørgensen**  
COO

**Thomas Johansen**  
CFO

## Board of Directors

**Bo Rygaard**  
Chairman of the Board

**Juha Christensen**  
Vice Chairman of the Board

**Scanes Bentley**

**Hege Skryseth**

**Åsa Riisberg**

# CONSOLIDATED INTERIM FINANCIAL STATEMENTS



# Statement of comprehensive income

DKK thousands	Note	Q2 2021	Q2 2020	YTD 2021	YTD 2020	Total 2020
<b>Income statement</b>						
Revenue	1	826,660	675,545	1,681,806	1,371,107	2,838,590
Cost of services	2	-533,306	-415,845	-1,062,793	-836,880	-1,683,372
<b>Gross profit</b>		<b>293,354</b>	<b>259,699</b>	<b>619,013</b>	<b>534,228</b>	<b>1,155,218</b>
Sales and marketing costs		-6,114	-3,807	-12,228	-8,216	-17,104
Administrative costs	3	-120,585	-94,551	-223,800	-200,611	-393,741
Special items	4	0	0	0	-3	-3
<b>EBITA</b>		<b>166,655</b>	<b>161,341</b>	<b>382,985</b>	<b>325,398</b>	<b>744,371</b>
Amortisation		-9,002	-25,299	-18,155	-50,597	-99,426
<b>Operating profit (EBIT)</b>		<b>157,653</b>	<b>136,042</b>	<b>364,830</b>	<b>274,800</b>	<b>644,945</b>
Financial income	5	2,337	6,616	4,245	12,949	19,347
Financial expenses	5	-9,076	-22,771	-17,619	-48,255	-66,306
Fair value adjustment of contingent consideration		0	0	49,485	0	-141,268
Income / loss from investment in joint venture		-5,192	0	-11,219	0	-5,035
<b>Profit / loss before tax</b>		<b>145,722</b>	<b>119,886</b>	<b>389,721</b>	<b>239,494</b>	<b>451,683</b>
Tax on the profit for the period		-33,321	-23,895	-77,774	-50,687	-129,766
<b>Net profit / loss for the period</b>		<b>112,402</b>	<b>95,991</b>	<b>311,947</b>	<b>188,807</b>	<b>321,918</b>
<b>Earnings per share</b>						
Earnings per share (DKK)	6	2.29	1.96	6.35	3.85	6.56
Diluted Earnings per share (DKK)	6	2.26	1.95	6.28	3.83	6.53



**CONTINUED** INCOME STATEMENT AND STATEMENT  
OF COMPREHENSIVE INCOME

DKK thousands	Note	Q2 2021	Q2 2020	YTD 2021	YTD 2020	Total 2020
<b>Statement of comprehensive income</b>						
<b>Net profit / loss for the period</b>		112,402	95,991	311,947	188,807	321,918
<b>Other comprehensive income:</b>						
Foreign currency translation subsidiaries		-1,255	9,017	7,034	8,956	10,250
<b>Other comprehensive income, net of tax</b>		<b>-1,255</b>	<b>9,017</b>	<b>7,034</b>	<b>8,956</b>	<b>10,250</b>
<b>Total comprehensive income / loss</b>		<b>111,146</b>	<b>105,009</b>	<b>318,981</b>	<b>197,763</b>	<b>332,168</b>

# Statement of financial position

DKK thousands	Note	30 June 2021	30 June 2020	31 December 2020
<b>Assets</b>				
Intangible assets		2,432,979	2,499,963	2,451,134
Tangible assets		200,027	155,124	135,321
Deferred tax assets		11,953	4,566	8,842
Other receivables		20,193	16,089	18,482
Investment in joint venture		83,746	0	69,965
<b>Total non-current assets</b>		<b>2,748,899</b>	<b>2,675,741</b>	<b>2,683,745</b>
Trade receivables	7	590,861	467,831	458,774
Receivables from joint venture		11,908	0	8,260
Contract work in progress	8	485,124	425,580	476,603
Other receivables		74,225	47,500	53,045
<b>Total receivables</b>		<b>1,162,119</b>	<b>940,911</b>	<b>996,682</b>
Cash		179,012	300,196	358,996
<b>Total current assets</b>		<b>1,341,132</b>	<b>1,241,107</b>	<b>1,355,678</b>
<b>Total assets</b>		<b>4,090,031</b>	<b>3,916,849</b>	<b>4,039,423</b>

