

netcompany

Q4 | 21

Company Announcement
12 months ended 31 December 2021

**Netcompany continues to grow
revenue and European presence**

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Summary

In Q4 2021, Netcompany grew revenue in constant currencies to DKK 1,140.8m – equal to 47.6% growth compared to Q4 2020. In reported currencies, revenue grew by 49.1%. Of the total revenue growth, 37 percentage points was non-organic related to the acquisition of Intrasoft International S.A.

Adjusted EBITDA was DKK 238.4m in reported currencies, which was in line with results in Q4 2020. Adjusted EBITDA margin for Netcompany Core¹ was 24.3% and 9.7% for Netcompany-Intrasoft.

Adjusted EBITA was DKK 210.3m in Q4 2021 compared to DKK 223.5m in Q4 2020. Adjusted EBITA margin was 18.3% including results from Netcompany-Intrasoft, which diluted margins by 3.6 percentage points.

Average number of full-time employees in Netcompany Core grew 513 from 2,996 in Q4 2020 to 3,509 in Q4 2021, while the acquisition of Intrasoft added another 2,862 FTE. End of 2021, total FTE's for the Group was 6,380.

For the full year, Netcompany realised total revenue growth of 27.9% in reported currencies, which resulted in total reported revenue of DKK 3,623m for the year. In constant currencies revenue grew 27% - in line with guidance for the year – of which 10.1 percentage points was non-organic related to the acquisition of Intrasoft International in 2021.

For 2021, adjusted EBITDA for the Group was 24.2%, which was slightly above guidance. For Netcompany-Intrasoft, adjusted EBITDA was 9.7%, which was above guidance. For Netcompany Core adjusted EBITA was 23.1% - in line with guidance.

Free cash flow for the year was DKK 408m compared to DKK 557m in 2020. Normalised cash conversion ratio was 94.3%. Cash and cash equivalents increased by around DKK 100m.

Revenue visibility increased by 79.4% to DKK 3,824.8m for 2022 compared to DKK 2,131.7m for 2021. Netcompany Core accounts for DKK 2,488.1m, which is an increase of 16.7% compared to 2021. Netcompany-Intrasoft accounts for DKK 1,336.6m.

For 2022, Netcompany expects revenue growth in constant currencies of between 48-56%, of which 13-18 percentage points are expected to be organic.

Adjusted EBITDA margin is expected to be above 20% and adjusted EBITA margin for Netcompany Core is expected to be above 23%.

¹Netcompany Core is defined as Group less Netcompany-Intrasoft

In Q4, we completed the acquisition of Intrasoft International S.A. as planned and I am excited to welcome all Intrasoft employees, customers, and other stakeholders to the Netcompany Group.

The acquisition of Intrasoft impacted our revenue growth by 37%, for the two months of 2021 that were under our ownership, which lifted our total revenue growth for the quarter to close to 50%.

Despite new COVID-19 imposed restrictions in December and increased sickness through the Group related to the Omicron variant, we succeeded in meeting our guidance for the full year revenue growth and margins as revenue grew 27% in constant currencies and adjusted EBITA margin for the Group was 21.8%.

With the acquisition of Intrasoft and the continued talent acquisition in Netcompany Core, we enter 2022 with more than 6,500 talented employees, which will lay a strong foundation for our continued growth.

I look into 2022 with great enthusiasm as I firmly believe that Netcompany stands in a strong position to be a leading player in the continued digitalisation of societies. With our platforms and our deep IT skills embedded in all of our employees, we will be in a favorable position to accelerate our European presence further and continue our work towards our goal – to become a European IT services leader within the decade.

André Rogaczewski

NETCOMPANY CEO AND CO-FOUNDER

Performance highlights Q4

Financial overview

DKK million	Q4 2021 (reported)	Q4 2021 (constant)*	Q4 2020	% change (reported)	Netcompany Intrasoft non-organic impact**	% change (constant)*
Revenue	1,152.1	1,140.8	772.7	49.1%	37.0pp	47.6%
Gross profit	385.8	382.4	327.7	17.8%	15.3pp	16.7%
Adjusted EBITDA	238.6	237.1	240.1	-0.6%	11.5pp	-1.3%
<i>Adjusted EBITDA margin</i>	20.7%	20.8%	31.1%	-10.4pp	-3.6pp	-10.3pp
Adjusted EBITA	210.3	209.1	223.5	-5.9%	9.5pp	-6.4%
<i>Adjusted EBITA margin</i>	18.3%	18.3%	28.9%	-10.7pp	-3.6pp	-10.6pp
EBITA	202.4	201.2	223.5	-9.5%	9.5pp	-10.0%
<i>EBITA margin</i>	17.6%	17.6%	28.9%	-11.4pp	-3.3pp	-11.3pp
Operating profit	178.1	176.9	200.0	-10.9%	10.3pp	-11.5%
<i>Operating profit margin</i>	15.5%	15.5%	25.9%	-10.4pp	-2.7pp	-10.4pp
Net profit / loss	153.8	152.6	5.0	2957.6%	228.8pp	2934.3%
Free cash flow	134.7	N/A	208.9	-35.5%	N/A	N/A
Cash conversion rate	78.0%	N/A	893.4%	-815.4pp	N/A	N/A

*Constant currencies measured using average exchange rates for Q4 2020

- Revenue increased by 49.1% to DKK 1,152.1m in reported currencies and by 47.6% in constant currencies.
- Organic revenue grew by 12.1%.
- Gross profit margin was 33.5% against 42.4% in Q4 2020.
- Adjusted EBITA decreased 5.9% and yielded a margin of 18.3%.
- Adjusted EBITA margin was 21.8% for the organic businesses.
- Free cash flow was DKK 134.7m.
- Fair value adjustment of the investment in the Netherlands reflected a decrease of the total expected purchase price and impacted net profit positively by DKK 29.4m.
- Cash conversion rate was 78%. Adjusted for the fair value adjustment to the contingent purchase price and normalised for tax payment, conversion rate was 112.3%.
- Debt leverage to 12 months rolling adjusted EBITA was 2.7.

Performance highlights 2021

Financial overview

DKK million	YTD 2021 (reported)	YTD 2021 (constant)*	YTD 2020	% change (reported)	Netcompany Intrasoft non-organic impact**	% change (constant)*
Revenue	3,632.0	3,605.9	2,838.6	27.9%	10.1pp	27.0%
Gross profit	1,333.3	1,323.2	1,155.2	15.4%	4.4pp	14.5%
Adjusted EBITDA	881.1	874.4	809.4	8.9%	3.4pp	8.0%
<i>Adjusted EBITDA margin</i>	24.3%	24.2%	28.5%	-4.3pp	-1.2pp	-4.3pp
Adjusted EBITA	793.2	786.8	744.4	6.6%	2.9pp	5.7%
<i>Adjusted EBITA margin</i>	21.8%	21.8%	26.2%	-4.4pp	-1.2pp	-4.4pp
EBITA	755.3	748.9	744.4	1.5%	2.8pp	0.6%
<i>EBITA margin</i>	20.8%	20.8%	26.2%	-5.4pp	-1.1pp	-5.5pp
Operating profit	703.8	697.5	644.9	9.1%	3.2pp	8.1%
<i>Operating profit margin</i>	19.4%	19.3%	22.7%	-3.3pp	-1.0pp	-3.4pp
Net profit / loss	574.3	568.1	321.9	78.4%	3.6pp	76.5%
Free cash flow	408.0	N/A	557.0	-26.7%	N/A	N/A
Cash conversion rate	66.4%	N/A	139.4%	-73.0pp	N/A	N/A

*Constant currencies measured using average exchange rates for 2020

- Revenue increased by 27.9% to DKK 3,632m in reported currencies and by 27% in constant currencies.
- Organic revenue grew by 17.9%.
- Gross profit margin was 36.7% against 40.7% for the same period in 2020.
- Free cash flow was DKK 408m in 2021 compared to DKK 557m in 2020.
- Fair value adjustment of the investment in the Netherlands reflected a decrease of the total expected purchase price and impacted net profit positively by DKK 78.9m.
- Cash conversion rate was 66.4%. Adjusted for the payment to the Danish Vacation Fund and the fair value adjustment to the contingent purchase price conversion rate was 94.3%.

Conference call details

In connection with the publication of the results for Q4 2021, Netcompany will host a conference call on 25 January 2022 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

Dial-in details for investors and analysts

DK
+45 78 15 01 09

UK
+44 333 300 9268

US
+1 646 722 4902

Webcast Player URL
<https://streams.eventcdn.net/netcompany/q4-update/>

Additional information

André Rogaczewski, CEO
+45 70 13 14 40

Thomas Johansen, CFO
+45 51 19 32 24

Financial highlights and key figures

DKK million	Q4 2021	Q4 2020	% change Q4	YTD 2021	YTD 2020	% change YTD
Income statement						
Public revenue	758.5	465.9	62.8%	2,210.4	1,777.7	24.3%
Private revenue	393.6	306.9	28.3%	1,421.6	1,060.9	34.0%
<i>Revenue by segments, total</i>	1,152.1	772.7	49.1%	3,632.0	2,838.6	27.9%
Development revenue	783.3	433.7	80.6%	2,302.4	1,517.0	51.8%
Maintenance revenue	367.3	339.1	8.3%	1,328.0	1,321.6	0.5%
License revenue	1.5	0.0	N/A	1.5	0.0	N/A
<i>Revenue by types, total</i>	1,152.1	772.7	49.1%	3,632.0	2,838.6	27.9%
Organic revenue	866.5	772.7	12.1%	3,346.4	2,812.4	17.9%
Non-organic revenue	285.6	0.0	N/A	285.6	26.2	991.8%
<i>Revenue by growth, total</i>	1,152.1	772.7	49.1%	3,632.0	2,838.6	27.9%
Special items	-7.7	0.0	N/A	-37.7	-0.0	1317922.6%
Adjusted EBITDA	238.6	240.1	-0.6%	881.1	809.4	8.9%
EBITDA	230.7	240.1	-3.9%	843.2	809.4	4.2%
Adjusted EBITA	210.3	223.5	-5.9%	793.2	744.4	6.6%
EBITA	202.4	223.5	-9.5%	755.3	744.4	1.5%
Operating profit (EBIT)	178.1	200.0	-10.9%	703.8	644.9	9.1%
Net financials	-13.9	-5.4	156.3%	-33.4	-47.0	-28.9%
Net profit / loss	153.8	5.0	2957.6%	574.3	321.9	78.4%
Financial position						
Capex	-27.2	-3.7	637.0%	-57.6	-23.9	141.1%
Total assets	7,021.1	4,039.4	73.8%	7,021.1	4,039.4	73.8%
Equity	3,037.9	2,428.6	25.1%	3,037.9	2,428.6	25.1%
Dividends Paid	0.0	0.0	N/A	49.1	0.0	N/A
Net increase in cash and cash equivalents	261.4	120.4	117.1%	93.5	233.6	-60.0%
Free cash flow	134.7	208.9	-35.5%	408.0	557.0	-26.7%
Free cash flow (tax normalised)	160.9	210.5	-23.6%	422.4	537.3	-21.4%

CONTINUED FINANCIAL HIGHLIGHTS AND KEY FIGURES

DKK million	Q4 2021	Q4 2020	% change Q4	YTD 2021	YTD 2020	% change YTD
Earnings per share						
Earnings per share (DKK)	3.17	0.10	2990.6%	11.74	6.56	79.0%
Diluted earnings per share (DKK)	3.13	0.10	2971.4%	11.60	6.53	77.7%
Employees						
Average number of full-time employees	5,417	2,996	80.8%	3,787	2,768	36.8%
Financial ratios						
Revenue growth	49.1%	15.2%	33.9pp	27.9%	15.7%	12.3pp
Gross profit margin	33.5%	42.4%	-8.9pp	36.7%	40.7%	-4.0pp
Adjusted EBITDA margin	20.7%	31.1%	-10.4pp	24.3%	28.5%	-4.3pp
EBITDA margin	20.0%	31.1%	-11.1pp	23.2%	28.5%	-5.3pp
Adjusted EBITA margin	18.3%	28.9%	-10.7pp	21.8%	26.2%	-4.4pp
EBITA margin	17.6%	28.9%	-11.4pp	20.8%	26.2%	-5.4pp
Operating profit margin	15.5%	25.9%	-10.4pp	19.4%	22.7%	-3.3pp
Effective tax rate	18.5%	89.6%	-71.1pp	21.1%	28.7%	-7.7pp
Return on equity	5.6%	0.2%	5.4pp	21.0%	14.3%	6.7pp
Solvency ratio	43.3%	60.1%	-16.9pp	43.3%	60.1%	-16.9pp
ROIC	4.0%	0.2%	3.8pp	14.8%	11.2%	3.6pp
ROIC (Adjusted for Goodwill)	14.5%	0.8%	13.6pp	54.1%	53.7%	0.4pp
Cash conversion ratio	78.0%	893.4%	-815.4pp	66.4%	139.4%	-73.0pp
Cash conversion ratio (tax normalised)	93.2%	900.4%	-807.2pp	68.8%	134.5%	-65.7pp

