

netcompany

Q3 | 22

Company Announcement
Nine months ended 30 September 2022

Based on strong performance in
Q3 2022 Netcompany expects
full year results within original
guidance

Summary

In Q3 2022, Netcompany grew revenue to DKK 1,348.1m – equal to 68.9% growth compared to Q3 2021 of which 50.7 percentage points was non-organic and related to Netcompany-Intrasoft. Organic revenue growth was 18.2% (constant 18%).

Adjusted EBITDA was DKK 308.9m compared to DKK 221.1m in Q3 2021. Adjusted EBITDA margin of 22.9% in Q3 2022 (constant 23.1%) compared to 27.7% in Q3 2021.

Adjusted EBITDA margin for Netcompany Core was 28.5% in Q3 2022 (constant 28.7%) compared to 27.7% in Q3 2021.

Average number of full time employees was 7,039 compared to 3,385 in Q3 2021. The acquisition of Netcompany-Intrasoft accounted for 3,088 employees of the growth, while employees in Netcompany Core grew by 566.

Free cash flow was strong in the quarter and improved by 21.1% to DKK 221.5m.

Churn rates and sickness level are normalising and employee satisfaction was slightly improved from 2021.

Revenue visibility for 2022 increased by 61.8% to DKK 5,296.2m compared to DKK 3,273.8m at the same time last year. The acquisition of Netcompany-Intrasoft accounted for 49.1 percentage points of the increase.

For the full year Netcompany narrows expectation to revenue growth in constant currencies to between 50% and 52% for the Group. Expectation to Group EBITDA margin in constant currencies is maintained at above 20%.

"In line with our expectations we realised high growth and strong margins in Q3 2022 driven by solid performance in both Netcompany Core and Netcompany Intrasoft.

Our ability to attract new employees remain intact, which, combined with the lower churn ratio observed, gives us a strong foundation to continue to add new employees to the Netcompany family. At the end of September our Group totals more than 7,000 employees.

I am proud and humbled to see that the annual employee survey conducted for Netcompany Core confirms that our employees continue to be very satisfied with Netcompany as an employer, leading to an improvement in the overall employee satisfaction score for the Group compared to last year.

Despite unrest in both geo-political matters and macro environments in general, we remain confident of our ability to grow our Group revenue of between 50% and 52% and realise EBITDA margin of more than 20% for the Group - both in line with our original guidance for 2022"

André Rogaczewski

NETCOMPANY CEO AND CO-FOUNDER

Performance highlights Q3

Financial overview	Q3 2022 (reported)	Q3 2022 (constant)*	Q3 2021	% change (reported)	Netcompany Intrasoft	
					non-organic impact	% change (constant)*
DKK million						
Revenue	1,348.1	1,346.4	798.0	68.9%	50.7pp	68.7%
Gross profit	471.1	471.8	328.4	43.4%	23.8pp	43.7%
Adjusted EBITDA	308.9	310.4	221.1	39.7%	18.2pp	40.4%
<i>Adjusted EBITDA margin</i>	22.9%	23.1%	27.7%	-4.8pp	-5.6pp	-4.6pp
Adjusted EBITA	275.5	277.3	199.9	37.8%	15.8pp	38.7%
<i>Adjusted EBITA margin</i>	20.4%	20.6%	25.1%	-4.6pp	-5.4pp	-4.5pp
EBITA	275.0	276.8	169.9	61.8%	18.3pp	62.9%
<i>EBITA margin</i>	20.4%	20.6%	21.3%	-0.9pp	-5.4pp	-0.7pp
Operating profit	240.1	241.9	160.9	49.2%	14.6pp	50.3%
<i>Operating profit margin</i>	17.8%	18.0%	20.2%	-2.4pp	-5.1pp	-2.2pp
Net profit / loss	169.7	171.5	108.6	56.3%	9.4pp	58.0%
Free cash flow	221.5	N/A	182.9	21.1%	N/A	N/A
Free cash flow (tax normalised)	168.2	N/A	136.9	22.8%	N/A	N/A
Cash conversion ratio (tax normalised)	85.4%	N/A	118.5%	-33.1pp	N/A	N/A

*Constant currencies measured using average exchange rates for Q3 2021

- Revenue increased by 68.9% to DKK 1,348.1m in reported currencies and by 68.7% in constant currencies.
- Organic revenue grew by 18.2%.
- Gross profit margin was 34.9% against 41.2% in Q3 2021.
- Adjusted EBITDA increased by 39.7% and yielded a margin of 22.9%.
- Adjusted EBITDA margin was 28.5% for the organic businesses.
- Free cash flow remained strong and improved to DKK 221.5 compared to DKK 182.9m in Q3 2021.
- Free cash flow normalised for tax payments improved by 22.8% to DKK 168.2m.
- Cash conversion rate normalised for tax payment was 85.4% compared to 118.5%, impacted by the inclusion of Netcompany-Intrasoft.
- Debt leverage to 12 months rolling adjusted EBITA was 2.1x.
- Strong free cash flow was used to reduce Group debt with DKK 200m.

Performance highlights 9 months

Financial overview

DKK million	YTD 2022 (reported)	YTD 2022 (constant)*	YTD 2021	% change (reported)	Netcompany Intrasoft non-organic impact	% change (constant)*	Total 2021
Revenue	4,025.3	4,012.4	2,479.8	62.3%	49.3pp	61.8%	3,632.0
Gross profit	1,252.5	1,251.1	947.4	32.2%	24.7pp	32.1%	1,333.3
Adjusted EBITDA	757.3	758.7	642.5	17.9%	19.8pp	18.1%	880.9
<i>Adjusted EBITDA margin</i>	18.8%	18.9%	25.9%	-7.1pp	-3.7pp	-7.0pp	24.3%
Adjusted EBITA	658.5	660.7	582.9	13.0%	16.9pp	13.4%	793.2
<i>Adjusted EBITA margin</i>	16.4%	16.5%	23.5%	-7.1pp	-3.6pp	-7.0pp	21.8%
EBITA	658.1	660.3	552.9	19.0%	17.8pp	19.4%	755.3
<i>EBITA margin</i>	16.3%	16.5%	22.3%	-5.9pp	-3.6pp	-5.8pp	20.8%
Operating profit	557.8	560.1	525.7	6.1%	14.9pp	6.5%	703.8
<i>Operating profit margin</i>	13.9%	14.0%	21.2%	-7.3pp	-3.2pp	-7.2pp	19.4%
Net profit / loss	387.3	389.8	420.5	-7.9%	10.2pp	-7.3%	574.3
Free cash flow	279.4	N/A	273.3	2.2%	N/A	N/A	408.0
Free cash flow (tax normalised)	274.5	N/A	261.5	5.0%	N/A	N/A	422.4
Cash conversion ratio (tax normalised)	59.0%	N/A	59.2%	-0.2pp	N/A	N/A	68.8%