DKK thousands	Note	30 June 2021	30 June 2020	31 December 2020
<b>Equity and liabilities</b>				
Share capital		50,000	50,000	50,000
Treasury shares		-225,000	-175,000	-175,000
Share-based remuneration		60,341	29,335	42,478
Exchange differences on trans- lating foreign subsidiaries		3,241	-5,088	-3,793
Retained earnings		2,777,782	2,381,825	2,514,936
<b>Total equity</b>		<b>2,666,364</b>	<b>2,281,072</b>	<b>2,428,621</b>
Borrowings	9	726,331	959,599	760,556
Leasing		107,864	67,320	57,377
Other payables	10	122,819	0	173,207
Deferred tax liability		58,827	70,271	66,037
<b>Total non-current liabilities</b>		<b>1,015,842</b>	<b>1,097,189</b>	<b>1,057,177</b>
Leasing		39,726	41,690	35,392
Prebilled invoices	8	30,490	34,664	41,747
Trade payables		43,874	28,511	39,875
Other payables	10	285,097	424,110	393,944
Income tax payable		8,639	9,614	42,667
<b>Total current liabilities</b>		<b>407,825</b>	<b>538,588</b>	<b>553,625</b>
<b>Total liabilities</b>		<b>1,423,667</b>	<b>1,635,777</b>	<b>1,610,802</b>
<b>Total equity and liabilities</b>		<b>4,090,031</b>	<b>3,916,849</b>	<b>4,039,423</b>

# Cash Flow statement

DKK thousands	Q2 2021	Q2 2020	YTD 2021	YTD 2020	Total 2020
Operating profit (EBIT)	157,653	136,042	364,830	274,800	644,945
Depreciation and amortisation	28,979	41,434	56,620	82,474	164,431
Non-cash items	9,565	6,137	26,854	2,422	17,596
Working capital changes	-188,984	-68,680	-193,041	-67,698	-103,248
<b>Total</b>	<b>7,213</b>	<b>114,933</b>	<b>255,264</b>	<b>291,998</b>	<b>723,724</b>
Income taxes paid	-4,382	-3,509	-121,949	-71,517	-126,163
Financial income received	235	664	774	1,527	2,533
Financial expenses paid	-8,237	-5,613	-20,486	-8,942	-19,220
<b>Cash flow from operating activities</b>	<b>-5,171</b>	<b>106,475</b>	<b>113,603</b>	<b>213,066</b>	<b>580,873</b>
Net cash outflow on acquisition of subsidiaries	0	0	-89,405	0	0
Other investments	-25,000	0	-25,000	0	-75,000
Acquisition of property, plant and equipment	-5,005	-3,330	-23,215	-14,907	-23,869
Other receivables (deposits)	-1,062	265	-1,469	-61	-2,779
<b>Cash flow from investment activities</b>	<b>-31,067</b>	<b>-3,064</b>	<b>-139,089</b>	<b>-14,968</b>	<b>-101,649</b>
Dividends paid	0	0	-49,100	0	0
Payment of treasury shares	-49,999	0	-49,999	0	0
Repayment of borrowings	-35,182	0	-35,182	0	-200,000
Repayment of right of use assets	-13,190	-11,313	-24,471	-22,232	-45,652
<b>Cash flow from financing activities</b>	<b>-98,371</b>	<b>-11,313</b>	<b>-158,752</b>	<b>-22,232</b>	<b>-245,652</b>
<b>Net increase in cash and cash equivalents</b>	<b>-134,609</b>	<b>92,098</b>	<b>-184,238</b>	<b>175,865</b>	<b>233,573</b>
<b>Cash and cash equivalents at the beginning</b>	<b>314,834</b>	<b>208,538</b>	<b>358,996</b>	<b>132,350</b>	<b>132,350</b>
Effect of exchange rate changes on the balance cash held in foreign currencies	-1,213	-440	4,254	-8,020	-6,927
<b>Cash and cash equivalents at the end</b>	<b>179,012</b>	<b>300,196</b>	<b>179,012</b>	<b>300,196</b>	<b>358,996</b>