Performance overview Q4

DKK million	Q4 2021 (reported)	Q4 2021 (constant)*	Q4 2020	% change (reported)	Netcompany Intrasoft non-organic impact**	% change (constant)*
Revenue	1,152.1	1,140.8	772.7	49.1%	37.0pp	47.6%
Cost of services	-766.3	-758.4	-445.1	72.2%	52.9pp	70.4%
Gross profit	385.8	382.4	327.7	17.8%	15.3pp	16.7%
<i>Gross profit margin</i>	33.5%	33.5%	42.4%	-8.9pp	-5.2pp	-8.9pp
Sales and marketing costs	-18.8	-18.7	-4.6	308.9%	237.8pp	306.7%
Administrative costs	-156.8	-154.6	-99.6	57.4%	18.1pp	55.3%
Adjusted EBITA	210.3	209.1	223.5	-5.9%	9.5pp	-6.4%
<i>Adjusted EBITA margin</i>	18.3%	18.3%	28.9%	-10.7pp	-3.6pp	-10.6pp
Special items	-7.7	-7.7	0.0	N/A	N/A	N/A
Other operating income	-0.2	-0.2	0.0	N/A	N/A	N/A
EBITA	202.4	201.2	223.5	-9.5%	9.5pp	-10.0%
<i>EBITA margin</i>	17.6%	17.6%	28.9%	-11.4pp	-3.3pp	-11.3pp
Amortisation	-24.3	-24.3	-23.5	3.1%	2.2pp	3.1%
Operating profit (EBIT)	178.1	176.9	200.0	-10.9%	10.3pp	-11.5%
<i>Operating profit margin</i>	15.5%	15.5%	25.9%	-10.4pp	-2.7pp	-10.4pp
Net financials	-13.9	-13.9	-5.4	156.3%	110.3pp	156.8%
Fair value adj. of contingent consideration	29.4	29.4	-141.3	-120.8%	0.0pp	-120.8%
Income / loss, investment in joint venture	-4.9	-4.9	-5.0	-2.1%	0.0pp	-2.1%
Income / loss, investment in associates	0.0	0.0	0.0	N/A	0.0pp	N/A
Profit / loss before tax	188.7	187.5	48.2	291.2%	30.4pp	288.7%
Tax	-34.9	-34.9	-43.2	-19.2%	7.3pp	-19.3%
<i>Effective tax rate</i>	18.5%	18.6%	89.6%	-71.1pp	0.3pp	-71.0pp
Net profit / loss	153.8	152.6	5.0	2957.6%	228.8pp	2934.3%

*Constant currencies measured using average exchange rates for Q4 2020

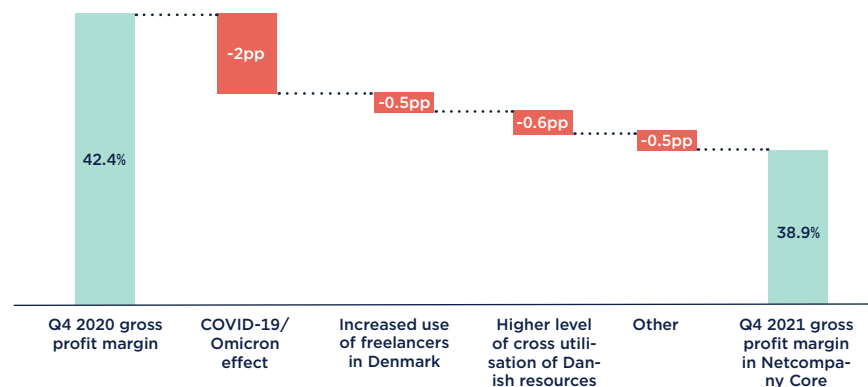
Reported revenue grew 49.1% (constant 47.6%) in Q4 2021 to DKK 1,152.1m. Non-organic revenue growth related to Netcompany-Intrasoft accounted for 37 percentage points of the growth and the remaining growth of 12.1% was organic.

Client facing FTEs in Netcompany Core grew by 16.7% with strong growth in Denmark where client facing FTEs grew 21.2%. Growth in Norway and the UK was lower, driven by relatively higher churn rates. The acquisition of Intrasoft had a positive impact on number of employees with the intake of close to 2,700 client facing employees.

As was the case in Q3 the amount of vacation deferred from the first half of the year had a dilutive impact on revenue growth in Q4 too. In addition, the restrictions imposed with short notice in December in Denmark and Norway, and the increased level of widespread sickness related to the COVID-19 variant Omicron also reduced the utilisation in the Group in December. Overall, the restrictions and Omicron had a dilutive impact on utilisation equivalent to more than 3.5 percentage points revenue growth for Q4 in isolation.

CONTINUED PERFORMANCE OVERVIEW Q4

Development in gross margin for Q4



Gross profit margin for the quarter of 33.5% was negatively impacted by the inclusion of Netcompany-Intrasoft by 5.2 percentage points. Gross profit for Netcompany Core was 38.9% compared to 42.4% in the same period last year. The COVID-19 Omicron consequences impacted gross profit margin negatively by around 2 percentage points. In addition, increased usage of freelancers in Denmark and the continued cross utilisation of Danish resources on projects in Norway, the UK and the Netherlands impacted margins negatively by 0.5 percentage points and 0.6 percentage points, respectively.

Sales and marketing costs grew by 308.9% of which the majority – 237.8 per-

centage points – was related to Netcompany-Intrasoft. In Netcompany-Intrasoft sales and marketing costs are generally higher relative to Netcompany Core due to a different “go-to” market approach historically. In Netcompany Core sales and marketing costs increased by 71% as a result of increased market related campaigns, participation on conferences and so forth across the Group.

Administrative costs increased 57.4% of which 18.1 percentage points was related to Netcompany-Intrasoft. For Netcompany Core the increase of 39.4% for the quarter was more a result of Q4 2020 being extraordinary low than an acceleration in general administrative costs. Ad-

ministrative cost per FTE was in Q4 2019 and Q4 2021 around DKK 40,000 whereas the average administrative cost per FTE in Q4 2020 was around DKK 33,000 – significantly impacted by the prolonged COVID-19 lockdowns experienced in 2020, which led to lower administrative costs in general.

Special Items was related to the acquisition of Intrasoft and represents the final costs accumulated related to the work performed by external consultants in connection with due diligence and other related activities.

Adjusted EBITA margin was 18.3% compared to 28.9% for the same period last year. The lower margin was in all materiality caused by the lower gross margin as explained above.

Amortisation was DKK 24.3m, which was an increase of DKK 15.3m from Q3 2021. The increase was caused by the intangible assets arising from the acquisition of Intrasoft being recognised and now being amortised over the next years.

Net financial cost was DKK 13.9m, which

was an increase of DKK 8.5m compared to the same period in 2020. The increase in net financial costs was related to the debt obtained to fund the acquisition of Intrasoft.

Fair value adjustment related to a reduction in the expected earnout contingent consideration regarding the acquisition of QDelft – Netcompany Netherlands. As the earnout consideration estimated previous to Q4 2021 is no longer expected to be fully realised, the payable purchase price has been reduced, hence, generating an income of the same amount in Q4 2021. In Q4 2020, the expectations were opposite and hence, the purchase price consideration was increased, leading to a cost.

Loss from investment in joint venture related to the internally calculated profit on the revenue generated under the development phase on the JV “Smarter Airports” and was in line with previous quarters.

Tax for the period was DKK 34.9m, which was lower than the same period last year. The effective tax rate was lower than Q4 2020, impacted by the fair value adjustments being non-tax-deductible.

Performance overview 12 months

DKK million	YTD 2021 (reported)	YTD 2021 (constant)*	YTD 2020	% change (reported)	Netcompany Intrasoft non-organic impact**	% change (constant)*
Revenue	3,632.0	3,605.9	2,838.6	27.9%	10.1pp	27.0%
Cost of services	-2,298.7	-2,282.7	-1,683.4	36.6%	14.0pp	35.6%
Gross profit	1,333.3	1,323.2	1,155.2	15.4%	4.4pp	14.5%
<i>Gross profit margin</i>	36.7%	36.7%	40.7%	-4.0pp	-1.6pp	-4.0pp
Sales and marketing costs	-36.7	-36.5	-17.1	114.7%	63.9pp	113.6%
Administrative costs	-503.4	-499.8	-393.7	27.9%	4.6pp	26.9%
Adjusted EBITA	793.2	786.8	744.4	6.6%	2.9pp	5.7%
<i>Adjusted EBITA margin</i>	21.8%	21.8%	26.2%	-4.4pp	-1.2pp	-4.4pp
Special items	-37.7	-37.7	-0.0	N/A	N/A	N/A
Other operating income	-0.2	-0.2	0.0	N/A	N/A	N/A
EBITA	755.3	748.9	744.4	1.5%	2.8pp	0.6%
<i>EBITA margin</i>	20.8%	20.8%	26.2%	-5.4pp	-1.1pp	-5.5pp
Amortisation	-51.4	-51.4	-99.4	-48.3%	0.5pp	-48.3%
Operating profit (EBIT)	703.8	697.5	644.9	9.1%	3.2pp	8.1%
<i>Operating profit margin</i>	19.4%	19.3%	22.7%	-3.3pp	-1.0pp	-3.4pp
Net financials	-33.4	-33.4	-47.0	-28.9%	12.7pp	-28.9%
Fair value adj. of contingent consideration	78.9	78.9	-141.3	-155.9%	0.0pp	-155.9%
Income / loss, investment in joint venture	-21.7	-21.7	-5.0	331.6%	0.0pp	331.6%
Income / loss, investment in associates	0.0	0.0	0.0	N/A	0.0pp	N/A
Profit / loss before tax	727.6	721.3	451.7	61.1%	3.2pp	59.7%
Tax	-153.3	-153.1	-129.8	18.1%	2.4pp	18.0%
<i>Effective tax rate</i>	21.1%	21.2%	28.7%	-7.7pp	0.0pp	-7.5pp
Net profit / loss	574.3	568.1	321.9	78.4%	3.6pp	76.5%

*Constant currencies measured using average exchange rates for 2020

Reported revenue grew by 27.9% (constant 27.0%) to DKK 3,632m in 2021. Non-organic revenue growth related to Netcompany-Intrasoft accounted for 10.1 percentage point of total growth and organic revenue growth from Netcompany Core was thus 17.9% (17% constant).

Despite the negative impact from COVID-19 imposed restrictions - and in particular those introduced in December 2021 in connection with the widespread contagion of the Omicron variant - which impacted revenue growth negatively by around 1 percentage point, activity has been high during 2021. Revenue grew in all of Netcompany Core apart from Netcompany Netherlands. In the Netherlands, revenue declined by 16.8% compared to 2020 despite an increase in client facing FTEs.

In Netcompany-Intrasoft, activity in the last two months of 2021 was higher than expected driven by strong demand both within the EU institutions and private enterprises.

CONTINUED PERFORMANCE OVERVIEW 12 MONTHS

Revenue increased by

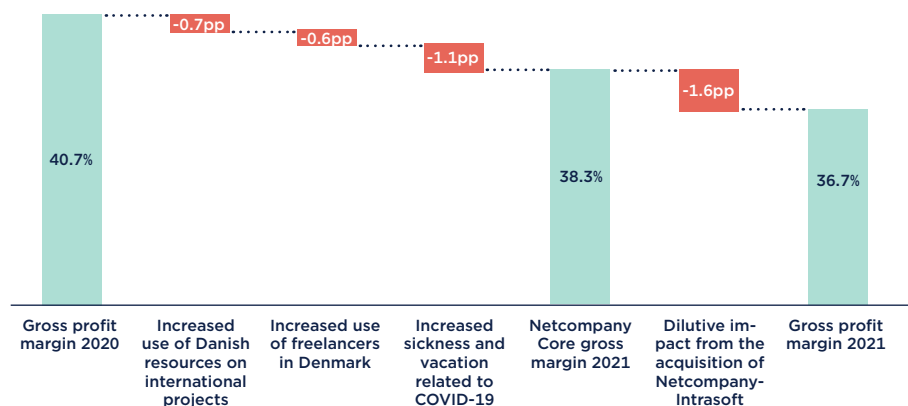
27.9%

Gross profit margin was 36.7% compared to 40.7% for 2020. The inclusion of Netcompany-Intrasoft had a dilutive impact on gross profit margin of 1.6 percentage points leaving gross profit margin for Netcompany Core at 38.3%. Compared to 2020 margin was negatively impacted by the increased usage of freelancers and

higher cross utilisation of Danish resources as well as increased vacation and sickness in conjunction with COVID-19 / Omicron.

Adjusted EBITA margin was 21.8% including the dilutive impact from Netcompany-Intrasoft of 1.2 percentage points meaning that Netcompany Core yielded an adjusted EBITA margin of 23.1% compared to 26.2% for 2020. As communicated in connection with the 2020 results, the significant lockdowns related to COVID-19 in 2020 had a positive impact to the margin in 2020 as a large amount of normal costs was not incurred in 2020.