*Constant currencies measured using average exchange rates for 2021

- Revenue increased by 62.3% to DKK 4,025.3m in reported currencies and by 61.8% in constant currencies.
- Organic revenue grew by 13%.
- Gross profit margin was 31.1% against 38.2% for the same period in 2021.
- Adjusted EBITDA increased by 17.9% and yielded a margin of 18.8%.
- Adjusted EBITDA margin was 22.5% for the organic businesses.
- Free cash flow improved to DKK 279.4m compared to DKK 273.3m in the same period in 2021.
- Free cash flow normalised for tax payments improved by 5.0% to DKK 274.5m.
- Cash conversion rate normalised for tax payment was 59% compared to 59.2%.
- Debt leverage to 12 months rolling adjusted EBITA was 2.1x.

Conference call details

In connection with the publication of the results for Q3 2022, Netcompany will host a conference call on 3 November 2022 at 11.00 CET.

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 33 33 00 92 67

US
+1 646 722 4904

Webcast Player URL

<https://streams.eventcdn.net/netcompany/q3-2022/>

Additional information

André Rogaczewski, CEO
+45 70 13 14 40

Thomas Johansen, CFO
+45 51 19 32 24

Performance overview Q3

DKK million	Q3 2022 (reported)	Q3 2022 (constant)*	Q3 2021	% change (reported)	Netcompany Intrasoft non-organic impact	% change (constant)*
Revenue	1,348.1	1,346.4	798.0	68.9%	50.7pp	68.7%
Cost of services	-877.0	-874.6	-469.6	86.7%	69.5pp	86.2%
Gross profit	471.1	471.8	328.4	43.4%	23.8pp	43.7%
<i>Gross profit margin</i>	<i>34.9%</i>	<i>35.0%</i>	<i>41.2%</i>	<i>-6.2pp</i>	<i>-6.7pp</i>	<i>-6.1pp</i>
Sales and marketing costs	-10.6	-10.6	-5.7	86.4%	47.8pp	86.2%
Administrative costs	-185.1	-184.0	-122.8	50.7%	35.9pp	49.8%
Adjusted EBITA	275.5	277.3	199.9	37.8%	15.8pp	38.7%
<i>Adjusted EBITA margin</i>	<i>20.4%</i>	<i>20.6%</i>	<i>25.1%</i>	<i>-4.6pp</i>	<i>-5.4pp</i>	<i>-4.5pp</i>
Special items	0.0	0.0	-30.0	-100.0%	0.0pp	-100.0%
Other operating income / expense	-0.5	-0.5	0.0	N/A	N/A	N/A
EBITA	275.0	276.8	169.9	61.8%	18.3pp	62.9%
<i>EBITA margin</i>	<i>20.4%</i>	<i>20.6%</i>	<i>21.3%</i>	<i>-0.9pp</i>	<i>-5.4pp</i>	<i>-0.7pp</i>
Amortisation	-34.9	-34.9	-9.0	288.0%	84.8pp	288.0%
Operating profit (EBIT)	240.1	241.9	160.9	49.2%	14.6pp	50.3%
<i>Operating profit margin</i>	<i>17.8%</i>	<i>18.0%</i>	<i>20.2%</i>	<i>-2.4pp</i>	<i>-5.1pp</i>	<i>-2.2pp</i>
Net financials	-16.2	-16.2	-6.2	163.5%	77.0pp	162.9%
Fair value adj. of contingent consideration	0.0	0.0	0.0	N/A	0.0pp	N/A
Income / loss, investment in joint venture	-2.5	-2.5	-5.6	-55.9%	0.0pp	-55.9%
<i>Income / loss, investment in associates</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>N/A</i>	<i>0.0pp</i>	<i>N/A</i>
Profit / loss before tax	221.4	223.2	149.2	48.4%	12.6pp	49.6%
Tax	-51.7	-51.7	-40.6	27.3%	21.0pp	27.3%
<i>Effective tax rate</i>	<i>23.4%</i>	<i>23.2%</i>	<i>27.2%</i>	<i>-3.9pp</i>	<i>2.1pp</i>	<i>-4.1pp</i>
Net profit / loss	169.7	171.5	108.6	56.3%	9.4pp	58.0%

*Constant currencies measured using average exchange rates for Q3 2021

Reported revenue grew 68.9% (constant 68.7%) in Q3 2022 to DKK 1,348.1m of which 18.2 percentage points were organic. Netcompany-Intrasoft realised revenue of DKK 404.6m and accounted for non-organic revenue growth of 50.7 percentage points in Q3 2022. Client facing FTEs in Netcompany Core grew by 507 to 3,678 in Q3 2022. Netcompany-Intrasoft added another 2,898 client facing FTEs to the Group in Q3 2022 bringing the total number of client facing FTEs to 6,576 in Q3 2022.

As expected, the level of sickness in Netcompany Core was lower in Q3 2022 than in the previous quarter and are closer to a historic level going into Q4 2022.

Gross profit margin was 34.9% compared to 41.2% for the same period in 2021. The lower gross profit margin is fully explained by the inclusion of Netcompany-Intrasoft in the Group numbers. Sequentially from Q2 2022, gross profit margin for the Group improved by 7 percentage points in Q3 2022.

CONTINUED PERFORMANCE OVERVIEW Q3

Sales and marketing costs increased by 86.4% to DKK 10.6m in Q3 2022 compared to DKK 5.7m in the same period last year. Netcompany-Intrasoft accounts for more than half of the increase, and while the increase was high in relative terms the absolute monetary increase in sales and marketing costs remained at a low level.

Administrative costs increased by 50.7% to DKK 185.1m in Q3 2022 of which 35.9 percentage points were attributed to Netcompany-Intrasoft, meaning that the increase in Netcompany Core was 14.7% compared to Q3 2021.

Adjusted EBITA increased by 37.8% to DKK 275.5m yielding an adjusted EBITA margin of 20.4% compared to 25.1% in Q3 2021. The inclusion of Netcompany-Intrasoft impacted adjusted EBITA margin negatively by 5.4 percentage points leaving adjusted EBITA margin for Netcompany Core at 25.8% - slightly higher than Q3 2021.

Amortisation increased by DKK 25.9m to DKK 34.9m as a result of the acquisition of

Intrasoft Interantional S.A. in 2021 - in line with the increase also realised in Q1 and Q2 2022.