# Statement of changes in Equity

DKK thousands	Share capital	Treasury shares	Share-based remuneration	Foreign currency translation subsidiaries	Retained earnings	Total
<b>Equity at 1 April 2021</b>	<b>50,000</b>	<b>-175,000</b>	<b>50,993</b>	<b>4,496</b>	<b>2,665,381</b>	<b>2,595,870</b>
Treasury Shares for the period	0	-50,000	0	0	0	-50,000
Share-based remuneration for the period	0	0	9,348	0	0	9,348
Profit for the period	0	0	0	0	112,402	112,402
Other comprehensive income	0	0	0	-1,255	0	-1,255
<b>Equity at 30 June 2021</b>	<b>50,000</b>	<b>-225,000</b>	<b>60,341</b>	<b>3,241</b>	<b>2,777,782</b>	<b>2,666,364</b>
<b>Equity at 1 January 2021</b>	<b>50,000</b>	<b>-175,000</b>	<b>42,478</b>	<b>-3,793</b>	<b>2,514,936</b>	<b>2,428,621</b>
Treasury Shares for the period	0	-50,000	0	0	0	-50,000
Share-based remuneration for the period	0	0	17,862	0	0	17,862
Dividend paid	0	0	0	0	-49,100	-49,100
Profit for the period	0	0	0	0	311,947	311,947
Other comprehensive income	0	0	0	7,034	0	7,034
<b>Equity at 30 June 2021</b>	<b>50,000</b>	<b>-225,000</b>	<b>60,341</b>	<b>3,241</b>	<b>2,777,782</b>	<b>2,666,364</b>

**CONTINUED STATEMENT OF CHANGES IN EQUITY**

DKK thousands	Share capital	Treasury shares	Share-based remuneration	Foreign currency translation subsidiaries	Retained earnings	Total
<b>Equity at 1 April 2020</b>	<b>50,000</b>	<b>-175,000</b>	<b>22,765</b>	<b>-14,105</b>	<b>2,285,834</b>	<b>2,169,494</b>
Share-based remuneration for the period	0	0	6,569	0	0	6,569
Profit for the period	0	0	0	0	95,991	95,991
Other comprehensive income	0	0	0	9,017	0	9,017
<b>Equity at 30 June 2020</b>	<b>50,000</b>	<b>-175,000</b>	<b>29,335</b>	<b>-5,088</b>	<b>2,381,825</b>	<b>2,281,072</b>

<b>Equity at 1 January 2020</b>	<b>50,000</b>	<b>-175,000</b>	<b>17,724</b>	<b>-14,044</b>	<b>2,193,018</b>	<b>2,071,699</b>
Share-based remuneration for the period	0	0	11,610	0	0	11,610
Profit for the period	0	0	0	0	188,807	188,807
Other comprehensive income	0	0	0	8,956	0	8,956
<b>Equity at 30 June 2020</b>	<b>50,000</b>	<b>-175,000</b>	<b>29,335</b>	<b>-5,088</b>	<b>2,381,825</b>	<b>2,281,072</b>

<b>Equity at 1 January 2020</b>	<b>50,000</b>	<b>-175,000</b>	<b>17,724</b>	<b>-14,044</b>	<b>2,193,018</b>	<b>2,071,699</b>
Share-based remuneration for the period	0	0	24,754	0	0	24,754
Profit for the period	0	0	0	0	321,918	321,918
Other comprehensive income	0	0	0	10,250	0	10,250
<b>Equity at 31 December 2020</b>	<b>50,000</b>	<b>-175,000</b>	<b>42,478</b>	<b>-3,793</b>	<b>2,514,936</b>	<b>2,428,621</b>

NOTE 1

## Segment information

### Segment information related to geographical areas

DKK thousands	Q2 2021					Total
	Denmark	Norway	UK	Netherlands	Other	
Revenue from external customers	637,124	68,283	100,834	20,420	0	826,660
<b>EBITA, operating entities</b>	<b>158,722</b>	<b>4,675</b>	<b>5,528</b>	<b>-2,270</b>	<b>0</b>	<b>166,655</b>
Allocated cost	3,257	-3,250	-4,452	1,148	3,296	0
<b>EBITA, reported in legal entities</b>	<b>161,980</b>	<b>1,425</b>	<b>1,076</b>	<b>-1,122</b>	<b>3,296</b>	<b>166,655</b>