Development in gross margin for full year



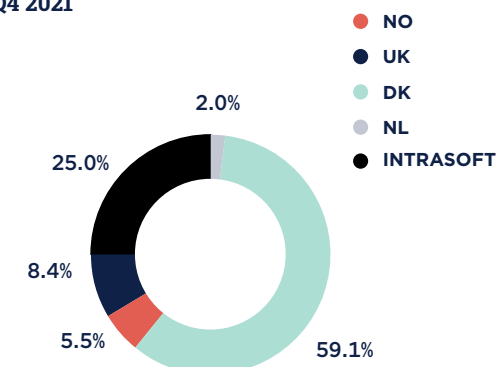
Business Segments Q4

Segment information related to operating entities

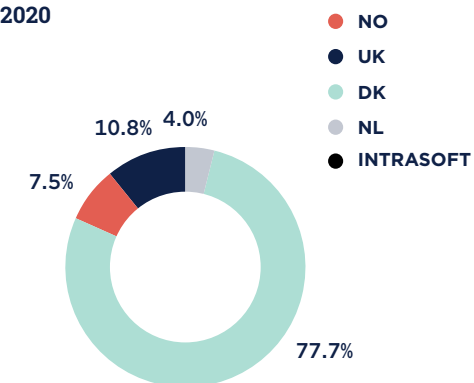
DKK million Constant (2020 rate)	Q4 2021					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	1,140.8	673.8	62.8	95.9	22.7	285.6
Gross profit	382.4	288.8	12.3	28.7	2.4	50.3
<i>Gross profit margin</i>	<i>33.5%</i>	<i>42.9%</i>	<i>19.5%</i>	<i>29.9%</i>	<i>10.6%</i>	<i>17.6%</i>
Local admin costs	-162.8	-94.3	-14.7	-15.7	-9.1	-28.9
Adjusted EBITA before allocated cost from HQ	219.7	194.5	-2.4	13.0	-6.7	21.3
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>19.3%</i>	<i>28.9%</i>	<i>-3.9%</i>	<i>13.5%</i>	<i>-29.5%</i>	<i>7.5%</i>
Allocated costs from HQ	-10.6	-7.9	-1.0	-1.3	-0.4	0.0
Special Items, allocated	-7.7	-5.8	-0.7	-0.9	-0.3	0.0
Other operating income	-0.2	0.0	0.0	0.0	0.0	-0.2
EBITA	201.2	180.9	-4.1	10.8	-7.5	21.1
Client facing FTEs	5,074	2,419	281	426	151	1,797

DKK million Reported	Q4 2020					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	772.7	600.6	58.1	83.2	30.9	0.0
Gross profit	327.7	282.4	14.3	17.6	13.4	0.0
<i>Gross profit margin</i>	<i>42.4%</i>	<i>47.0%</i>	<i>24.6%</i>	<i>21.1%</i>	<i>43.5%</i>	<i>N/A</i>
Local admin costs	-95.1	-73.2	-7.9	-9.8	-4.2	0.0
Adjusted EBITA before allocated cost from HQ	232.6	209.2	6.4	7.8	9.3	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>30.1%</i>	<i>34.8%</i>	<i>11.0%</i>	<i>9.3%</i>	<i>30.0%</i>	<i>N/A</i>
Allocated costs from HQ	-9.1	-6.5	-0.7	-1.4	-0.5	0.0
Special Items, allocated	0.0	0.0	0.0	0.0	0.0	0.0
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	223.5	202.7	5.7	6.4	8.8	0.0
Client facing FTEs	2,809	1,996	251	417	145	0

Revenue, %
Q4 2021



Revenue, %
Q4 2020



CONTINUED BUSINESS SEGMENTS Q4

Group revenue increased by 47.6% in Q4 to DKK 1,140.8m. Intrasoft contributed with the majority of the growth and accounted for 37 percentage points of the revenue growth. Revenue in Denmark, UK and Norway grew 12.2%, 15.3% and 8%, respectively. Whereas revenue growth was negative in the Netherlands by 26.3% in the quarter.

In Denmark, revenue growth was driven by both the public and the private segment that grew 12.7% and 11.4%, respectively including reclassification of some customers from the private segment to the public segment. Net of those reclassifications, revenue growth in public and private segment was 11.5% and 13.3%, respectively. During Q4, more activity was seen in the public segment, in line with previous communicated expectations, related to increased tender activity and generally growth in the public segment is expected to accelerate. At the same time, activity in the private segment remains high with a number of interesting cases emerging.

Both segments were negatively impacted by COVID-19 imposed restrictions and increased sickness related to the more con-

tagious Omicron variant, which impacted revenue growth negatively by around 3 percentage points.

In addition, a number of Danish resources continued to be engaged on projects in Norway, UK and the Netherlands. As in previous quarters this also had a dilutive impact on revenue growth in Denmark, although at a slightly lower level than in Q3.

In Norway, growth was fully driven by the public segment that grew by 66.3% including reclassification of some customers from the private to the public segment. Net of those reclassifications, revenue growth in the public segment was 38.1% whereas revenue in the private segment declined by 26.4%. Growth in the public segment was caused by ramp up on previously won engagements in the public segment as well as an increased utilisation. Revenue in the private segment fell as a number of engagements in the private segment came to completion in Q3 and no new major projects were initiated when those projects ended. Towards the back end of Q4 2021, Netcompany Norway won a significant project in the private seg-

ment, which, once fully staffed following the initial ramp up phase, will add to the growth in the private segment again.

Public revenue in Norway increased by



In the UK, growth was driven by the public segment that grew by 49.7% including reclassification of some customers from the private segment to the public segment. Net of those reclassifications growth in the public segment was 18.3% and in the private segment 11.5%. Growth in the public segment was driven by high activity with the NHS and other main areas of the public administration in the UK. Activity level remains high in both segments.

In the Netherlands, revenue declined by 26.3% as revenue in the public segment backed in Q4 as has been the case throughout 2021. However, sequentially from Q3 to Q4 revenue in the Netherlands

increased and the pipeline continues to strengthen. In addition, a new Government is now in place following the election in March 2021. The Dutch market remains interesting to Netcompany.

Revenue in Netcompany-Intrasoft was DKK 285.6m for the two months of November and December of 2021 that are included in Netcompany Group. 71.7% of the revenue was generated within the public segment including EU institutions, whereas the remaining 28.3% of revenue was generated in the private segment. Activity has been high in the European part of the Netcompany-Intrasoft business with new wins in both the public and private segment. In the Middle East and Africa activity level was low.

Gross profit margin was 33.5% for the Group including the impact from Netcompany-Intrasoft. For Netcompany Core gross profit margin was 38.8%, which was 3.6 percentage points lower than the same period last year.

In Denmark, gross profit margin declined by 4.2 percentage points to 42.9%. The

CONTINUED BUSINESS SEGMENTS Q4

negative impact on utilisation from suddenly imposed COVID-19 related restrictions and the increased contagion from the Omicron variant led to reduced utilisation in December, which impacted gross profit margin negatively by around 1.8 percentage points. In addition, the increased use of freelancers and cross utilisation of Danish resources impacted margins negatively in the quarter. The level of freelancers used in Denmark gradually decreased, which reduced the relative impact on margin.

In Norway, gross profit margin declined by 5.1 percentage points to 19.5%. Around 3 percentage points – or DKK 2m related to an adjustment to a fixed fee project going live that required additional support post implementation. As in Denmark, the Norwegian business was also impacted by COVID-19 restrictions imposed in December in connection with the Omicron variant. Also, the continued usage of Danish resources in Norwegian projects continued to impact gross profit margin negatively in the fourth quarter.

In the UK, gross profit margin improved by 8.8 percentage points to 29.9% as a result of continued better and higher utilisation on the projects implemented. While client facing FTEs grew by 2.3% from Q4 2020, revenue increased by 15.3% following the increased utilisation. The usage of Danish resources on UK projects still impacted gross profit margin negatively offsetting some of the positive impact from better run projects and higher utilisation. More and more projects in the UK are larger by nature and the operation is better equipped to deliver against project objectives.

Gross profit in UK increased by



In the Netherlands, gross profit margin declined to 10.6% from 43.5% in the same period last year. The lower gross profit margin was a result of lower utilisation and lower average hourly rates on fixed fee

projects, where overrun occurred during 2021, thereby reducing the project economy to be spread on more hours.

Finally gross profit margin in Netcompany-Intrasoft was 17.6% for the two months of the fourth quarter when the business was fully owned by Netcompany. Compared to previous periods, margin were slightly better based on better utilisation and slightly better rates.

Adjusted EBITA margin for the Group was 19.3%, which was 10.8 percentage points lower than for the same period last year. 3.9 percentage points of the decline was caused by the inclusion of Netcompany-Intrasoft. The lower performance in Norway accounted for another percentage point, whereas the Dutch operation impacted the adjusted EBITA margin negatively by around 1.3 percentage points. The remaining reduction in adjusted EBITA margin was driven by the Danish operation. In all materiality deviations in gross profit margins were driving the same negative impact on adjusted EBITA margins too.

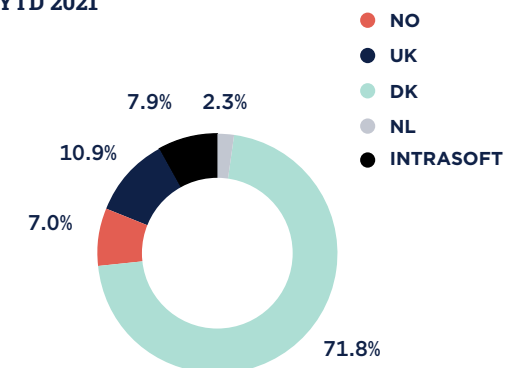
Business Segments 12 months

Segment information related to operating entities

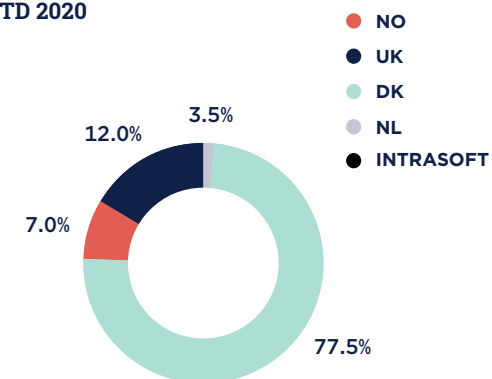
DKK million Constant (2020 rate)	YTD 2021					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	3,605.9	2,590.4	253.7	394.0	82.3	285.6
Gross profit	1,323.2	1,101.9	60.7	100.3	9.9	50.3
<i>Gross profit margin</i>	36.7%	42.5%	23.9%	25.5%	12.1%	17.6%
Local admin costs	-498.1	-334.7	-44.0	-61.3	-29.2	-28.9
Adjusted EBITA before allocated cost from HQ	825.1	767.2	16.7	39.1	-19.2	21.3
<i>Adjusted EBITA margin before allocated cost from HQ</i>	22.9%	29.6%	6.6%	9.9%	-23.4%	7.5%
Allocated costs from HQ	-38.3	-28.2	-3.4	-5.2	-1.5	0.0
Special Items, allocated	-37.7	-28.3	-3.5	-4.5	-1.5	0.0
Other operating income	-0.2	0.0	0.0	0.0	0.0	-0.2
EBITA	748.9	710.8	9.9	29.4	-22.3	21.1
Client facing FTEs	3,553	2,289	266	408	142	449

DKK million Reported	YTD 2020					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	2,838.6	2,199.9	199.8	340.3	98.6	0.0
Gross profit	1,155.2	1,012.2	43.6	62.3	37.1	0.0
<i>Gross profit margin</i>	40.7%	46.0%	21.8%	18.3%	37.6%	N/A
Local admin costs	-369.3	-277.4	-26.9	-46.6	-18.4	0.0
Adjusted EBITA before allocated cost from HQ	785.9	734.8	16.7	15.7	18.7	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	27.7%	33.4%	8.4%	4.6%	19.0%	N/A
Allocated costs from HQ	-41.5	-28.6	-4.7	-6.3	-1.9	0.0
Special Items, allocated	-0.0	-0.0	-0.0	-0.0	-0.0	0.0
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	744.4	706.2	12.0	9.4	16.8	0.0
Client facing FTEs	2,586	1,845	235	388	118	0

Revenue, %
YTD 2021



Revenue, %
YTD 2020



CONTINUED BUSINESS SEGMENTS 12 MONTHS

Group revenue increased by 27% of which 10.1 percentage points was non-organic related to the inclusion of Netcompany-Intrasoft.

In Denmark, revenue grew by 17.8% driven by strong growth in the private segment of 32.4% whereas the public segment grew by 9.4%. The relative higher growth in the private segment was a result of a cautious decision to accelerate growth in that segment in a period where fewer public tenders were in the market. Towards the end of Q4 in 2021, tender activity in the public segment in Denmark has picked up considerably though.

Revenue in Norway increased by

27%



Revenue growth in Norway was 27% driven by increased demand in the public segment. In addition, the Norwegian entity increased the utilisation considerably during 2021 and the revenue growth was gen-

erated on a 12.9% increase in client facing FTEs only.

The same was the case in the UK, where the growth was 15.8% generated on an increase in client facing FTEs of 5.2%. Increased activity in the UK – in particular in the public segment – created the foundation for the increased utilisation.

In the Netherlands, revenue declined by 16.6% as the Dutch entity was impacted by increased hours needed for a couple of larger fixed fee projects leading to lower revenue per client facing FTE. In addition, the Netherlands was without a functioning Government for the majority part of the year, which meant that new projects were not initiated.

Netcompany-Intrasoft contributed to the Group with revenue of DKK 285.6m. After some delay in projects and lower utilisation in the first half of 2021, activity picked up in the second half of the year.