Operating profit (EBIT) increased by 49.2% in Q3 2022 to DKK 240.1m compared to DKK 160.9m in the same period last year. Operating profit margin (EBIT margin) was 17.8% on which the inclusion of Netcompany-Intrasoft had a negative impact of 5.1 percentage points leaving the EBIT margin for Netcompany Core at 23% compared to 20.2% for Q3 2021.

Net financials were negative DKK 16.2m compared to negative DKK 6.2m in the same period last year which was mainly driven by the interest payments for the loan obtained to fund the acquisition of Intrasoft International S.A.

Income taxes in Q3 2022 were higher than the same period last year as a consequence of the better result, however the effective tax rate was lower as a proportion of the costs in Q3 2021 related to the acquisition of Intrasoft International S.A, which are non-tax deductible. For

Q3 2022, the effective tax rate was 23.4% compared to 27.2% in Q3 2021.

Consequently, net profit for the period increased by 56.3% from DKK 108.6m in Q3 2021 to DKK 169.7m in Q3 2022.

Business Segments Q3

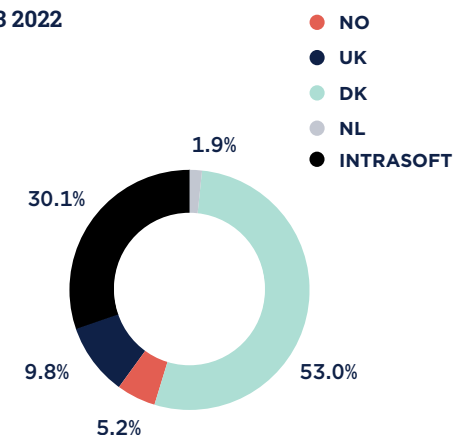
DKK million

Constant (2021 rate)

	Q3 2022					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	1,346.4	713.8	69.7	132.3	26.0	404.6
Gross profit	477.7	346.1	11.3	36.5	5.6	78.3
<i>Gross profit margin</i>	35.5%	48.5%	16.2%	27.6%	21.4%	19.4%
Local admin costs	-156.4	-86.4	-13.0	-13.5	-6.4	-37.2
Adjusted EBITDA before allocated cost from HQ	321.3	259.7	-1.7	22.9	-0.8	41.1
<i>Adjusted EBITDA margin before allocated cost from HQ</i>	23.9%	36.4%	-2.4%	17.3%	-3.0%	10.2%
Allocated costs from HQ	-10.9	-7.9	-0.8	-1.7	-0.4	0.0
Special Items, allocated	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation	-33.2	-18.0	-1.8	-2.5	-1.4	-9.5
Amortisation	-34.9	-20.1	-2.0	-4.2	-1.0	-7.6
Other operating income / expense	-0.5	0.0	0.0	0.0	0.0	-0.5
EBIT	241.9	213.7	-6.3	14.6	-3.6	23.5
Client facing FTEs	6,576	2,712	310	526	129	2,898

Revenue, %

Q3 2022



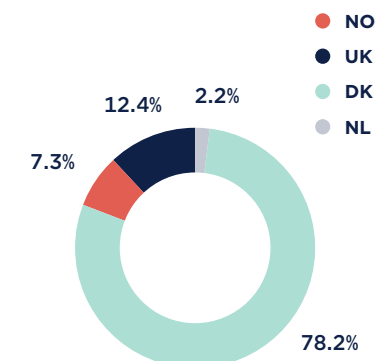
DKK million

Reported

	Q3 2021					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	798.0	623.7	58.3	98.7	17.3	0.0
Gross profit	334.5	292.2	13.4	28.9	0.1	0.0
<i>Gross profit margin</i>	41.9%	46.8%	22.9%	29.3%	0.4%	N/A
Local admin costs	-102.9	-71.8	-9.3	-14.7	-7.0	0.0
Adjusted EBITDA before allocated cost from HQ	231.6	220.3	4.1	14.2	-7.0	0.0
<i>Adjusted EBITDA margin before allocated cost from HQ</i>	29.0%	35.3%	7.0%	14.3%	-40.2%	N/A
Allocated costs from HQ	-10.5	-7.8	-0.9	-1.4	-0.4	0.0
Special Items, allocated	-30.0	-22.5	-2.8	-3.6	-1.1	0.0
Depreciation	-21.2	-15.8	-1.8	-2.2	-1.3	0.0
Amortisation	-9.0	-6.7	-0.8	-1.2	-0.4	0.0
Other operating income / expense	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	160.9	167.6	-2.2	5.7	-10.2	0.0
Client facing FTEs	3,171	2,358	277	395	140	0

Revenue, %

Q3 2021



CONTINUED BUSINESS SEGMENTS Q3

Netcompany Denmark

Revenue growth in the Danish business unit was 14.4% driven by strong growth in the public segment that grew 16.2% and continued stable growth in the private segment that grew 12%. Despite the continued uncertainty related to the macro economic environment and the ongoing election there was no significant impact on the Danish business unit in Q3 in either of the two segments.

Adjusted EBITDA was 36.4% compared to 35.3% in the same period last year. The higher margin was driven by slightly better utilisation leading to improved gross profit margin and better profitability in the private segment compared to Q3 2021.

The elevated level of sickness observed particularly in Q2 but also to a certain extent in Q1, declined in Q3 2022 and was, at the end of Q3, moving towards a more normalised level in the context of historical data pre COVID.

Netcompany Norway

Revenue growth in Norway was 19.5% in Q3 2022 compared with Q3 2021. The growth was driven by strong performance

in the private segment that grew 29.2%, whereas the public segment realised growth of 13.5%. More than 70 new employees joined the Norwegian business during the third quarter of 2022, which corresponded to an intake of close to 25% of the FTE base comparing to Q2. Such a high intake in a relatively small entity as the Norwegian has a negative impact on utilisation as it is not possible to staff all new starters effectively from day one.

The lower utilisation was expected and led to a gross profit margin of 16.2% for Q3 compared with 22.9% in Q3 2021. Combined with increased severance costs and housing costs this led to a small negative adjusted EBITDA of DKK 1.7m compared to a positive adjusted EBITDA of DKK 4.1m in the same period last year. Sequentially from Q2 to Q3 in 2022, adjusted EBITDA improved by DKK 15.6m from negative DKK 17.3m in Q2 2022 to negative DKK 1.7m in Q3 2022.

Netcompany UK

The strong momentum observed in the first two quarters of 2022 continued in the UK business unit in Q3, where revenue grew by more than 34% compared to Q3

2021. The growth was generated in the public segment that grew 122.1% compared to the same period last year, whereas the private segment declined with 33.4%. The growth was generated despite the introduction of an additional public holiday in relation to the funeral of Her Majesty Queen Elizabeth II in September.