DKK thousands	Q2 2020					Total
	Denmark	Norway	UK	Netherlands	Other	
Revenue from external customers	531,494	42,770	80,193	21,089	0	675,545
<b>EBITA, operating entities</b>	<b>162,000</b>	<b>-793</b>	<b>-1,720</b>	<b>1,854</b>	<b>0</b>	<b>161,341</b>
Allocated cost	44	3,520	-3,996	-838	1,271	0
<b>EBITA, reported in legal entities</b>	<b>162,043</b>	<b>2,727</b>	<b>-5,716</b>	<b>1,016</b>	<b>1,271</b>	<b>161,341</b>

**CONTINUED** NOTE 1 SEGMENT INFORMATION

DKK thousands	YTD 2021					Total
	Denmark	Norway	UK	Netherlands	Other	
Revenue from external customers	1,292,818	141,081	205,859	42,048	0	1,681,806
<b>EBITA, operating entities</b>	<b>355,685</b>	<b>17,300</b>	<b>14,935</b>	<b>-4,934</b>	<b>0</b>	<b>382,985</b>
Allocated cost	8,376	-6,311	-11,294	853	8,376	0
<b>EBITA, reported in legal entities</b>	<b>364,060</b>	<b>10,988</b>	<b>3,641</b>	<b>-4,081</b>	<b>8,376</b>	<b>382,985</b>

DKK thousands	YTD 2020					Total
	Denmark	Norway	UK	Netherlands	Other	
Revenue from external customers	1,056,201	97,679	178,458	38,769	0	1,371,107
<b>EBITA, operating entities</b>	<b>311,008</b>	<b>4,125</b>	<b>7,695</b>	<b>2,570</b>	<b>0</b>	<b>325,397</b>
Allocated cost	4,452	4,522	-9,035	-1,536	1,597	0
<b>EBITA, reported in legal entities</b>	<b>315,460</b>	<b>8,647</b>	<b>-1,340</b>	<b>1,034</b>	<b>1,597</b>	<b>325,398</b>

DKK thousands	Total 2020					Total
	Denmark	Norway	UK	Netherlands	Other	
Revenue from external customers	2,199,865	199,778	340,315	98,632	0	2,838,589
<b>EBITA, operating entities</b>	<b>706,183</b>	<b>11,988</b>	<b>9,377</b>	<b>16,823</b>	<b>0</b>	<b>744,370</b>
Allocated cost	14,590	2,761	-20,064	-3,486	6,198	0
<b>EBITA, reported in legal entities</b>	<b>720,773</b>	<b>14,750</b>	<b>-10,687</b>	<b>13,337</b>	<b>6,198</b>	<b>744,371</b>

NOTE 2

## Cost of services

DKK thousands	Q2 2021	Q2 2020	YTD 2021	YTD 2020	Total 2020
Cost of services	-60,771	-52,380	-124,854	-129,940	-255,491
Salaries	-466,507	-359,432	-925,935	-699,468	-1,412,104
Depreciation	-6,028	-4,033	-12,005	-7,472	-15,777
<b>Cost of services total</b>	<b>-533,306</b>	<b>-415,845</b>	<b>-1,062,793</b>	<b>-836,880</b>	<b>-1,683,372</b>

NOTE 3

## Administrative costs

DKK thousands	Q2 2021	Q2 2020	YTD 2021	YTD 2020	Total 2020
Administrative costs	-52,911	-39,486	-97,041	-90,623	-179,992
Salaries	-53,724	-42,963	-100,298	-85,584	-164,520
Depreciation	-13,949	-12,102	-26,461	-24,405	-49,228
<b>Administrative costs total</b>	<b>-120,585</b>	<b>-94,551</b>	<b>-223,800</b>	<b>-200,611</b>	<b>-393,741</b>



**NOTE 4**

## Special items

DKK thousands	<b>Q2 2021</b>	<b>Q2 2020</b>	<b>YTD 2021</b>	<b>YTD 2020</b>	<b>Total 2020</b>
Costs related to M&A	0	0	0	-3	-3
<b>Total special items</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3</b>	<b>-3</b>