Adjusted EBITA margin for the Group was 22.9% compared to 27.7% for 2020. The inclusion of Netcompany-Intrasoft had a

Adjusted EBITA before allocated costs from HQ in the UK increased

149%

dilutive impact on adjusted EBITA margin of around 1.3 percentage points. The remaining negative impact on margin came from Netcompany Core, and in particular Denmark, as increased usage of freelancers and lower utilisation, as a result of COVID-19 imposed restrictions, impacted margins negatively. In addition, a significant part of the normal cost base was not incurred in 2020 following the strict lockdowns related to COVID-19, leading to higher than normal margins, particular in Denmark, for 2020.

Revenue visibility

Netcompany measures revenue visibility on a 12-month rolling basis, based on two main input parameters, defined as total value of committed engagements, which comprise of fixed price engagements and service agreements, and on-going time and material engagements with a high likelihood of conversion and/or prolongation, defined as total value of planned continued engagements.

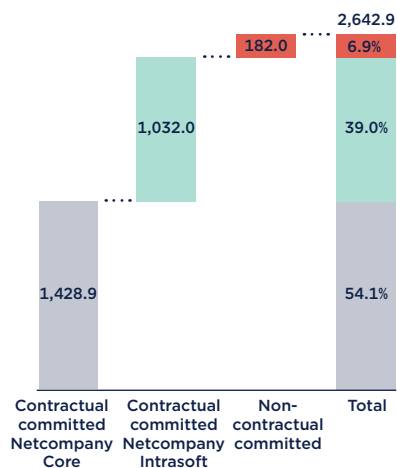
Revenue visibility for 2022 amounts to DKK 3,824.8m, of which contractual committed revenue amounts to DKK 3,466.5m and non-contractual committed engagements amounts to DKK 358.2m.

Revenue visibility improved by 79.4% from DKK 2,131.7m for 2021 to DKK 3,824.8m for 2022. 16.7 percentage points of the improvement was organic, and 62.7 percentage points directly attributable to the acquisition of Intrasoft in October 2021.

Revenue visibility for 2022 in the public segment amounts to DKK 2,642.9m, of which contractual committed revenue

DKK million

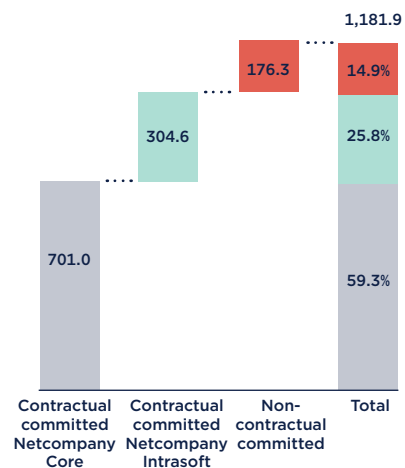
Public segment



amounts to DKK 2,460.9m and non-contractual committed engagements amounts to DKK 182m. Revenue visibility for the public segments also includes revenue visibility to EU institutions, which Netcompany-Intrasoft historically has presented separately.

Revenue visibility for 2022 in the private

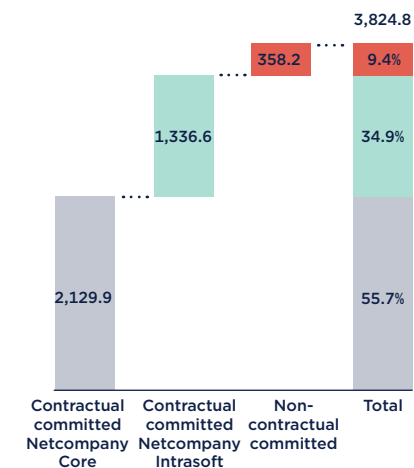
Private segment



segment amounts to DKK 1,181.9m, of which contractual committed revenue amounts to DKK 1,005.6m and non-contractual committed engagements amounts to DKK 176.3m.

In 2022, DKK 1,336.6m is expected to be released from the Netcompany-Intrasoft order backlog, mainly within EU institu-

Total segment



tions. Of the total order backlog for Netcompany-Intrasoft DKK 2,997m is expected to be released in the period from 2025 to 2028.

Employees

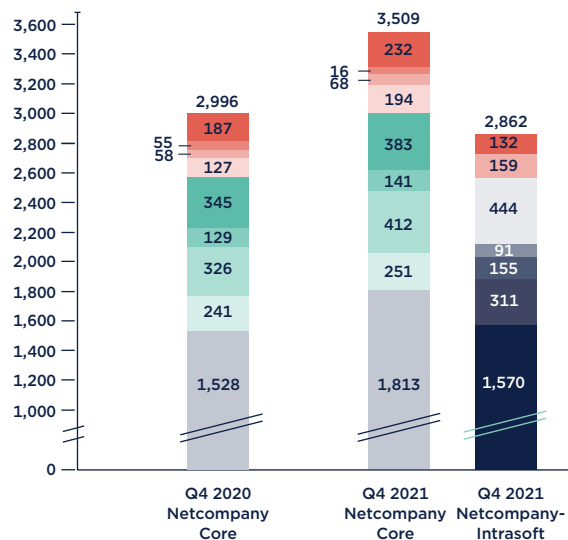
Netcompany employed an average of 5,417 FTEs in Q4 2021, which was an increase of 2,421 FTEs compared to Q4 2020 (2,996 FTEs). The increase in FTEs was mainly driven by the acquisition of Intrasoft in October 2021 and thereby the intake of more than 2,850 FTEs impacting the average FTEs in Q4 2021 by more than 1,900.

Out of the 2,850+ employees in Netcompany-Intrasoft, around 600 were either freelancers or Benelux contractors.

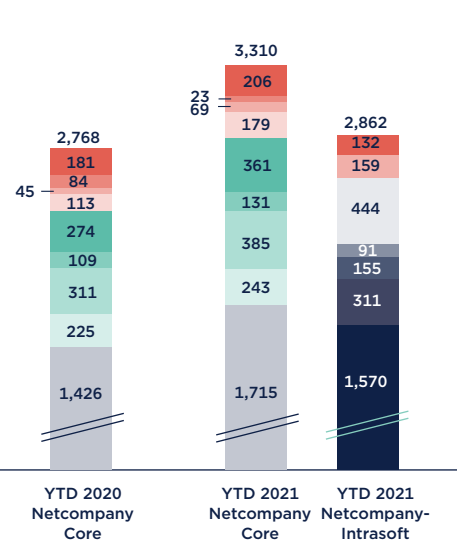
The number of client facing employees for the Group increased by 2,265 from 2,809 in Q4 2020 to 5,074 in Q4 2021, while the level of non-client facing employees was 6.3% in Q4 2021 compared to 6.2% in Q4 2020. The acquisition of Intrasoft had a positive impact with the intake of close to 2,700 client facing employees affecting the average client facing FTEs in Q4 2021 by close to 1,800.

When comparing to Q4 2020, it is important to note churn in 2020 as a whole was significantly lower than normally.

Avg. FTEs increased to 3,509 during Q4 2021



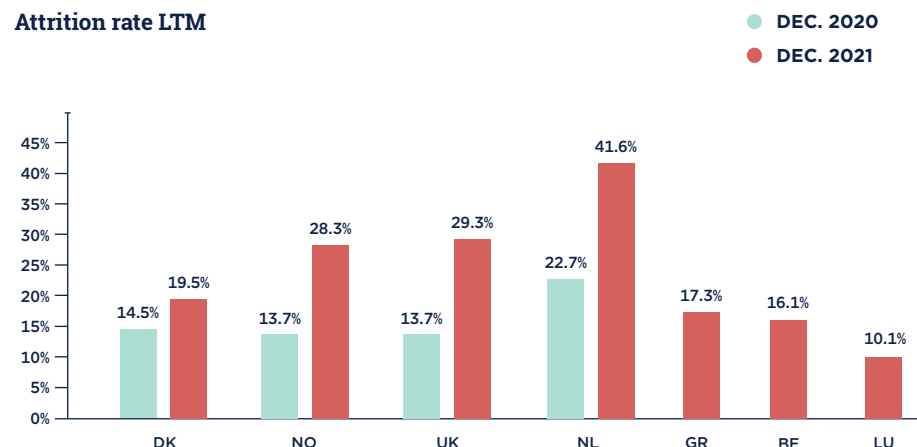
Avg. FTEs increased to 5,417 during 2021



- ADMINISTRATION
- UK CONTRACTORS
- FREELANCERS
- BENELUX CONTRACTORS
- OTHER
- LUXEMBOURG
- BELGIUM
- GREECE
- VIETNAM
- UNITED KINGDOM
- NETHERLANDS
- POLAND
- NORWAY
- DENMARK

The attrition rate for the last twelve months was 20.9%, which was an increase of 6.4 percentage points compared to the same period last year. Attrition rates in all countries increased due to a higher number of voluntary leavers in a tighter labour market post COVID-19.

Attrition rate LTM



Cash flow and other significant financial positions

Free cash flow and cash conversion rate¹

The Group generated a free cash flow of DKK 134.7m in Q4 2021, which was a decrease of 35.5% compared to DKK 208.9m in Q4 2020. Adjusted for taxes paid on account, the Group generated a free cash flow of DKK 160.9m in Q4 2021 compared to DKK 210.5m in Q4 2021, corresponding to a decrease in free cash flow of 23.6%. The decrease was mainly driven by a lower operating result and a decrease in working capital changes compared to the same period last year.

Cash conversion rate decreased from 893.4% in Q4 2020 to 78% in Q4 2021. Adjusted for the taxes paid on account and the fair value adjustments of the purchase price of the acquired Netcompany Netherlands (QDelft B.V.) cash conversion rate decreased from 127.9% in Q4 2020 to 112.3% in Q4 2021.

For the full year, Netcompany generated a free cash flow of DKK 408m corresponding to a decrease of DKK 149m compared

to 2020 mainly driven by the development in working capital changes. The negative development in working capital changes was caused by an increase in trade receivables in Netcompany Core from DKK 467m by the end of Q4 2020 to DKK 702.9m by the end of Q4 2021, which was somewhat offset by the decrease in work in progress in Netcompany Core from DKK 434.9m to DKK 345.6m.

Cash conversion ratio decreased from 139.4% in 2020 to 66.4% in 2021. Adjusting for the one-off payment to the Danish Vacation Fund of DKK 96.9m in 2021 and the fair value adjustments of the contingent consideration, cash conversion ratio for 2021 would have been 94.3% compared to 103% in 2020. The decrease in cash conversion ratio was driven by the development in working capital.

Trade receivables

At 31 December 2021, Group trade receivables excluding expected credit losses increased 125.7% from DKK 464.6m to DKK

DKK million	Not overdue	0-30 days	30-60 days	60-90 days	>90 days	Total
Trade receivables, 31 Dec 2021	675.3	217.3	73.9	28.0	54.4	1,048.8

DKK million	Not overdue	0-30 days	30-60 days	60-90 days	>90 days	Total
Trade receivables, 31 Dec 2020	326.4	99.2	19.9	4.6	14.6	464.6

1,048.8m. The increase was partly caused by the acquisition on Intrasoft, having trade receivable excluding expected credit losses of DKK 353.2m end of 2021.

Days sales outstanding increased from 54 days in Q4 2020 to 73 days in Q4 2021 corresponding to the level before COVID-19. The overdue part of trade receivables increased from 29.7% by the end of Q4 2020 to 35.6% by the end of Q4 2021.

All increases were caused by the inclusion of Intrasoft.

¹Taxes 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 31 December 2021, Netcompany's work in progress amounted to DKK 669.1m, represented by contract work in progress of DKK 1,120m and prepayments received from customers of DKK 350.1m.

Work in progress increased by 53.8% from DKK 434.9m in Q4 2020 to DKK 669.1m driving by the inclusion of work in progress from Netcompany-Intrasoft. Work in

progress for Netcompany Core was reduced by 20.5%. In the same period revenue increased by 49.1% from DKK 772.7m in Q4 2020 to DKK 1,152.1m in Q4 2021, while revenue for the last twelve months increased by 27.9%.

The combined value of work in progress, prebilled invoices and trade receivables for Netcompany Core increased by 16.5% compared to an organic revenue growth of 17.9% in 2021. As a percentage of rev-

enue, the combined work in progress, prebilled invoices and trade receivables for Netcompany Core decreased slightly from 31.5% in 2020 to 31.1% in 2021.

The combined value of work in progress, prebilled invoices and trade receivables in Netcompany-Intrasoft amounted DKK 659.8m, corresponding to 42.9% of estimated full 2021 revenue in Intrasoft.

Funding and liquidity

In Q4 2021, Netcompany acquired Intrasoft at an agreed price of DKK 1,375.2m. For this purpose, Netcompany utilised the full facility from the additional bank agreement entered in Q3 2021. Following the acquisition of Intrasoft, Netcompany terminated the main part of Netcompany-Intrasoft's bank debt and utilised further DKK 500m from the original facility.

As of 31 December 2021, the combined committed facilities constitutes a total amount of DKK 2,774.5m and an additional facility of DKK 400m, available only for new acquisitions. DKK 2,354.5m of the committed lines were utilised on borrowings and DKK 236.7m on guarantees,

leaving a total of DKK 183.3m available in unutilised funding for normal operations if needed with no additional costs or covenants.