Adjusted EBITDA margin increased to 17.3% compared to 14.3% for the same period last year. More effective use of resources, less administrative spending, and scale of usage of premises led to the increased EBITDA margin.

Netcompany Netherlands

Revenue growth in the Dutch business unit was 50.3% compared to the same period last year. The growth in revenue was a result of completing the large fixed fee projects, which had a negative impact on revenue in most of 2021 and in the first half of 2022. Revenue for Q3 2022 ended at DKK 26m generated by 129 client facing FTEs compared to revenue in Q3 2021 of DKK 17.3m that was generated by 140 client facing FTEs - i.e 8% fewer FTEs in Q3 2022 than in the same period last year.

Gross profit margin was positive at 21.4%, which was the main contributing factor to adjusted EBITDA improving from negative DKK 7m in Q3 2021 to a small negative of DKK 0.8m in Q3 2022. Furthermore, sequentially from Q2 to Q3 2022, adjusted EBITDA improved from negative DKK 10.3m to negative DKK 0.8m in Q3 2022.

Netcompany Intrasoft

Revenue in Netcompany-Intrasoft was DKK 404.6m compared to proforma DKK 380m in Q3 2021 yielding a growth of 6.5%. The EU and private segments both grew by more than 10%, whereas growth in the public segment was lower as some contracts expected to be awarded, in Greece and under the RFF, have been delayed into Q4 2022.

Adjusted EBITDA margin was 10.2% for Q3 2022 compared to 10% proforma for the same period in 2021.

Performance overview 9 months

DKK million	YTD 2022 (reported)	YTD 2022 (constant)*	YTD 2021	% change (reported)	Netcompany Intrasoft non-organic impact	% change (constant)*	Total 2021
Revenue	4,025.3	4,012.4	2,479.8	62.3%	49.3pp	61.8%	3,632.0
Cost of services	-2,772.9	-2,761.3	-1,532.4	80.9%	64.5pp	80.2%	-2,298.7
Gross profit	1,252.5	1,251.1	947.4	32.2%	24.7pp	32.1%	1,333.3
<i>Gross profit margin</i>	<i>31.1%</i>	<i>31.2%</i>	<i>38.2%</i>	<i>-7.1pp</i>	<i>-5.2pp</i>	<i>-7.0pp</i>	<i>36.7%</i>
Sales and marketing costs	-28.9	-28.8	-17.9	61.5%	24.4pp	61.0%	-36.7
Administrative costs	-565.1	-561.6	-346.6	63.0%	37.9pp	62.0%	-503.4
Adjusted EBITA	658.5	660.7	582.9	13.0%	16.9pp	13.4%	793.2
<i>Adjusted EBITA margin</i>	<i>16.4%</i>	<i>16.5%</i>	<i>23.5%</i>	<i>-7.1pp</i>	<i>-3.6pp</i>	<i>-7.0pp</i>	<i>21.8%</i>
Special items	0.0	0.0	-30.0	-100.0%	-0.0pp	-100.0%	-37.7
Other operating income / expense	-0.4	-0.4	0.0	N/A	N/A	N/A	-0.2
EBITA	658.1	660.3	552.9	19.0%	17.8pp	19.4%	755.3
<i>EBITA margin</i>	<i>16.3%</i>	<i>16.5%</i>	<i>22.3%</i>	<i>-5.9pp</i>	<i>-3.6pp</i>	<i>-5.8pp</i>	<i>20.8%</i>
Amortisation	-100.2	-100.2	-27.2	269.1%	73.1pp	269.1%	-51.4
Operating profit (EBIT)	557.8	560.1	525.7	6.1%	14.9pp	6.5%	703.8
<i>Operating profit margin</i>	<i>13.9%</i>	<i>14.0%</i>	<i>21.2%</i>	<i>-7.3pp</i>	<i>-3.2pp</i>	<i>-7.2pp</i>	<i>19.4%</i>
Net financials	-47.3	-47.2	-19.5	142.4%	68.6pp	141.9%	-33.4
Fair value adj. of contingent consideration	0.0	0.0	49.5	-100.0%	0.0pp	-100.0%	78.9
Income / loss, investment in joint venture	-10.4	-10.4	-16.8	-38.2%	0.0pp	-38.2%	-21.7
Income / loss, investment in associates	0.1	0.1	0.0	N/A	0.0pp	N/A	0.0
Profit / loss before tax	500.2	502.5	538.9	-7.2%	12.1pp	-6.8%	727.6
Tax	-112.8	-112.7	-118.4	-4.7%	18.8pp	-4.8%	-153.3
<i>Effective tax rate</i>	<i>22.6%</i>	<i>22.4%</i>	<i>22.0%</i>	<i>0.6pp</i>	<i>1.8pp</i>	<i>0.5pp</i>	<i>21.1%</i>
Net profit / loss	387.3	389.8	420.5	-7.9%	10.2pp	-7.3%	574.3

*Constant currencies measured using average exchange rates for 2021

Revenue in the first nine months of 2022 grew by 62.3% (constant 61.8%) to DKK 4,025.3m. Organic revenue growth was 13% and non-organic revenue growth was 49.3%. The high level of activity in all Netcompany Core entities in the third quarter lifted the YTD 2022 organic revenue growth considerably.

Gross profit margin was 31.1% compared to 38.2% for the same period last year. The inclusion of Netcompany-Intrasoft accounted for the major part of the decline in gross profit margin (5.2 percentage points) fully in line with expectations. The remaining part of the lower margin was a result of the weaker performance in Netcompany Core realised in first half of 2022, which was slightly offset by strong performance in Q3 2022.

Adjusted EBITA increased by 13% to DKK 658.5m from DKK 582.9m in Q3 2021 yielding a margin of 16.4% compared to 23.5% for the same period last year. Netcompany-Intrasoft had a dilutive impact on the margin of 3.6 percentage points. Sequentially from Q2 2022 to Q3 2022, adjusted EBITA margin for the Group increased by 2.1 percentage points as a result of strong performance in both Netcompany Core and Netcompany-Intrasoft.