**NOTE 5**

## Financial income and expenses

DKK thousands	<b>Q2 2021</b>	<b>Q2 2020</b>	<b>YTD 2021</b>	<b>YTD 2020</b>	<b>Total 2020</b>
<b>Financial income</b>					
Exchange rate adjustments	2,296	6,590	4,185	12,907	19,266
Other financial income	41	26	59	42	81
<b>Financial income total</b>	<b>2,337</b>	<b>6,616</b>	<b>4,245</b>	<b>12,949</b>	<b>19,347</b>
<b>Financial expenses</b>					
Interest expense, bank loan	-2,499	-3,622	-5,089	-7,549	-13,661
Interest expense, leasing	-908	-1,083	-1,721	-2,068	-3,986
Exchange rate adjustments	-3,885	-16,694	-5,295	-36,166	-43,177
Other financial expenses	-1,784	-1,373	-5,514	-2,471	-5,481
<b>Financial expenses total</b>	<b>-9,076</b>	<b>-22,771</b>	<b>-17,619</b>	<b>-48,255</b>	<b>-66,306</b>

## NOTE 6

## Earnings per share

DKK thousands	Q2 2021	Q2 2020	YTD 2021	YTD 2020	Total 2020
<b>Earnings per share - EPS (DKK)</b>	<b>2.29</b>	<b>1.96</b>	<b>6.35</b>	<b>3.85</b>	<b>6.56</b>
<b>Diluted earnings per share - EPS-D (DKK)</b>	<b>2.26</b>	<b>1.95</b>	<b>6.28</b>	<b>3.83</b>	<b>6.53</b>
Profit	112,402	95,991	311,947	188,807	321,918
Average number of shares	50,000	50,000	50,000	50,000	50,000
Average number of treasury shares	923	900	911	900	900
Average number of shares in circulation	49,077	49,100	49,089	49,100	49,100
Average number of outstanding restricted stock units	605	198	591	178	215
Average number of diluted shares in circulation	49,682	49,298	49,679	49,278	49,316

## NOTE 7

## Trade receivables

DKK thousands	30 June 2021	30 June 2020	31 December 2020
Not overdue	418,727	350,405	326,415
0-30 days overdue	155,656	72,724	99,180
31-60 days overdue	8,269	27,611	19,876
61-90 days overdue	4,728	8,401	4,572
Over 90 days overdue	9,313	14,937	14,562
<b>Total trade receivables excl. expected credit loss</b>	<b>596,692</b>	<b>474,078</b>	<b>464,605</b>
Expected credit loss	-5,831	-6,247	-5,831
<b>Total trade receivables</b>	<b>590,861</b>	<b>467,831</b>	<b>458,774</b>

The Group is continuously conducting individual assessments of bad debt. If this leads to an assessment that the Group will not be able to collect the amount accounted for, and allowance for bad debt is made. At 30 June 2021, the Group recognised a provision for expected credit losses of DKK 5.8m (30 June 2020: DKK 6.2m), and no credit losses have incurred during Q2 2021. The credit quality of trade receivables at 30 June 2021, was considered satisfactory.

## NOTE 8

## Contract work in progress

DKK thousands	30 June 2021	30 June 2020	31 December 2020
Selling price of work performed on fixed price projects	1,342,730	1,039,468	1,083,501
Invoiced amount on fixed price projects	-888,095	-648,551	-648,646
<b>Total contract work in progress</b>	<b>454,634</b>	<b>390,917</b>	<b>434,856</b>

Net value – stated on a contract-per-contract basis – is presented in the statement of financial position as follows:

Contract work in progress	485,124	425,580	476,603
Prebilled invoices	-30,490	-34,664	-41,747
<b>Total contract work in progress</b>	<b>454,634</b>	<b>390,917</b>	<b>434,856</b>

## NOTE 9

## Borrowings

DKK thousands	Currency	Maturity	Fixed or floating interest	Loan cost	Nominal value	Carrying amount
Bank loan	DKK	2023	Floating	3,669	730,000	726,331
<b>30 June 2021</b>				<b>3,669</b>	<b>730,000</b>	<b>726,331</b>

DKK thousands	Currency	Maturity	Fixed or floating interest	Loan cost	Nominal value	Carrying amount
Bank loan	DKK	2023	Floating	5,583	965,182	959,599
<b>30 June 2020</b>				<b>5,583</b>	<b>965,182</b>	<b>959,599</b>