In December 2021, Netcompany paid in additional DKK 30m as equity to Smarter Airports A/S.

Risk management

Please refer to the overview of risk factors provided by the Group in the Annual Report for 2021.

Capital structure

As a consequence of the acquisition of Intrasoft, the debt ratio increased to 2.7x at the end of 2021, which is fully compliant with current covenants.

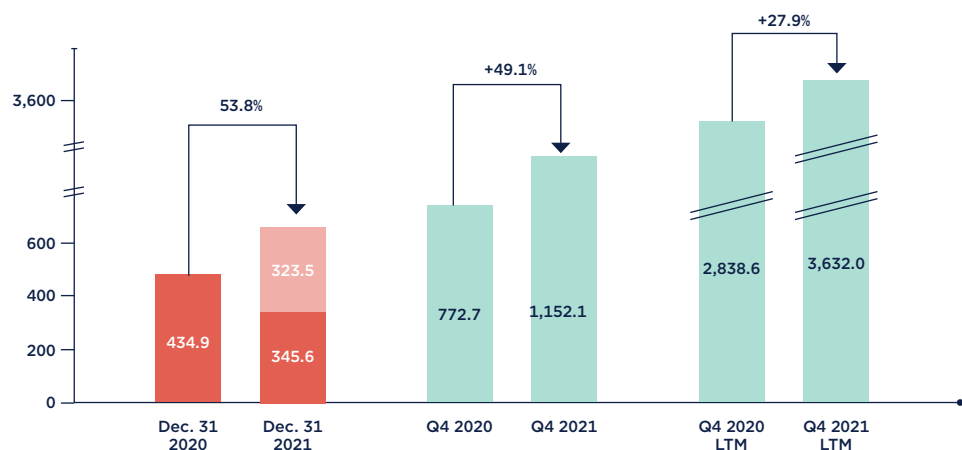
To maintain a satisfactory debt level ratio Netcompany proposes not to pay out dividends for the year 2021 and to set the level of share buyback programmes to DKK 100m in 2022.

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



2021 Financial performance and guidance 2022

Financial metrics in constant currencies	Target 2022	Actual performance 2021	Updated Q3 2021	Updated Q2 2021	Original Target 2021
Organic revenue growth in Netcompany Core	14-19%	17.0%	-18-20%	-18-20%	-15-20%
Group organic revenue growth	13-18%	17.0%	N/A	N/A	N/A
Non-organic revenue growth	35-38%	10.1%	-9-10%	N/A	N/A
Group revenue growth	48-56%	27.0%	-27-30%	-18-20%	-15-20%
Adjusted EBITA margin from Netcompany Core	>23%	23.1%	-23-25%	-23-25%	-23-25%
Total adjusted EBITA margin	N/A	21.8%	-21-23%	-23-25%	-23-25%
Adjusted EBITDA margin in Netcompany Core	>25%	25.5%	-25-27%	N/A	N/A
Adjusted EBITDA margin in Netcompany-Intrasoft	>9%	9.7%	7-8%	N/A	N/A
Group adjusted EBITDA margin	>20%	24.2%	-24-26%	N/A	N/A

Financial performance 2021

In 2021, the Group delivered revenue growth of 27.0% in constant currencies (27.9% in reported currencies) of which 17% was organic (18% reported currencies) and 10.1% was related to the inclusion of Intrasoft from the period 1 November to 31 December 2021.

In August, the Group revised its expectations to organic revenue growth in constant currencies from 15-20% to 18-20% and maintained expectations to

adjusted EBITA margin of around 23-25%. In November, following the completion of the acquisition of Intrasoft the Group revised its expectations for non-organic revenue growth from nil to around 9-10% and expectations for non-organic adjusted EBITDA margin of 7-8%.

The demand for digitalisation in Denmark was in 2021 primarily driven by strong demand in the private segment, whereas the public segment realised more modest growth rates as tender activity was lower

in 2021 than previous years. Tender activity in the public segment will fluctuate from year to year, which reinforces the relevance of being able to deliver services to both segments.

Growth in Denmark was also impacted negatively by the usage of Danish resources on international project assignments during the year.

In Norway and the UK, we also saw strong growth – partly supported by improved

utilisation ratios as more larger scale projects are beginning to be a more substantial part of the project portfolios in both entities. In the Netherlands, growth was negatively impacted by the prolonged period with no Government in place, following the election in early 2021 and adjustments to fixed fee projects.

Finally, the COVID-19 variant Omicron led to somewhat lower utilisation in Denmark in 2021, which impacted full year revenue growth negatively by around 1 percentage point.

Overall, the integration of all entities into the Netcompany methodology is progressing well with the integration of the Norwegian entity being close to complete. Progress continues in the UK entity and the integration is getting better, but there is still work to be done before the UK integration is complete. With the changes made to the management team in the Netherlands, and the early timing hereof we expect an improvement in the Dutch operation during 2022.

CONTINUED 2021 FINANCIAL PERFORMANCE AND GUIDANCE 2022

Actual performance 2021 in constant currencies	Netcompany Core	Netcompany- Intrasoft	Total
Revenue	3,320.3	285.6	3,605.9
Adjusted EBITDA	846.7	27.6	874.4
<i>Adjusted EBITDA margin</i>	<i>25.5%</i>	<i>9.7%</i>	<i>24.2%</i>
Adjusted EBITA	765.5	21.3	786.8
<i>Adjusted EBITA margin</i>	<i>23.1%</i>	<i>7.5%</i>	<i>21.8%</i>
Depreciation	81.2	6.3	87.5
Amortisation	50.9	0.5	51.4

In October, Netcompany acquired Intrasoft at a purchase price of DKK 1.375.2m. The performance of Netcompany-Intrasoft for the last two months of 2021, where the company has been in the ownership of Netcompany, was better than expected. More larger projects within the EU commission were won and also projects in Greece under the RRF are now beginning to be released and Netcompany-Intrasoft was awarded the first of those projects in December 2021.

Overall, the Group yielded adjusted EBITA margin on the organic part of the business of 23.1% - in line with expectations. The

non-organic adjusted EBITDA margin of 9.7% for the two months of November and December was above expectations.

As of 2022, financial guidance will be given for both Netcompany Core and Netcompany-Intrasoft. For Netcompany-Intrasoft adjusted EBITDA will be the main performance indicator for financial performance whereas adjusted EBITA remains the main financial performance indicator for Netcompany Core.

The financial reporting going forward will be enhanced to reflect this.

To be able to reconcile between the two metrics for 2021 the financial performance for the Netcompany Core and Netcompany-Intrasoft on both performance indicators are shown in the table below.

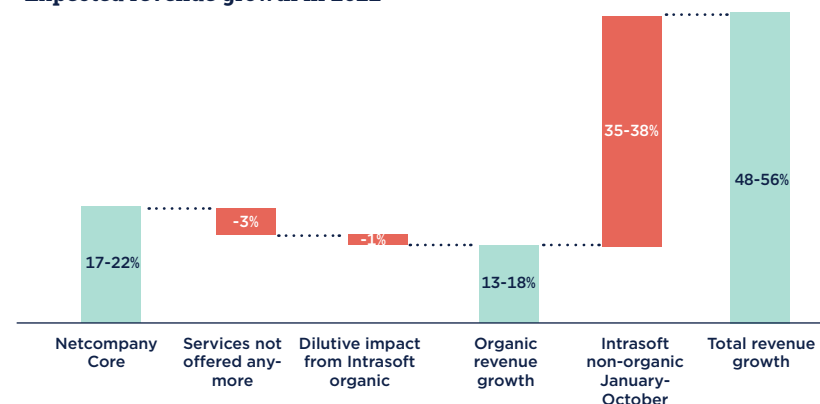
Guidance 2022

For 2022, there are several elements to take into consideration. Not only will the non-organic part of the guidance following the acquisition of Intrasoft, performance by Netcompany-Intrasoft in November and December 2022 will also, by definition, be organic.

Also, we are discontinuing services in Denmark and the UK related to “sub-scale” implementation projects of standard software solutions and “standalone” programme management engagements as these are non-strategic.

For Netcompany Core we expect continuing entities to grow organically by around 17 to 22%. Service offerings that will not be offered from 2022 and onwards within Netcompany Core will have a negative impact on revenue growth of around 3 percentage points.

Expected revenue growth in 2022



CONTINUED GUIDANCE 2022

Organic revenue growth for Netcompany-Intrasoft is expected to be around 6-10% for the months November and December 2022. The lower organic revenue growth in Netcompany-Intrasoft relative to Netcompany Core is expected to have a dilutive impact on Group organic revenue growth for the full year of around 1 percentage point.

We expect Netcompany-Intrasoft to generate non-organic revenue growth for the period January to October 2022 of around 35-38% before any divestment of non-strategic activities.

Total revenue growth for the Group for 2022 is thus expected to be between 48-56%.

For Netcompany Core we expect adjusted EBITA margin of above 23%. Improved employee benefits regarding parental leave, paid vacation and pension plans in different parts of the Group are to be implemented as of January 2022. These will have a dilutive impact on margins of around 3 percentage points and are fully

reflected in our margin expectations. Adjusted EBITDA margin for Netcompany Core is expected to be above 25%.

Netcompany-Intrasoft is expected to generate adjusted EBITDA margin above 9% for both organic and non-organic revenue generated throughout the year.

Total Adjusted EBITDA margin for the Group is expected to be above 20%.

Free cash flow from operations is expected to increase in absolute terms in 2022. The main part of Netcompany-Intrasoft's debt has been refinanced at interest rates, which are between 2 to 3.5 percentage points lower utilising Netcompany Group credit facilities.

Leverage, measured as net interest bearing debt including issued guarantees to 12 months adjusted EBITA, is expected to be around 2 at the end of 2022 taking into consideration a share buyback program of DKK 100m to be executed in 2022.

Our expectations for 2022 are reflecting a number of uncertainties, which individu-

ally or in conjunction can have a negative impact on our ability to grow our business and our margins.

We base our 2022 expectation on the following, externally determined, main assumptions:

- No negative impact from macroeconomic events and ability to fully adjust prices for inflation
- No significant impact or economic consequences from new COVID-19 related restrictions
- Continued digitalisation throughout Europe
- Successful utilisation of the RRF programme in Greece and Netcompany-Intrasoft to participate in projects awarded and initiated
- Continued ability to attract, educate and retain talent throughout the Group.

Shareholder information

Capital

Netcompany's share capital is DKK 50.0m divided into 50m shares. During Q4 2021, 167,687 treasury shares were transferred in relation to the acquisition of Intrasoft. Netcompany holds 827,110 treasury shares equivalent to 1.7% of the share capital. The shares will be used to honour the Group's commitments under its Long Term Incentive Plan.

Share-based incentive schemes/restricted stock units

In total, 351,170 RSUs in relation to the share-based incentive schemes were issued at 31 December 2021, of which 83,053 were granted to Executive Management and 268,117 were granted to Other Key Management Personnel and Other employees. The fair value of the RSUs at grant was DKK 102.7m. The cost related hereto is expensed over the vesting period.

A total amount of DKK 6.8m was recognised as personnel costs in the income statement in Q4 2021 and DKK 32.2m in 2021. In Q3 2021, the first RSU programme was exercised, and 28,986 treasury shares

recognised at DKK 4.5m on equity, were transferred from reserves to management. 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 Report.

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 on performance in the period 2020-2022.

Dividends and share buyback

In 2022, Netcompany expects share buybacks of DKK 100m to be executed in the period between the release of the Annual Report for 2021 and 31 December 2022. To maintain a satisfactory debt level ratio no dividends are proposed for the year 2021.

Financial Calendar

25 January 2022

Annual Report for the financial year 2021

2 March 2022

Annual General Meeting 2022

3 May 2022

Interim report for the first 3 months of 2022

11 August 2022

Interim report for the first 6 months of 2022

3 November 2022

Interim report for the first 9 months of 2022

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 31 December 2021. The Q4 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 2021.