Business Segments 9 months

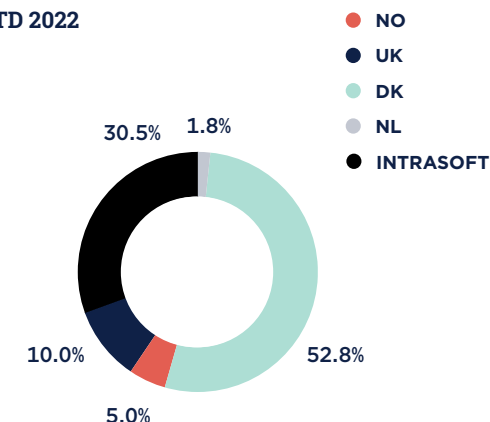
DKK million

Constant (2021 rate)

	YTD 2022					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	4,012.4	2,117.8	200.6	399.6	72.1	1,222.2
Gross profit	1,269.0	890.2	20.4	114.0	9.6	234.8
<i>Gross profit margin</i>	31.6%	42.0%	10.2%	28.5%	13.2%	19.2%
Local admin costs	-472.2	-261.4	-38.7	-44.1	-20.5	-107.5
Adjusted EBITDA before allocated cost from HQ	796.8	628.8	-18.3	69.9	-11.0	127.4
<i>Adjusted EBITDA margin before allocated cost from HQ</i>	19.9%	29.7%	-9.1%	17.5%	-15.2%	10.4%
Allocated costs from HQ	-38.0	-27.5	-3.1	-5.9	-1.5	0.0
Special Items, allocated	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation	-98.0	-52.7	-5.4	-7.2	-4.0	-28.7
Amortisation	-100.2	-58.5	-6.5	-12.4	-3.0	-19.9
Other operating income / expense	-0.4	0.0	0.0	0.0	0.0	-0.4
EBIT	560.1	490.0	-33.3	44.4	-19.4	78.4
Client facing FTEs	6,314	2,598	284	497	135	2,800

Revenue, %

YTD 2022



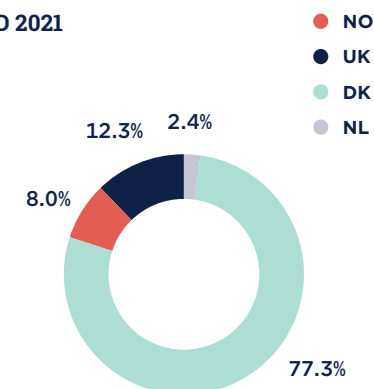
DKK million

Reported

	YTD 2021					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	2,479.8	1,916.5	199.4	304.5	59.4	0.0
Gross profit	965.5	831.2	51.5	75.3	7.5	0.0
<i>Gross profit margin</i>	38.9%	43.4%	25.8%	24.7%	12.6%	N/A
Local admin costs	-295.3	-213.4	-26.4	-39.4	-16.1	0.0
Adjusted EBITDA before allocated cost from HQ	670.2	617.9	25.1	35.9	-8.7	0.0
<i>Adjusted EBITDA margin before allocated cost from HQ</i>	27.0%	32.2%	12.6%	11.8%	-14.6%	N/A
Allocated costs from HQ	-27.7	-20.3	-2.4	-3.9	-1.1	0.0
Special Items, allocated	-30.0	-22.5	-2.8	-3.6	-1.1	0.0
Depreciation	-59.6	-45.1	-4.1	-6.5	-3.9	0.0
Amortisation	-27.2	-19.8	-2.4	-3.9	-1.1	0.0
Other operating income / expense	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	525.7	510.1	13.5	18.0	-15.9	0.0
Client facing FTEs	3,046	2,245	261	402	139	0

Revenue, %

YTD 2021



CONTINUED BUSINESS SEGMENTS 9 MONTHS

Netcompany Denmark

Revenue growth in the Danish business unit was 10.5% and to some degree still negatively impacted by the increased level of sickness observed particularly in the first half of 2022. Furthermore, an additional week of paid vacation was introduced at the beginning of the year and one specific line of business was discontinued, which impacted revenue growth, while the increased sickness and additional vacation impacted revenue and margin.

Adjusted EBITDA margin was consequently lower at 29.7% for the first nine months of 2022 compared to 32.2% for the same period last year.

Netcompany Norway

Revenue growth in the Norwegian business unit was flattish at DKK 200.6m for the first nine months of 2022 compared to DKK 199.4m for the same period last year. The project writedowns in the second quarter had – as discussed in the Q2 earnings statement – a significant negative impact on growth and margins.

Adjusted EBITDA margin for the period was negative 9.1% compared to positive 12.6% for the same period last year. The development was caused by the project writedowns recognised in Q2 and the onboarding of 70 new employees in Q3 2022. Despite the accumulated negative result, performance in Q3 2022 in isolation significantly improved in line with expectations.

Netcompany UK

In the UK, revenue grew 31.2% in the first nine months of 2022, whereas client facing FTEs grew 23.9%. The growth was driven by strong performance in the public segment.

Adjusted EBITDA increased by 94.7% for the first nine months of 2022 compared to 2021 and was driven by a combination of higher utilisation, better project execution and better project pricing.

Netcompany Netherlands

Revenue in the Netherlands grew by 21.5% in the first nine months of the year to DKK 72.1m compared to DKK 59.4m

for the same period last year. The growth was generated on 2.5% fewer client facing FTEs compared to last year.

In the Netherlands, adjustments to projects were, like in Norway, also recognised in Q2 2022, and had a significant negative impact on revenue growth and margin, which to some extent explained the performance year to date. Out of the negative adjusted EBITDA of DKK 11.0m realised in the first nine months, DKK 10.3m can be attributed to the Q2 result. Adjusted EBITDA margin year to date was negative 15.2% compared to negative 14.6% for the same period last year.

Netcompany Intrasoft

In the first nine months of 2022, Netcompany-Intrasoft realised revenue of DKK 1,222.2m compared to DKK 1,132m proforma equal to a growth of 8%. Growth in Middle East and Africa was negative and thereby had a dilutive impact on the reported revenue growth for Netcompany-Intrasoft fully in line with expectations. As part of the continued re-alignment of Netcompany-Intrasoft's presence in ge-

ographies in line with Group strategy, it is being evaluated to potentially divest these parts of Netcompany-Intrasoft.

Adjusted EBITDA margin was 10.4% compared to 9.8% proforma for 2021.

Revenue visibility

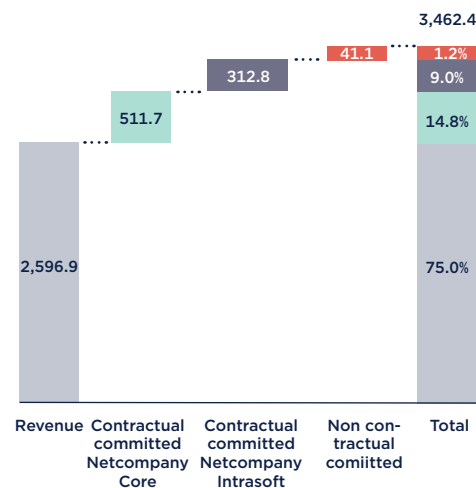
Netcompany measures revenue visibility on a 12 month rolling basis, based on two main input parameters, which are defined as total value of committed engagements (which is comprised of fixed price engagements and service agreements), and ongoing time and material engagements with a high likelihood of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

By the beginning of October 2022, revenue visibility for 2022 amounted to DKK 5,296.2m. Of this, contractual committed revenue amounted to DKK 1,189.9m and non-contractual committed engagements amounted to DKK 81.0m, while realised revenue in the first nine months of 2022 amounted to DKK 4,025.3m.