Bank loan	DKK	2023	Floating	4,626	765,182	760,556
<b>31 December 2020</b>				<b>4,626</b>	<b>765,182</b>	<b>760,556</b>

**NOTE 10**

## Other payables

DKK thousands	30 June 2021	30 June 2020	31 December 2020
Wages and salaries, payroll taxes, social security costs, etc. payable	47,871	37,289	53,235
Holiday pay obligation	134,799	168,988	144,836
VAT and duties	79,909	59,361	58,889
Contingent purchase price & earn out	122,819	120,441	261,709
Other costs payable	22,517	38,030	48,482
<b>Total other payables</b>	<b>407,916</b>	<b>424,110</b>	<b>567,151</b>

For further details on contingent purchase price and earn out, please refer to Annual Report 2020 note 14.

Other costs include accruals for fee, administration, sales and other items. Other accruals liabilities have a remaining term of up to one year.

**NOTE 11**

## Provision

DKK thousands	Q2 2021	Q2 2020	YTD 2021	YTD 2020	Total 2020
<b>Onerous contracts and warranty obligations beginning of period</b>	<b>0</b>	<b>3,525</b>	<b>0</b>	<b>3,525</b>	<b>3,525</b>
Decrease in the period	0	-3,525	0	-3,525	-3,525
<b>Onerous contracts and warranty obligations end of period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## NOTE 12

**Income Statement classified by function**

DKK thousands	Q2 2021	Q2 2020	YTD 2021	YTD 2020	Total 2020
<b>Income statement</b>					
Revenue	826,660	675,545	1,681,806	1,371,107	2,838,590
Cost of services, incl. depreciation and amortisation	-533,306	-415,845	-1,062,793	-836,880	-1,683,372
<b>Gross profit</b>	<b>293,354</b>	<b>259,699</b>	<b>619,013</b>	<b>534,228</b>	<b>1,155,218</b>
Sales and marketing costs, incl. depreciation and amortisation	-6,114	-3,807	-12,228	-8,216	-17,104
Administrative costs, incl. depreciation and amortisation	-129,587	-119,850	-241,955	-251,211	-493,170
<b>Operating profit (EBIT)</b>	<b>157,653</b>	<b>136,042</b>	<b>364,830</b>	<b>274,800</b>	<b>644,945</b>
Financial income	2,337	6,616	4,245	12,949	19,347
Financial expenses	-9,076	-22,771	-17,619	-48,255	-66,306
Fair value adjustment of contingent consideration	0	0	49,485	0	-141,268
Income / loss from investment in joint venture	-5,192	0	-11,219	0	-5,035
<b>Profit / loss before tax</b>	<b>145,722</b>	<b>119,886</b>	<b>389,721</b>	<b>239,494</b>	<b>451,683</b>
Tax on the profit for the period	-33,321	-23,895	-77,774	-50,687	-129,766
<b>Net profit / loss for the period</b>	<b>112,402</b>	<b>95,991</b>	<b>311,947</b>	<b>188,807</b>	<b>321,918</b>

**Depreciation and Amortisation have been presented as follows in the income statement:**

Cost of services	-6,028	-4,033	-12,005	-7,472	-15,777
Administrative costs	-22,951	-37,401	-44,616	-75,002	-148,654
<b>Depreciation and amortisation</b>	<b>-28,979</b>	<b>-41,434</b>	<b>-56,620</b>	<b>-82,474</b>	<b>-164,431</b>

NOTE 13

## Collateral provided and contingent liabilities

As part of its contract commitments with customers, the Group has through its banks provided performance guarantees of DKK 118.1m (nil).

There are no collaterals provided for the Group's bank loan.

NOTE 14

## Related party transactions

In Q2 2021, Netcompany recognised revenue from Smarter Airports A/S of DKK 24.4m.