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 31 December 2021 and of the results of the Group’s operations and cash flows for the period 1 January 2021 to 31 December 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, 25 JANUARY 2022

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	Q4 2021	Q4 2020	YTD 2021	YTD 2020
Income statement					
Revenue	1	1,152,131	772,749	3,631,971	2,838,590
Cost of services	2	-766,288	-445,087	-2,298,687	-1,683,372
Gross profit		385,843	327,662	1,333,284	1,155,218
Sales and marketing costs		-18,803	-4,599	-36,715	-17,104
Administrative costs	3	-156,766	-99,575	-503,399	-393,741
Special items	4	-7,729	0	-37,729	-3
Other operating income		-184	0	-184	0
EBITA		202,360	223,489	755,256	744,371
Amortisation		-24,267	-23,530	-51,424	-99,426
Operating profit (EBIT)		178,093	199,959	703,833	644,945
Financial income		3,612	1,610	10,259	19,347
Financial expenses		-17,474	-7,019	-43,648	-66,306
Fair value adj. of contingent consideration		29,421	-141,268	78,906	-141,268
Income / loss, investment in joint venture		-4,929	-5,035	-21,732	-5,035
Income / loss, investment in associates		0	0	0	0
Profit / loss before tax		188,723	48,247	727,618	451,683
Tax on the profit for the period		-34,931	-43,218	-153,316	-129,766
Net profit / loss for the period		153,792	5,030	574,302	321,918
<i>Of which</i>					
Non-controlling interest		-1,840	0	-1,840	0
Netcompany Group A/S' share		155,632	5,030	576,142	321,918
Earnings per share					
Earnings per share (DKK)		3.17	0.10	11.74	6.56
Diluted Earnings per share (DKK)		3.13	0.10	11.60	6.53

CONTINUED STATEMENT OF COMPREHENSIVE INCOME

DKK thousands	Note	Q4 2021	Q4 2020	YTD 2021	YTD 2020
Statement of comprehensive income					
Net profit / loss for the period		153,792	5,030	574,302	321,918
Other comprehensive income Items that may be reclassified subsequently to profit or loss:					
Exchange rate adjustments on translating foreign subsidiaries		4,406	2,716	10,792	10,250
Income / loss from financial assets recognised at fair value		0	0	0	0
Other comprehensive income Items that may not be reclassified to profit or loss:					
Actuarial profit / loss on defined benefit plans		0	0	0	0
Other comprehensive income, net of tax		4,406	2,716	10,792	10,250
<i>Of which</i>					
Non-controlling interest		415	0	415	0
Netcompany Group A/S' share		3,991	2,716	10,378	10,250
Total comprehensive income		158,198	7,745	585,095	332,168
<i>Of which</i>					
Non-controlling interest		-1,425	0	-1,425	0
Netcompany Group A/S' share		159,623	7,745	586,520	332,168

Statement of financial position

DKK thousands	Note	31 December 2021	31 December 2020
Assets			
Intangible assets		3,896,198	2,451,134
Tangible assets		316,895	135,321
Investment in joint venture		103,233	69,965
Investment in associates		7,211	0
Other securities and investments		2,102	0
Other receivables		26,225	18,482
Deferred tax assets		17,391	8,842
Total non-current assets		4,369,255	2,683,745
Trade receivables	7	1,031,880	458,774
Receivables from joint venture		7,311	8,260
Receivables from associates		16,369	0
Contract work in progress	8	1,019,974	476,603
Other receivables		39,557	5,868
Prepayments		74,900	47,176
Total receivables		2,189,992	996,682
Cash		458,779	358,996
Total current assets		2,648,771	1,355,678
Assets held for sale		3,123	0
Total assets		7,021,150	4,039,423

DKK thousands	Note	31 December 2021	31 December 2020
Equity and liabilities			
Share capital		50,000	50,000
Treasury shares		-241,409	-175,000
Share-based remuneration		70,177	42,478
Exchange differences on translating subsidiaries		6,584	-3,793
Retained earnings		3,145,769	2,514,936
Equity attributable to Netcompany Group A/S		3,031,121	2,428,621
Non-controlling interest		6,796	0
Total equity		3,037,918	2,428,621
Borrowings	9	2,275,788	760,556
Leasing liabilities		147,979	57,377
Pension obligations		18,198	0
Other payables	10	94,498	173,207
Deferred tax liability		134,255	66,037
Total non-current liabilities		2,670,719	1,057,177
Borrowings		74,497	0
Leasing liabilities		98,645	35,392
Prebilled invoices	8	350,880	41,747
Trade payables		328,496	39,875
Other payables	10	446,006	393,944
Provisions	11	8,839	0
Income tax payable		5,150	42,667
Total current liabilities		1,312,514	553,625
Liabilities associated with assets held for sale		0	0
Total liabilities		3,983,233	1,610,802
Total equity and liabilities		7,021,150	4,039,423

Cash flow statement

DKK thousands	Q4 2021	Q4 2020	YTD 2021	YTD 2020
Operating profit (EBIT)	178,093	199,959	703,833	644,945
Depreciation and amortisation	52,419	40,178	139,201	164,431
Non-cash items	10,996	10,846	43,685	17,596
Working capital changes	9,841	20,463	-189,249	-103,248
Total	251,350	271,447	697,470	723,724
Income taxes paid	-78,208	-51,174	-197,489	-126,163
Financial income received	964	427	2,914	2,533
Financial expenses paid	-12,189	-8,107	-37,298	-19,220
Cash flow from operating activities	161,918	212,592	465,597	580,873
Net cash outflow on acquisition of subsidiaries	-1,181,533	0	-1,270,938	0
Cash and cash equivalents acquired	132,415	0	132,415	0
Other investments	-30,000	-75,000	-55,000	-75,000
Acquisition of intangible assets	-11,304	0	-11,304	0
Acquisition of fixed assets	-15,899	-3,691	-46,246	-23,869
Disposals of fixed assets	2,321	0	2,321	0
Other receivables (deposits)	-1,739	-1,723	-5,731	-2,779
Cash flow from investment activities	-1,105,740	-80,414	-1,254,484	-101,649
Dividends paid	0	0	-49,100	0
Payment of treasury shares	-49,994	0	-99,993	0
Proceeds from borrowings	1,700,545	0	1,700,545	0
Repayment of borrowings	-426,895	0	-612,076	-200,000
Repayment of right of use assets	-18,407	-11,755	-56,988	-45,652
Cash flow from financing activities	1,205,250	-11,755	882,388	-245,652
Net increase in cash and cash equivalents	261,427	120,423	93,501	233,573
Cash and cash equivalents at the beginning	195,117	236,688	358,996	132,350
Effect of exchange rate changes on the balance cash held in foreign currencies	2,234	1,886	6,281	-6,927
Cash and cash equivalents at the end	458,779	358,996	458,779	358,996

Statement of changes in equity

DKK thousands	Share capital	Treasury shares	Share-based remuneration	Foreign currency translation subsidiaries	Other Reserves	Retained earnings	Total equity, Netcompany Group A/S	Non-controlling interest	Total equity
Equity at 1 October 2021	50,000	-220,506	63,387	2,593	0	2,886,346	2,781,820	0	2,781,820
Profit for the period	0	0	0	0	0	155,632	155,632	-1,840	153,792
Other comprehensive income	0	0	0	3,991	0	0	3,991	415	4,406
Total comprehensive income	0	0	0	3,991	0	155,632	159,623	-1,425	158,198
Treasury Shares for the period	0	-20,903	0	0	0	103,791	82,888	0	82,888
Share-based remuneration for the period	0	0	6,790	0	0	0	6,790	0	6,790
Movement of non-controlling interest	0	0	0	0	0	0	0	8,221	8,221
Total transactions with owners	0	-20,903	6,790	0	0	103,791	89,678	8,221	97,900
Equity at 31 December 2021	50,000	-241,409	70,177	6,584	0	3,145,768	3,031,121	6,796	3,037,918
Equity at 1 January 2021	50,000	-175,000	42,478	-3,793	0	2,514,936	2,428,621	0	2,428,621
Profit for the period	0	0	0	0	0	576,142	576,142	-1,840	574,302
Other comprehensive income	0	0	0	10,378	0	0	10,378	415	10,792
Total comprehensive income	0	0	0	10,378	0	576,142	586,520	-1,425	585,095
Treasury Shares for the period	0	-70,902	0	0	0	103,791	32,889	0	32,889
Share-based remuneration for the period	0	4,493	27,699	0	0	0	32,192	0	32,192
Dividend paid	0	0	0	0	0	-49,100	-49,100	0	-49,100
Movement of non-controlling interest	0	0	0	0	0	0	0	8,221	8,221
Total transactions with owners	0	-66,409	27,699	0	0	54,691	15,981	8,221	24,203
Equity at 31 December 2021	50,000	-241,409	70,177	6,584	0	3,145,769	3,031,121	6,796	3,037,918

CONTINUED STATEMENT OF CHANGES IN EQUITY

DKK thousands	Share capital	Treasury shares	Share-based remuneration	Foreign currency translation subsidiaries	Other Reserves	Retained earnings	Total equity, Netcompany Group A/S	Non-controlling interest	Total equity
Equity at 1 October 2020	50,000	-175,000	35,433	-6,509	0	2,509,906	2,413,830	0	2,413,830
Profit for the period	0	0	0	0	0	5,030	5,030	0	5,030
Other comprehensive income	0	0	0	2,716	0	0	2,716	0	2,716
Total comprehensive income	0	0	0	2,716	0	5,030	7,745	0	7,745
Share-based remuneration for the period	0	0	7,045	0	0	0	7,045	0	7,045
Total transactions with owners	0	0	7,045	0	0	0	7,045	0	7,045
Equity at 31 December 2020	50,000	-175,000	42,478	-3,793	0	2,514,936	2,428,621	0	2,428,621
Equity at 1 January 2020	50,000	-175,000	17,724	-14,044	0	2,193,018	2,071,699	0	2,071,699
Profit for the period	0	0	0	0	0	321,918	321,918	0	321,918
Other comprehensive income	0	0	0	10,250	0	0	10,250	0	10,250
Total comprehensive income	0	0	0	10,250	0	321,918	332,168	0	332,168
Share-based remuneration for the period	0	0	24,754	0	0	0	24,754	0	24,754
Total transactions with owners	0	0	24,754	0	0	0	24,754	0	24,754
Equity at 31 December 2020	50,000	-175,000	42,478	-3,793	0	2,514,936	2,428,621	0	2,428,621

NOTE 1

Segment information

Public Q4

DKK million	Group			Denmark		Norway		UK		Netherlands		Intrasoft	
	Q4 2021	Q4 2020	% change	Q4 2021	Q4 2020	Q4 2021	Q4 2020	Q4 2021	Q4 2020	Q4 2021	Q4 2020	Q4 2021	Q4 2020
Revenue	758.5	465.9	62.8%	403.2	357.6	56.0	31.0	74.7	46.8	19.8	30.4	204.8	0.0
Cost of service	-529.3	-291.4	81.6%	-241.5	-210.0	-46.6	-26.1	-50.8	-38.1	-17.5	-17.2	-172.8	0.0
Gross profit	229.2	174.4	31.4%	161.8	147.6	9.3	4.9	23.9	8.7	2.3	13.2	31.9	0.0
<i>Gross profit margin</i>	<i>30.2%</i>	<i>37.4%</i>	<i>-7.2pp</i>	<i>40.1%</i>	<i>41.3%</i>	<i>16.7%</i>	<i>15.9%</i>	<i>32.0%</i>	<i>18.5%</i>	<i>11.4%</i>	<i>43.4%</i>	<i>15.6%</i>	<i>N/A</i>
Allocated costs	-109.9	-61.6	78.3%	-57.3	-47.4	-13.6	-4.8	-11.9	-5.4	-7.9	-4.1	-19.2	0.0
Adjusted EBITA before HQ costs	119.3	112.8	5.8%	104.4	100.2	-4.3	0.2	12.1	3.3	-5.7	9.1	12.7	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>15.7%</i>	<i>24.2%</i>	<i>-8.5pp</i>	<i>25.9%</i>	<i>28.0%</i>	<i>-7.6%</i>	<i>0.6%</i>	<i>16.1%</i>	<i>6.9%</i>	<i>-28.6%</i>	<i>29.9%</i>	<i>6.2%</i>	<i>N/A</i>
Allocated costs from HQ	-7.0	-5.9	18.5%	-4.8	-4.2	-0.9	-0.4	-0.9	-0.8	-0.4	-0.5	0.0	0.0
Special items	-5.4	0.0	N/A	-3.5	0.0	-0.8	0.0	-0.9	0.0	-0.2	0.0	0.0	0.0
Other operating income	0.0	0.0	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	106.9	106.9	0.0%	96.1	96.1	-5.9	-0.3	10.2	2.5	-6.2	8.6	12.7	0.0
<i>EBITA margin</i>	<i>14.1%</i>	<i>22.9%</i>	<i>-8.8pp</i>	<i>23.8%</i>	<i>26.9%</i>	<i>-10.6%</i>	<i>-0.8%</i>	<i>13.7%</i>	<i>5.3%</i>	<i>-31.5%</i>	<i>28.3%</i>	<i>6.2%</i>	<i>N/A</i>
Amortisation	-15.4	-15.2	0.9%	-10.6	-10.8	-1.7	-1.1	-1.8	-2.0	-0.9	-1.2	-0.4	0.0
Operating profit	91.6	91.7	-0.1%	85.5	85.2	-7.6	-1.4	8.4	0.4	-7.1	7.4	12.4	0.0
<i>Operating profit margin</i>	<i>12.1%</i>	<i>19.7%</i>	<i>-7.6pp</i>	<i>21.2%</i>	<i>23.8%</i>	<i>-13.5%</i>	<i>-4.4%</i>	<i>11.2%</i>	<i>0.9%</i>	<i>-36.0%</i>	<i>24.2%</i>	<i>6.0%</i>	<i>N/A</i>