Compared to Q3 2021, revenue visibility improved 61.8% from DKK 3,273.8m for 2021 to DKK 5,296.2m for 2022. While 12.7 percentage points of the improvement was organic, 49.1 percentage points were directly attributed to Netcompany-intra-soft.

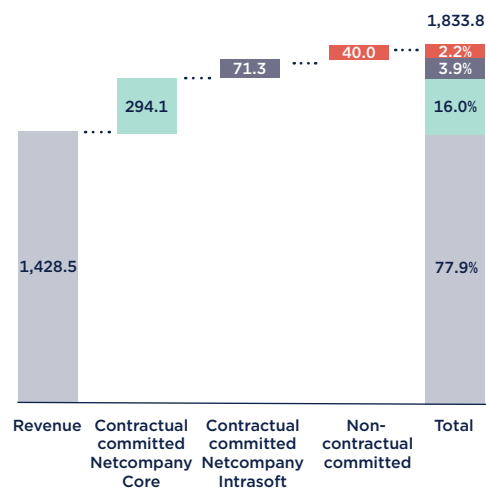
DKK million

Public segment



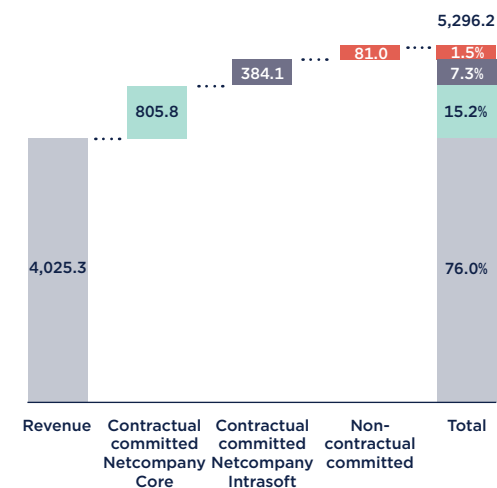
Revenue visibility in the public segment amounted to DKK 3,462.4m, of which contractual committed revenue amounted to DKK 824.5m and non-contractual committed engagements amounted to DKK 41.1m, while realised revenue in the first nine months of 2022 amounted to DKK 2,596.9m.

Private segment



Revenue visibility in the private segment amounted to DKK 1,833.8m, of which contractual committed revenue amounted to DKK 365.4m and non-contractual committed engagements amounted to DKK 40.0m, while realised revenue in the first nine months of 2022 amounted to 1,428.5m.

Total segment



By the beginning of October 2022, the total order backlog for Netcompany-Intra-soft amounted DKK 7,427.9m mainly within EU institutions. Of the total order backlog for Netcompany-Intra-soft DKK 384.1m is expected to be released in the last three months of 2022.

Employees

Netcompany employed an average of 7,039 FTEs in Q3 2022, which was an increase of 3,654 FTEs compared to Q3 2021 (3,385 FTEs). The increase in FTEs was driven by the acquisition of Intrasoft in October 2021 accounting for almost 3,100 FTEs.

Out of almost 3,100 employees in Netcompany-Intrasoft, around 675 were either freelancers or Benelux contractors. The number of client facing employees for the Group increased by 3,405 from 3,171 in Q3 2021 to 6,576 in Q3 2022, of which the Netcompany-Intrasoft impacted by close to 2,900 client facing employees. The level of non-client facing employees was 6.6% in Q3 2022 compared to 6.3% in Q3 2021. On a sequentially basis the level of non-client employees was in line with Q2 2022.

During Q3 2022, an employee survey was conducted in Netcompany Core. The survey is conducted the same way every year and hence the results can be compared year over year. For 2022, the results for the Netcompany Core part of the Group showed an improvement in the satisfaction score of around 2 % with unchanged scores in Denmark, slightly lower scores

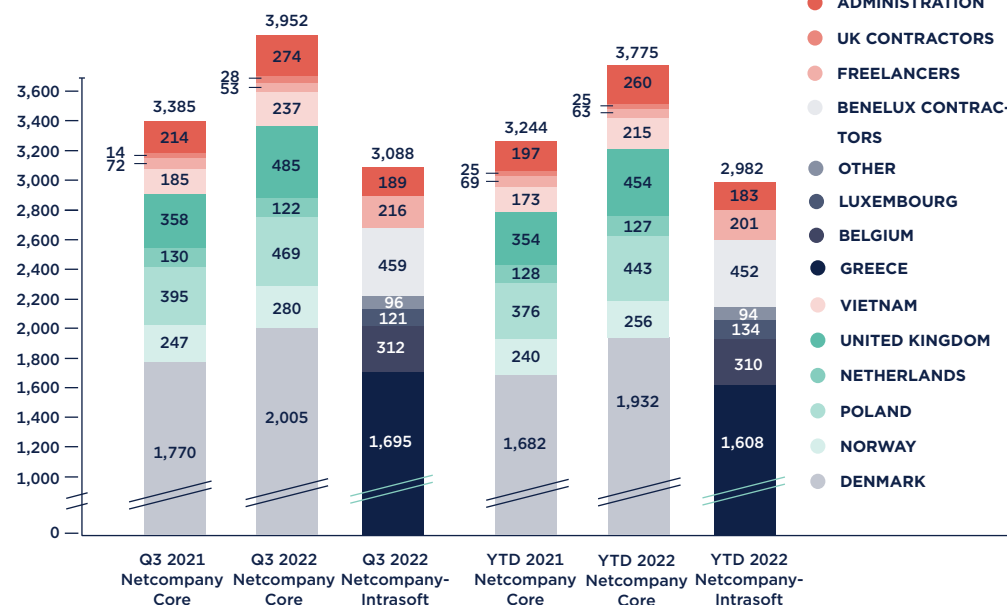
in Poland and the Netherlands and significant improved scores in the UK and Norway.

Attrition rates based on 12 month rolling data were still above the level of 2021. As explained in connection with the Q2 earnings, the main reason for this was that churn was much higher in the latter part of 2021 and early 2022 given the labour market conditions post COVID.