NOTE 15

## Financial figures and highlights

DKK million	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
<b>Income statement</b>								
Revenue								
Public	488.0	502.3	465.9	436.3	442.2	433.3	406.9	356.4
Private	338.7	352.8	306.9	258.4	233.4	262.2	264.1	235.7
<i>Revenue by segments, total</i>	826.7	855.1	772.7	694.7	675.5	695.6	671.0	592.1
Development	513.2	517.5	433.7	380.1	347.4	355.7	338.9	299.1
Maintenance	313.5	337.7	339.1	314.6	328.1	339.8	332.1	293.0
<i>Revenue by types, total</i>	826.7	855.1	772.7	694.7	675.5	695.6	671.0	592.1
Organic	826.7	855.1	772.7	694.7	667.1	677.9	654.7	578.1
Acquisition	0.0	0.0	0.0	0.0	8.5	17.7	16.3	14.0
<i>Revenue by growth, total</i>	826.7	855.1	772.7	694.7	675.5	695.6	671.0	592.1
Special items	0.0	0.0	0.0	0.0	0.0	-0.0	-0.0	-0.6
Adjusted EBITA	166.7	216.3	223.5	195.5	161.3	164.1	179.9	164.1
EBITA	166.7	216.3	223.5	195.5	161.3	164.1	179.8	163.5
Operating profit (EBIT)	157.7	207.2	200.0	170.2	136.0	138.8	154.4	137.5
Net financials	-6.7	-6.6	-5.4	-6.2	-16.2	-19.2	5.1	-3.7
Net profit / loss	112.4	199.5	5.0	128.1	96.0	92.8	125.6	102.5
<b>Financial position</b>								
Capex	-5.0	-18.2	-3.7	-5.3	-3.3	-11.6	-9.1	-4.3
Total assets	4,090.0	4,074.5	4,039.4	3,875.9	3,916.8	3,791.6	3,727.6	3,731.5
Equity	2,666.4	2,595.9	2,428.6	2,413.8	2,281.1	2,169.5	2,071.7	1,950.7
Net increase in cash and cash equivalents	-134.6	-49.6	120.4	-62.7	92.1	83.8	-44.7	40.8
Free cash flow	-10.2	100.6	208.9	149.9	103.1	95.0	116.8	126.5
Free cash flow (tax normalised)	-49.2	173.8	210.5	115.0	75.7	136.0	117.4	89.6

**CONTINUED** NOTE 15 FINANCIAL FIGURES AND HIGHLIGHTS

DKK million	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
<b>Earnings per share</b>								
Earnings per share (DKK)	2.29	4.06	0.10	2.61	1.96	1.89	2.56	2.09
Diluted Earnings per share (DKK)	2.26	4.02	0.10	2.60	1.95	1.88	2.55	2.08
<b>Employees</b>								
Average number of full-time employees	3,238	3,109	2,996	2,827	2,663	2,585	2,468	2,345
<b>Financial ratios</b>								
Revenue growth	22.4%	22.9%	15.2%	17.3%	13.9%	16.4%	23.5%	20.8%
Gross profit margin	35.5%	38.1%	42.4%	42.2%	38.4%	39.5%	42.3%	43.2%
Adjusted EBITA margin	20.2%	25.3%	28.9%	28.1%	23.9%	23.6%	26.8%	27.7%
EBITA margin	20.2%	25.3%	28.9%	28.1%	23.9%	23.6%	26.8%	27.6%
Operating profit margin	19.1%	24.2%	25.9%	24.5%	20.1%	19.9%	23.0%	23.2%
Effective tax rate	22.9%	18.2%	89.6%	21.9%	19.9%	22.4%	21.2%	23.4%
Return on equity	4.5%	8.4%	0.2%	5.9%	4.6%	4.7%	6.5%	5.6%
Solvency ratio	65.2%	63.7%	60.1%	62.3%	58.2%	57.2%	55.6%	52.3%
ROIC	3.7%	6.7%	0.2%	4.4%	3.3%	3.3%	4.4%	3.6%
ROIC (Adjusted for Goodwill)	13.8%	27.8%	0.8%	19.8%	14.7%	14.8%	18.9%	16.3%
Cash conversion rate	-8.5%	48.7%	893.4%	101.4%	89.1%	84.4%	80.3%	103.1%
Cash conversion rate (tax normalised)	-41.2%	84.1%	900.4%	77.8%	65.4%	120.9%	80.7%	73.0%



NOTE 16

## Accounting policies

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The annual consolidated financial statements of the Group are prepared in accordance with IFRS as adopted by the European Union. The interim consolidated financial statements included in this Q2 2021 financial report has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the European Union. The accounting policies applied are consistent with those applied in the consolidated Annual Report for the year ended 31 December 2020 for Netcompany Group A/S.