CONTINUED Segment information

Private Q4

DKK million	Group			Denmark		Norway		UK		Netherlands		Intrasoft	
	Q4 2021	Q4 2020	% change	Q4 2021	Q4 2020	Q4 2021	Q4 2020	Q4 2021	Q4 2020	Q4 2021	Q4 2020	Q4 2021	Q4 2020
Revenue	393.6	306.9	28.3%	270.6	243.0	11.9	27.1	27.4	36.4	2.9	0.4	80.8	0.0
Cost of service	-237.0	-153.6	54.3%	-143.6	-108.2	-7.4	-17.8	-20.7	-27.5	-2.8	-0.2	-62.5	0.0
Gross profit	156.6	153.2	2.2%	127.0	134.8	4.4	9.4	6.7	8.9	0.1	0.2	18.3	0.0
<i>Gross profit margin</i>	39.8%	49.9%	-10.1pp	46.9%	55.5%	37.3%	34.5%	24.4%	24.4%	4.6%	46.0%	22.7%	N/A
Allocated costs	-55.1	-33.4	64.9%	-37.0	-25.9	-2.1	-3.2	-5.1	-4.4	-1.2	-0.0	-9.8	0.0
Adjusted EBITA before HQ costs	101.5	119.8	-15.3%	90.1	108.9	2.3	6.2	1.6	4.5	-1.0	0.2	8.6	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	25.8%	39.0%	-13.3pp	33.3%	44.8%	19.6%	22.9%	5.8%	12.4%	-35.3%	35.5%	10.6%	N/A
Allocated costs from HQ	-3.6	-3.2	11.3%	-3.1	-2.3	-0.1	-0.3	-0.4	-0.6	-0.1	-0.0	0.0	0.0
Special items	-2.3	0.0	N/A	-2.2	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Other operating income	-0.2	0.0	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	0.0
EBITA	95.4	116.6	-18.1%	84.8	106.6	2.3	5.9	1.2	3.9	-1.2	0.1	8.4	0.0
<i>EBITA margin</i>	24.2%	38.0%	-13.7pp	31.3%	43.9%	19.3%	21.8%	4.4%	10.7%	-41.4%	34.2%	10.4%	N/A
Amortisation	-8.9	-8.3	7.2%	-7.1	-5.9	-0.5	-0.8	-1.0	-1.6	-0.1	-0.0	-0.1	0.0
Operating profit	86.5	108.3	-20.1%	77.7	100.7	1.8	5.2	0.2	2.3	-1.3	0.1	8.2	0.0
<i>Operating profit margin</i>	22.0%	35.3%	-13.3pp	28.7%	41.5%	14.9%	19.0%	0.7%	6.2%	-45.3%	31.1%	10.2%	N/A

CONTINUED Segment information

Public 12 months

DKK million	Group			Denmark		Norway		UK		Netherlands		Intrasoft	
	YTD 2021	YTD 2020	% change	YTD 2021	YTD 2020	YTD 2021	YTD 2020	YTD 2021	YTD 2020	YTD 2021	YTD 2020	YTD 2021	YTD 2020
Revenue	2,210.4	1,777.7	24.3%	1,526.3	1,395.1	171.5	103.0	230.4	182.8	77.4	96.8	204.8	0.0
Cost of service	-1,477.6	-1,102.6	34.0%	-936.6	-806.5	-136.2	-85.3	-163.7	-150.4	-68.3	-60.4	-172.8	0.0
Gross profit	732.7	675.1	8.5%	589.8	588.6	35.3	17.7	66.7	32.4	9.1	36.4	31.9	0.0
<i>Gross profit margin</i>	<i>33.1%</i>	<i>38.0%</i>	<i>-4.8pp</i>	<i>38.6%</i>	<i>42.2%</i>	<i>20.6%</i>	<i>17.2%</i>	<i>28.9%</i>	<i>17.7%</i>	<i>11.7%</i>	<i>37.6%</i>	<i>15.6%</i>	<i>N/A</i>
Allocated costs	-317.8	-243.2	30.7%	-206.1	-187.5	-31.7	-14.6	-33.4	-23.2	-27.5	-18.1	-19.2	0.0
Adjusted EBITA before HQ costs	414.9	431.9	-3.9%	383.7	401.2	3.6	3.1	33.3	9.3	-18.4	18.3	12.7	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>18.8%</i>	<i>24.3%</i>	<i>-5.5pp</i>	<i>25.1%</i>	<i>28.8%</i>	<i>2.1%</i>	<i>3.0%</i>	<i>14.5%</i>	<i>5.1%</i>	<i>-23.8%</i>	<i>18.9%</i>	<i>6.2%</i>	<i>N/A</i>
Allocated costs from HQ	-23.9	-26.8	-10.7%	-17.4	-19.4	-2.3	-2.4	-2.8	-3.2	-1.5	-1.9	0.0	0.0
Special items	-23.5	-0.0	N/A	-17.3	-0.0	-2.5	-0.0	-2.4	-0.0	-1.3	-0.0	0.0	0.0
Other operating income	0.0	0.0	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITA	367.5	405.1	-9.3%	349.0	381.8	-1.2	0.7	28.1	6.1	-21.2	16.4	12.7	0.0
<i>EBITA margin</i>	<i>16.6%</i>	<i>22.8%</i>	<i>-6.2pp</i>	<i>22.9%</i>	<i>27.4%</i>	<i>-0.7%</i>	<i>0.7%</i>	<i>12.2%</i>	<i>3.3%</i>	<i>-27.4%</i>	<i>17.0%</i>	<i>6.2%</i>	<i>N/A</i>
Amortisation	-32.0	-65.0	-50.8%	-22.9	-48.6	-3.1	-3.7	-3.7	-7.9	-2.0	-4.8	-0.4	0.0
Operating profit	335.5	340.0	-1.3%	326.1	333.2	-4.2	-3.0	24.4	-1.8	-23.2	11.7	12.4	0.0
<i>Operating profit margin</i>	<i>15.2%</i>	<i>19.1%</i>	<i>-3.9pp</i>	<i>21.4%</i>	<i>23.9%</i>	<i>-2.5%</i>	<i>-2.9%</i>	<i>10.6%</i>	<i>-1.0%</i>	<i>-29.9%</i>	<i>12.0%</i>	<i>6.0%</i>	<i>N/A</i>

CONTINUED Segment information

Private 12 months

DKK million	Group			Denmark		Norway		UK		Netherlands		Intrasoft	
	YTD 2021	YTD 2020	% change	YTD 2021	YTD 2020	YTD 2021	YTD 2020	YTD 2021	YTD 2020	YTD 2021	YTD 2020	YTD 2021	YTD 2020
Revenue	1,421.6	1,060.9	34.0%	1,064.0	804.7	95.8	96.8	176.3	157.5	4.6	1.8	80.8	0.0
Cost of service	-821.0	-580.7	41.4%	-551.8	-381.2	-65.8	-70.8	-137.0	-127.6	-3.9	-1.1	-62.5	0.0
Gross profit	600.5	480.1	25.1%	512.2	423.5	30.0	25.9	39.3	29.9	0.8	0.8	18.3	0.0
<i>Gross profit margin</i>	<i>42.2%</i>	<i>45.3%</i>	<i>-3.0pp</i>	<i>48.1%</i>	<i>52.6%</i>	<i>31.3%</i>	<i>26.8%</i>	<i>22.3%</i>	<i>19.0%</i>	<i>16.7%</i>	<i>40.9%</i>	<i>22.7%</i>	<i>N/A</i>
Allocated costs	-184.0	-126.1	46.0%	-128.6	-89.9	-14.5	-12.3	-29.6	-23.5	-1.6	-0.3	-9.8	0.0
Adjusted EBITA before HQ costs	416.5	354.1	17.6%	383.5	333.6	15.5	13.6	9.7	6.4	-0.8	0.4	8.6	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>29.3%</i>	<i>33.4%</i>	<i>-4.1pp</i>	<i>36.0%</i>	<i>41.5%</i>	<i>16.2%</i>	<i>14.0%</i>	<i>5.5%</i>	<i>4.1%</i>	<i>-17.1%</i>	<i>24.3%</i>	<i>10.6%</i>	<i>N/A</i>
Allocated costs from HQ	-14.4	-14.8	-2.6%	-10.8	-9.2	-1.1	-2.3	-2.4	-3.1	-0.1	-0.0	0.0	0.0
Special items	-14.2	-0.0	N/A	-10.9	-0.0	-1.0	-0.0	-2.1	-0.0	-0.1	-0.0	0.0	0.0
Other operating income	-0.2	0.0	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	0.0
EBITA	387.8	339.3	14.3%	361.8	324.4	13.4	11.2	5.2	3.3	-1.0	0.4	8.4	0.0
<i>EBITA margin</i>	<i>27.3%</i>	<i>32.0%</i>	<i>-4.7pp</i>	<i>34.0%</i>	<i>40.3%</i>	<i>14.0%</i>	<i>11.6%</i>	<i>2.9%</i>	<i>2.1%</i>	<i>-22.0%</i>	<i>22.6%</i>	<i>10.4%</i>	<i>N/A</i>
Amortisation	-19.4	-34.4	-43.5%	-14.7	-23.2	-1.5	-3.2	-3.0	-7.9	-0.1	-0.1	-0.1	0.0
Operating profit	368.3	304.9	20.8%	347.1	301.1	11.9	8.1	2.2	-4.6	-1.2	0.3	8.2	0.0
<i>Operating profit margin</i>	<i>25.9%</i>	<i>28.7%</i>	<i>-2.8pp</i>	<i>32.6%</i>	<i>37.4%</i>	<i>12.5%</i>	<i>8.3%</i>	<i>1.2%</i>	<i>-2.9%</i>	<i>-24.9%</i>	<i>18.2%</i>	<i>10.2%</i>	<i>N/A</i>

NOTE 1

Segment information

Segment information related to geographical areas

DKK thousands	Q4 2021									
	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	Total
Revenue from external customers	675,413	68,319	105,049	23,087	109,944	7,039	118,032	21,297	23,951	1,152,131

DKK thousands	Q4 2020									
	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	Total
Revenue from external customers	600,595	58,116	83,182	30,856	0	0	0	0	0	772,749

DKK thousands	YTD 2021									
	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	Total
Revenue from external customers	2,591,948	267,740	409,572	82,447	109,944	7,039	118,032	21,297	23,951	3,631,971

DKK thousands	YTD 2020									
	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	Total
Revenue from external customers	2,199,865	199,778	340,315	98,632	0	0	0	0	0	2,838,590

NOTE 2

Cost of services

DKK thousands	Q4 2021	Q4 2020	YTD 2021	YTD 2020
Cost of services	-197,624	-65,622	-380,909	-255,491
Salaries	-557,540	-375,268	-1,888,564	-1,412,104
Depreciation	-11,124	-4,196	-29,214	-15,777
Cost of services total	-766,288	-445,087	-2,298,687	-1,683,372

NOTE 3

Administrative costs

DKK thousands	Q4 2021	Q4 2020	YTD 2021	YTD 2020
Administrative costs	-78,005	-46,780	-237,845	-179,992
Salaries	-61,732	-40,342	-206,990	-164,520
Depreciation	-17,029	-12,453	-58,564	-49,228
Administrative costs total	-156,766	-99,575	-503,399	-393,741

NOTE 4 **Special items**

DKK thousands	Q4 2021	Q4 2020	YTD 2021	YTD 2020
Costs related to M&A	-7,729	0	-37,729	-3
Total special items	-7,729	0	-37,729	-3

NOTE 5 **Financial income and expenses**

DKK thousands	Q4 2021	Q4 2020	YTD 2021	YTD 2020
Financial income				
Exchange rate adjustments	3,472	1,591	10,039	19,266
Other financial income	140	20	220	81
Financial income total	3,612	1,610	10,259	19,347
Financial expenses				
Interest expense, bank loan	-6,996	-2,590	-14,510	-13,661
Interest expense, leasing	-1,394	-910	-4,103	-3,986
Exchange rate adjustments	-4,316	-1,830	-12,906	-43,177
Other financial expenses	-4,768	-1,689	-12,130	-5,481
Financial expenses total	-17,474	-7,019	-43,648	-66,306

NOTE 6

Business combinations

On October 31 2021, the Group acquired the entire share capital of Intrasoft International S.A. (Netcompany-Intrasoft S.A.) at a price of DKK 1,748.9 million on a debt-free basis. As debt was recognised to DKK 373.6 million the purchase price was agreed to DKK 1,375.2 million.

Of the total consideration, DKK 1,144.3 million was paid in cash, DKK 133.5 million are paid in shares and DKK 97.5 million was accrued according to holdback options. The holdback options will be settled in cash.

The determination of the purchase price and the purchase price allocation is considered final.

Based on the measurement of identifiable assets and liabilities at their fair values, the difference between the total consideration and the fair value of the identified net assets was calculated at DKK 1,108.4 million, which represents the goodwill from the acquisition of Netcompany-Intrasoft.

In addition, the consideration paid for the business combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Netcompany-Intrasoft. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Goodwill is not deductible for tax purposes.

Asset and liabilities recognised have been calculated using the subsidiary's results and adjusting them for differences in the accounting policies between the Group and the subsidiary.

The Group has incurred acquisition costs totalling DKK 37.7 million in 2021, which are included in special items.