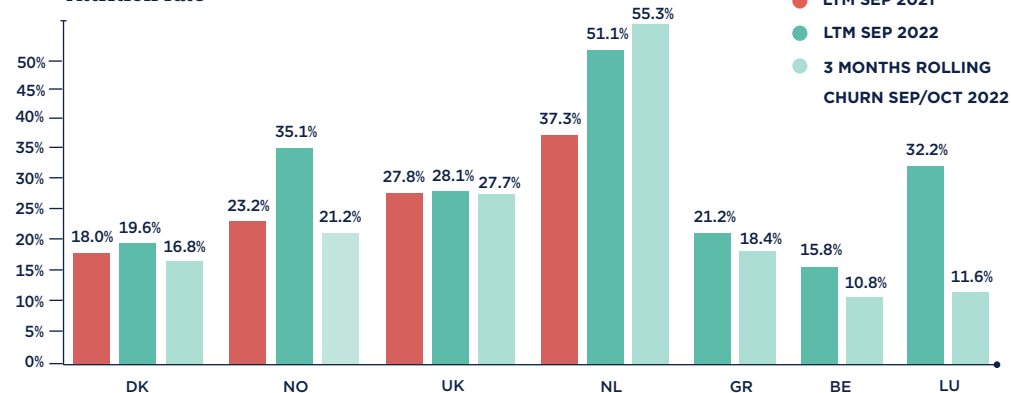
To give a better representation of the current churn rates, three months rolling churn rates have been added to the diagram, which clearly indicates that churn has normalised in Denmark at 16.8% and are improving rapidly in Norway at 21.2%. For the UK, three months churn rates are in line with last 12 month – however it is expected that churn rates are coming down based on recent months. Churn in the Netherlands remain high due to the turnaround of the business and is not expected to improve until sometime during 2023.

In all entities in Netcompany-Intrasoft churn is also coming down.

Avg. FTEs increased to 7,039 during Q3 2022



Attrition rate



Capital and other financial positions

Free cash flow and cash conversion rate¹

The Group generated a free cash flow of DKK 221.5m in Q3 2022, compared to 182.9m in Q3 2021. Netcompany-Intrasoft impacted the free cash flow by DKK 35.1m, hence Netcompany Core generated a free cash flow of DKK 186.4m in Q3 2022.

Adjusted for taxes paid on account, the Group generated a free cash flow of DKK 168.2m in Q3 2022 compared to DKK 136.9m in Q2 2022.

The increase in free cash flow adjusted for taxes paid on account was driven by the improved operating profit, however slightly offset by increased capex and a negative development in working capital changes.

The development in working capital changes was mainly driven by an increase in work in progress from DKK 771.2m by the end of Q2 2022 to DKK 842.7m, however slightly offset by a decrease in trade receivables from DKK 1,095.7m by the end of Q2 2022 to DKK 1,057.9m.

Cash conversion rate decreased from 158.3% in Q3 2021 to 112.5% in Q3 2022. Adjusted for taxes paid on account, cash conversion rate decreased from 118.5% in Q3 2021 to 85.4% in Q3 2022.

The lower cash conversion rate in Q3 2022 was a consequence of the inclusion of Netcompany-Intrasoft.

Trade receivables

At the end of Q3 2022, the Group trade receivables, excluding expected credit losses, increased by 87.1% to DKK 1,076.3m. The increase was partly caused by the acquisition of Intrasoft having trade receivables, excluding expected credit losses, of DKK 406.7m by the end of Q3 2022, which on a sequential basis corresponded to an increase of 1.8% compared to trade receivables in Netcompany-Intrasoft by the end of Q2 2022.

In Netcompany Core, trade receivables, excluding expected credit losses, increased by 16.4% to DKK 669.6m compared to the same period last year.

DKK million	Not overdue	0-30 days	30-60 days	60-90 days	>90 days	Total
Trade receivables, 30 September 2022	707.5	159.6	57.4	39.0	112.8	1,076.3
<i>Paid in the following month</i>	<i>352.5</i>	<i>109.1</i>	<i>26.7</i>	<i>9.7</i>	<i>9.7</i>	<i>507.8</i>
<i>% paid subsequently</i>	<i>49.8%</i>	<i>68.4%</i>	<i>46.6%</i>	<i>24.9%</i>	<i>8.6%</i>	<i>47.2%</i>

DKK million	Not overdue	0-30 days	30-60 days	60-90 days	>90 days	Total
Trade receivables, 30 September 2021	386.8	124.5	25.4	16.0	22.5	575.2
<i>Paid in the following month</i>	<i>182.7</i>	<i>92.2</i>	<i>8.3</i>	<i>5.6</i>	<i>1.1</i>	<i>289.9</i>
<i>% paid subsequently</i>	<i>47.2%</i>	<i>74.1%</i>	<i>32.6%</i>	<i>34.7%</i>	<i>4.9%</i>	<i>50.4%</i>

Days sales outstanding increased from 66 days in Q3 2021 to 72 days in Q3 2022, however on a sequential basis, days sales outstanding improved from 77 in Q2 2022.

The overdue part of trade receivables increased from 32.8% by the end of Q3 2021 to 34.3% by the end of Q3 2022 driven by the inclusion of Netcompany-Intrasoft. The overdue part of trade receivables in Netcompany Core was reduced from 32.8% in Q3 2021 to 24.9% in Q3 2022.

Trade receivables paid subsequently in October 2022 amounted to DKK 507.8m of which DKK 155.3m was overdue as of 30 September 2022. Payments received in the following month, slightly decreased to 47.2% of total trade receivables compared to 50.4% in the same period in 2021.

¹Due to local tax legislation within the Group, taxes paid on account are mainly paid 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.

CONTINUED CASH FLOW AND OTHER SIGNIFICANT FINANCIAL POSITIONS

Work in progress

At 30 September 2022, Netcompany's work in progress amounted to DKK 842.7m, represented by contract work in progress of DKK 1,222.8m and prepayments received from customers of DKK 380.2m.

Work in progress increased by 73.7% from DKK 485.1m in Q3 2021 to DKK 842.7m in Q3 2022, driven by the inclusion of work in progress from Netcompany-Intrasoft.

In the same period, revenue increased by 68.9% from DKK 798m in Q3 2021 to DKK 1,348.1m in Q3 2022.

As a total, trade receivables and work in progress increased by 79.2% from DKK 1,060.4m at the end of Q3 2021 to DKK 1,900.6m end of Q3 2022. The increase was mainly driven by the inclusion of Intrasoft.

In Netcompany Core, work in progress was reduced by 15.4%, while trade receiv-

ables combined with work in progress increased by 1.7% from DKK 1,060.4m at the end of Q3 2021 to DKK 1,078.8m end of Q3 2022. At the same time organic revenue increased by 18.2% in Q3 2022.