# Formulas

The ratios have been compiled in accordance with the following calculation formulas.

\*Marked formulas have been calculated in accordance with "Recommendations & Financial Ratios" issued by the Danish Finance Society.

<b>Gross profit margin*</b>	=	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$	<b>EBITDA*</b>	=	EBIT + Depreciation and amortisation	<b>Days sales outstanding*</b>	=	$\frac{\text{Trade receivables} \times \text{days}}{\text{Revenue}}$
<b>EBITA*</b>	=	Operating profit + Amortisation	<b>EPS*</b>	=	$\frac{\text{Net profit}}{\text{Average outstanding shares}}$	<b>Return on equity*</b>	=	$\frac{\text{Net profit} \times 100}{\text{Average equity}}$
<b>EBITA margin*</b>	=	$\frac{\text{EBITA} \times 100}{\text{Revenue}}$	<b>EPS diluted*</b>	=	$\frac{\text{Net profit}}{\text{Average outstanding shares} + \text{Diluted shares}}$	<b>ROIC*</b>	=	$\frac{\text{Net profit} \times 100}{\text{Average invested capital}}$
<b>Adjusted EBITA</b>	=	EBITA + Special items	<b>Free cash flow*</b>	=	Cash flow from operating activities - Capex	<b>ROIC (Adjusted for Goodwill)*</b>	=	$\frac{\text{Net profit} \times 100}{\text{Average invested capital} - \text{average Goodwill}}$
<b>Adjusted EBITA margin</b>	=	$\frac{\text{Adjusted EBITA} \times 100}{\text{Revenue}}$	<b>CAPEX*</b>	=	Cost spent to buy intangible and tangible assets, excluding impact from business acquisitions	<b>Solvency (equity ratio)*</b>	=	$\frac{\text{Equity} \times 100}{\text{Total assets}}$
<b>Operating profit margin*</b>	=	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$	<b>Cash conversion ratio</b>	=	$\frac{\text{Free cash flow} \times 100}{\text{Net profit} - \text{amortisation and deferred tax of amortisation}}$			

# Disclaimer

This report contains forward-looking statements including, but not limited to, the statements and expectations contained in the outlook section. Forward-looking statements are statements (other than statements of historical fact) relating to future events and Netcompany's anticipated or planned financial and operational performance.

The words 'may', 'will', 'will continue', 'should', 'expect', 'foresee', 'anticipate', 'believe', 'estimate', 'plan', 'predict', 'intend' or variations of these words, including negatives thereof, as well as other statements regarding matters that are not historical fact or regarding future events or prospects, constitute forward-looking statements.

Netcompany has based these forward-looking statements on its current views with respect to future events and financial performance. These views involve a number of risks and uncertainties, which could cause actual results to differ materially from those predicted in the forward-looking statements and from the past performance of Netcompany.

Although Netcompany believes that the estimates and projections reflected in the forward-looking statements are reasonable, they may prove materially incorrect, and actual results may materially differ, e.g. as the result of risks related to the industry in general or Netcompany in particular, including those described in Netcompany Group A/S' Annual Report 2020 and other information made available by Netcompany.

Factors that may affect future results include, but are not limited to, global and economic conditions, including currency exchange rate and interest rate fluctuations, delay or failure of projects related to research and/or development, unexpected contract breaches or terminations, unplanned loss of patents, government-mandated or market-driven price decreases for Netcompany's products, introduction of competing products, reliance on information technology, Netcompany's ability to successfully market current and new products, exposure to product liability, litigation and investigations, regulatory developments, actual or perceived failure to adhere to ethical mar-

keting practices, unexpected growth in costs and expenses, failure to recruit and retain the right employees, and failure to maintain a culture of compliance.

As a result, forward-looking statements should not be relied on as a prediction of actual results. Netcompany undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by law.

The Annual Report 2020 of Netcompany Group A/S is available at our website [www.netcompany.com](http://www.netcompany.com)

## About Netcompany

Netcompany delivers business critical IT solutions and consultancy that help our customers to achieve significant business benefits in a digitised world. Netcompany also helps our customers to manage and operate IT solutions both on location and in the cloud.