Assets and liabilities recognised DKK thousands	Intrasoft International S.A.
Non-current assets	
Intangible assets	1,485,184
Tangible assets	107,102
Financial assets	11,974
Current assets	
Trade receivables	362,125
Contract work in progress	625,785
Receivables from associates	29,253
Tax receivables	32,055
Other receivables	11,346
Prepayments	17,854
Cash	132,415
Equity	
Non-controlling interest	-8,221
Current liabilities	
Bank debt facilities and borrowings	-295,261
Pension obligations	-17,797
Leasing liabilities	-57,858
Other payables	-1,005
Deferred tax liability	-91,948
Current liabilities	
Leasing liabilities	-205,192
Trade payables	-25,603
Prebilled invoices	-298,139
Trade payables	-159,129
Other debts	-242,370
Provisions	-29,502
Income tax payable	-7,836
Net assets taken over	266,844
Goodwill	1,108,387
Total consideration	1,375,232

NOTE 7 Earnings per share

DKK thousands	Q4 2021	Q4 2020	YTD 2021	YTD 2020
Earnings per share - EPS (DKK)	3.17	0.10	11.74	6.56
Diluted earnings per share - EPS-D (DKK)	3.13	0.10	11.60	6.53
Profit	155,632	5,030	576,142	321,918
Average number of shares	50,000	50,000	50,000	50,000
Average number of treasury shares	843	900	906	900
Average number of shares in circulation	49,157	49,100	49,094	49,100
Average number of outstanding restricted stock units	573	263	582	215
Average number of diluted shares in circulation	49,730	49,363	49,676	49,316

The earnings per share was affected by the fair value adjustments of the contingent consideration and would have been 2.57 in Q4 2021 and 2.98 in Q4 2020 equal to 10.13 for 2021 and 9.43 in 2020, if normalised for fair value adjustments.

NOTE 8 Trade receivables

DKK thousands	31 December 2021	31 December 2020
Not overdue	675,255	326,415
0-30 days overdue	217,253	99,180
31-60 days overdue	73,940	19,876
61-90 days overdue	27,954	4,572
Over 90 days overdue	54,398	14,562
Total trade receivables excl. expected credit loss	1,048,800	464,605
Expected credit loss	-16,920	-5,831
Total trade receivables	1,031,880	458,774

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 an allowance for bad debt is made. At 31 December 2021, the Group recognised a provision for expected credit losses of DKK 16.9m (31 December 2020: DKK 5.8m), and no credit losses have incurred during Q4 2021.

The credit quality of trade receivables at 31 December 2021 is considered satisfactory.

NOTE 9

Contract work in progress

DKK thousands	31 December 2021	31 December 2020
Selling price of work performed on fixed price projects	2,594,288	1,083,501
Invoiced amount on fixed price projects	-1,925,194	-648,646
Total contract work in progress	669,094	434,856

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

Contract work in progress	1,019,974	476,603
Prebilled invoices	-350,880	-41,747
Total contract work in progress	669,094	434,856

NOTE 10

Borrowings

DKK thousands	Currency	Maturity	Fixed or floating interest	Loan cost	Nominal value	Carrying amount
Bank loan	DKK	2023	Floating	2,712	1,080,000	1,077,288
Bank loan	DKK	2023	Floating	1,500	1,200,000	1,198,500
Bank loan	EUR	2022	Fixed	0	49,766	49,766
Bank loan	USD	2022	Fixed	0	15,968	15,968
Bank loan	JOD	2022	Fixed	0	8,764	8,764
31 December 2021				4,212	2,354,497	2,350,286
Bank loan	DKK	2023	Floating	4,626	765,182	760,556
31 December 2020				4,626	765,182	760,556

NOTE 11

Other payables

DKK thousands	31 December 2021	31 December 2020
Wages and salaries, payroll taxes, social security costs, etc. payable	166,026	53,235
Holiday pay obligation	92,197	144,836
VAT and duties	105,759	58,889
Contingent purchase price & earn out	93,398	261,709
Holdback	60,816	0
Other costs payable	22,308	48,482
Total other payables	540,504	567,151

For further details on contingent purchase price and earn out, please refer Annual Report 2021 note 29.

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

NOTE 12

Provision

DKK thousands	Q4 2021	Q4 2020	YTD 2021	YTD 2020
Other provisions beginning of period	0	0	0	3,525
Reversal in the period	12,131	0	12,131	0
Decrease in the period	-3,291	0	-3,291	-3,525
Other provisions end of period	8,839	0	8,839	0

NOTE 13 **Income Statement classified by function**

DKK thousands	Q4 2021	Q4 2020	YTD 2021	YTD 2020
Income statement				
Revenue	1,152,131	772,749	3,631,971	2,838,590
Cost of services, incl. depreciation and amortisation	-766,288	-445,087	-2,298,687	-1,683,372
Gross profit	385,843	327,662	1,333,284	1,155,218
Sales and marketing costs, incl. depreciation and amortisation	-18,803	-4,599	-36,715	-17,104
Administrative costs, incl. depreciation and amortisation	-188,762	-123,104	-592,552	-493,170
Other operating income	-184	0	-184	0
Operating profit (EBIT)	178,093	199,959	703,833	644,945
Financial income	3,612	1,610	10,259	19,347
Financial expenses	-17,474	-7,019	-43,648	-66,306
Fair value adjustment of contingent consideration	29,421	-141,268	78,906	-141,268
Income / loss from investment in joint venture	-4,929	-5,035	-21,732	-5,035
Income / loss from investment in associates	0	0	0	0
Profit / loss before tax	188,723	48,247	727,618	451,683
Tax on the profit for the period	-34,931	-43,218	-153,316	-129,766
Net profit / loss for the period	153,792	5,030	574,302	321,918
Depreciation and Amortisation have been presented as follows in the income statement:				
Cost of services	-11,124	-4,196	-29,214	-15,777
Administrative costs	-41,295	-35,982	-109,987	-148,654
Depreciation and amortisation	-52,419	-40,178	-139,201	-164,431

NOTE 14

Collateral provided and contingent liabilities

As part of its contract commitments with customers, the Group has through its banks provided performance guarantees of DKK 512.2m (DKK 34.9m).

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

NOTE 15

Related party transactions

In Q4 2021, Netcompany recognised revenue from Smarter Airports A/S of DKK 101.6m.

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

NOTE 16

Accounting policies

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 Q4 2021 financial report has been prepared in accordance with IAS 34 "Interim Finan-

cial 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 2021 for Netcompany Group A/S.

NOTE 17

Financial figures and highlights

DKK million	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Income statement								
Public revenue	758.5	461.6	488.0	502.3	465.9	436.3	442.2	433.3
Private revenue	393.6	336.4	338.7	352.8	306.9	258.4	233.4	262.2
<i>Revenue by segments, total</i>	1,152.1	798.0	826.7	855.1	772.7	694.7	675.5	695.6
Development revenue	783.3	488.4	513.2	517.5	433.7	380.1	347.4	355.7
Maintenance revenue	367.3	309.6	313.5	337.7	339.1	314.6	328.1	339.8
License revenue	1.5							
<i>Revenue by types, total</i>	1,152.1	798.0	826.7	855.1	772.7	694.7	675.5	695.6
Organic revenue	866.5	798.0	826.7	855.1	772.7	694.7	667.1	677.9
Non-organic revenue	285.6	0.0	0.0	0.0	0.0	0.0	8.5	17.7
<i>Revenue by growth, total</i>	1,152.1	798.0	826.7	855.1	772.7	694.7	675.5	695.6
Special items	-7.7	-30.0	0.0	0.0	0.0	0.0	0.0	-0.0
Adjusted EBITDA	238.6	221.1	186.6	234.8	240.1	212.0	177.5	179.8
EBITDA	230.7	191.1	186.6	234.8	240.1	212.0	177.5	179.8
Adjusted EBITA	210.3	199.9	166.7	216.3	223.5	195.5	161.3	164.1
EBITA	202.4	169.9	166.7	216.3	223.5	195.5	161.3	164.1
Operating profit (EBIT)	178.1	160.9	157.7	207.2	200.0	170.2	136.0	138.8
Net financials	-13.9	-6.2	-6.7	-6.6	-5.4	-6.2	-16.2	-19.2
Net profit / loss	153.8	108.6	112.4	199.5	5.0	128.1	96.0	92.8
Financial position								
Capex	-27.2	-7.1	-5.0	-18.2	-3.7	-5.3	-3.3	-11.6
Total assets	7,021.1	4,127.7	4,090.0	4,074.5	4,039.4	3,875.9	3,916.8	3,791.6
Equity	3,037.9	2,781.8	2,666.4	2,595.9	2,428.6	2,413.8	2,281.1	2,169.5
Net increase in cash and cash equivalents	261.4	16.3	-134.6	-49.6	120.4	-62.7	92.1	83.8
Free cash flow	134.7	182.9	-10.2	100.6	208.9	149.9	103.1	95.0
Free cash flow (tax normalised)	160.9	136.9	-49.2	173.8	210.5	115.0	75.7	136.0

CONTINUED NOTE 15 FINANCIAL FIGURES AND HIGHLIGHTS

DKK million	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Earnings per share								
Earnings per share (DKK)	3.17	2.21	2.29	4.06	0.10	2.61	1.96	1.89
Diluted Earnings per share (DKK)	3.13	2.19	2.26	4.02	0.10	2.60	1.95	1.88
Employees								
Average number of full-time employees	5,417	3,385	3,238	3,109	2,996	2,827	2,663	2,585
Financial ratios								
Revenue growth	49.1%	14.9%	22.4%	22.9%	15.2%	17.3%	13.9%	16.4%
Gross profit margin	33.5%	41.2%	35.5%	38.1%	42.4%	42.2%	38.4%	39.5%
Adjusted EBITDA margin	20.7%	27.7%	22.6%	27.5%	31.1%	30.5%	26.3%	25.8%
EBITDA margin	20.0%	23.9%	22.6%	27.5%	31.1%	30.5%	26.3%	25.8%
Adjusted EBITA margin	18.3%	25.1%	20.2%	25.3%	28.9%	28.1%	23.9%	23.6%
EBITA margin	17.6%	21.3%	20.2%	25.3%	28.9%	28.1%	23.9%	23.6%
Operating profit margin	15.5%	20.2%	19.1%	24.2%	25.9%	24.5%	20.1%	19.9%
Effective tax rate	18.5%	27.2%	22.9%	18.2%	89.6%	21.9%	19.9%	22.4%
Return on equity	5.6%	4.2%	4.5%	8.4%	0.2%	5.9%	4.6%	4.7%
Solvency ratio	43.3%	67.4%	65.2%	63.7%	60.1%	62.3%	58.2%	57.2%
ROIC	4.0%	3.6%	3.7%	6.7%	0.2%	4.4%	3.3%	3.3%
ROIC (Adjusted for Goodwill)	14.5%	13.8%	13.8%	27.8%	0.8%	19.8%	14.7%	14.8%
Cash conversion ratio	78.0%	158.3%	-8.5%	48.7%	893.4%	101.4%	89.1%	84.4%
Cash conversion rate (tax normalised)	93.2%	118.5%	-41.2%	84.1%	900.4%	77.8%	65.4%	120.9%

Formulas

Key figures and financial ratios have been compiled in accordance with the following calculation formulas.

Organic revenue	=	Revenue not classified as non-organic revenue	Operating profit margin¹	=	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$	Capex^{1,2}	=	Cost spent to buy intangible and tangible assets, excluding impact from business acquisitions.
Non-organic revenue	=	Revenue from acquired businesses the first 12 months after acquisition	EBITDA^{1,2}	=	EBIT + Depreciation and amortisation	Cash conversion ratio^{1,2}	=	$\frac{\text{Free cash flow} \times 100}{\text{Net profit} - \text{Amortisation and deferred tax of amortisation}}$
Organic Growth¹	=	$\frac{\text{Organic revenue current year} \times 100}{\text{Revenue last year}}$	EBITDA margin	=	$\frac{\text{EBITDA} \times 100}{\text{Revenue}}$	Days sales outstanding^{1,2}	=	$\frac{\text{Trade receivables} \times \text{days}}{\text{Revenue}}$
Gross profit margin^{1,2}	=	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$	Adjusted EBITDA	=	EBITDA + Special items + Other operating income	Return on equity²	=	$\frac{\text{Net profit for the period} \times 100}{\text{Average equity}}$
EBITA^{1,2}	=	Operating profit + Amortisation	Adjusted EBTIDA margin	=	$\frac{\text{Adjusted EBITDA} \times 100}{\text{Revenue}}$	Return on invested capital (ROIC)^{1,2}	=	$\frac{\text{Net profit} \times 100}{\text{Average invested capital}}$
EBITA margin^{1,2}	=	$\frac{\text{EBITA} \times 100}{\text{Revenue}}$	EPS¹	=	$\frac{\text{Net profit}}{\text{Average outstanding shares}}$	ROIC (Adjusted for Goodwill)¹	=	$\frac{\text{Net profit} \times 100}{\text{Average invested capital} - \text{average Goodwill}}$
Adjusted EBITA	=	EBITA + Special items + Other operating income	EPS diluted¹	=	$\frac{\text{Net profit}}{\text{Average outstanding shares} + \text{Diluted shares}}$	Solvency (equity ratio)¹	=	$\frac{\text{Equity} \times 100}{\text{Total assets}}$
Adjusted EBITA margin	=	$\frac{\text{Adjusted EBITA} \times 100}{\text{Revenue}}$	Free cash flow^{1,2}	=	Cash flow from operating activities - Capex			

¹ Key figures defined according to IFRS.

² Key figures defined according to "Recommendations & Financial Ratios" issued by the Danish Finance Society.

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 2021 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 2021 of Netcompany Group A/S is available at our website 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.