Funding and liquidity

Following the re-financing completed in May 2022, the maturity for the Group bank loan run to 2025 and can be prolonged twice by one year.

The combined committed facilities constitutes DKK 2,849.9m and an additional facility of DKK 2,000m, available only for new acquisitions. At 30 September 2022, DKK 2,032.7m of the committed lines were utilised on borrowings and DKK 148.9m on guarantees, leaving a total of DKK 2,668.3m available in unutilised funding of which DKK 668.3m can be utilised for normal operations if needed with no additional costs or covenants.

In addition, Netcompany-Intrasoft had utilised DKK 256.9m on local guarantees, having no impact on the Group facilities except for leverage.

Including net cash balance as of 30 September 2022 of DKK 223.6m available Group funding was DKK 891.9m.

Risk management

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

Capital structure

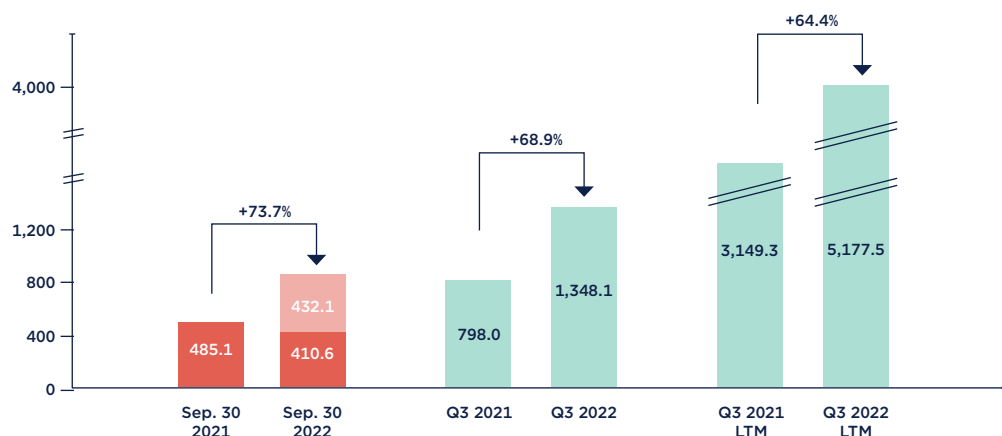
As a consequence of the acquisition of Intrasoft, the debt ratio increased to 2.1x at the end of Q3 2022, which is fully compliant with current covenants. The ratio was calculated as debt excluding utilised guarantees against 12 months rolling adjusted EBITA.

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



Guidance 2022

Financial metrics in constant currencies	Updated target Q3 2022	Original Target 2022	Actual performance 2021
Organic revenue growth in Netcompany Core	14-16%	14-19%	17.0%
Group organic revenue growth	14-16%	13-18%	17.0%
Non-organic revenue growth	37-39%	35-38%	10.1%
Group revenue growth	50-52%	48-56%	27.0%
Adjusted EBITA margin from Netcompany Core	21-23%	>23%	23.1%
Adjusted EBITDA margin in Netcompany Core	23-25%	>25%	25.5%
Adjusted EBITDA margin in Netcompany-Intrasoft	9-11%	>9%	9.7%
Group adjusted EBITDA margin	>20%	>20%	24.2%

Revenue growth in both Netcompany Core and Netcompany-Intrasoft was in line with management expectations in Q3. Based on revenue visibility, order backlog and current pipeline for the remaining part of 2022, management narrows the expectation to revenue growth for the Group, in constant currencies, to between 50% and 52% - well within guidance of between 48% and 56% for the year as originally guided for at the beginning of 2022.

The realised adjusted EBITDA in Q3 2022 was also in line with management expectations. Hence management also maintain

expectation to Group adjusted EBITDA margin, measured in constant currencies, of more than 20%, however not significantly above that threshold.

As reflected in the guidance table above, there will likely be positive and negative deviations to the original guidance for targets for Netcompany Core and Netcompany Intrasoft stand alone. However these are expected to even out and support our maintained Group targets for revenue growth and adjusted EBITDA for the full year.

Guidance reflects known wins and awards on current pipeline cases in both the public and private segment in both Netcompany Core and Netcompany-Intrasoft.

Further, guidance is made under the assumption that overall utilisation for the remainder of 2022 is in line with historic levels throughout Netcompany Core.

In addition, the increasing uncertainty in the macro economic environment in the markets in which we operate might lead to unexpected abrupt discontinuation of current engagements, which potentially could

impact revenue growth and margins.

Also, the current high level of uncertainty related to the geo-political situation in Europe might lead to unexpected events that could have an impact on revenue growth and margins.

Apart from these risks to the guidance as outlined above, a number of more general risks were outlined in the Annual Report for 2021. These risks still exist and might impact the performance for the full year as well should they occur.

Shareholder information

Capital

Netcompany's share capital is DKK 50.0m divided into 50m shares. During Q3 2022, 190 treasury shares were transferred in relation to the acquisition of Intrasoft. Netcompany holds 857,412 treasury shares equivalent to 1.7% of the share capital. The shares will be used to meet the Group's commitments under its LTIP.

Share-based incentive schemes / restricted stock units

In total, 233,662 RSUs were issued at 30 September 2022, of which 63,045 were granted to Executive Management and 170,617 were granted to other Key Management Personnel and other employees. The fair value of the RSUs at grant was DKK 106.3m. The cost related hereto is expensed over the vesting period.

A total amount of DKK 7.9m was recognised as personnel costs in the income statement in Q3 2022 and DKK 24.8m in the first nine months of 2022.

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.

Acquisition of Netcompany shares related to the acquisition of Intrasoft International S.A.

As part of the acquisition of Intrasoft International S.A, an agreement was made for a senior executive to convert the received cash element of the purchase price into Netcompany shares with a four year lock up period entailing certain possibilities to sell shares in predefined tranches from 2022 to 2025 at the prevailing share price of the time of the transaction. This option was exercised in relation to the first tranche and executed on 1 November 2022. Netcompany has in that capacity acquired 44,539 treasury shares directly from the senior executive.

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.

Financial Calendar

18 January 2023

Deadline for shareholders to submit proposals for the agenda of the Annual General Meeting 2023.

25 January 2023

Annual Report for the financial year 2022.

2 March 2023

Annual General Meeting 2023.

4 May 2023

Interim report for the first 3 months of 2023.

16 August 2023

Interim report for the first 6 months of 2023.

2 November 2023

Interim report for the first 9 months 2023.

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 2022 to 30 September 2022. The Q3 2022 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 of 30 September 2022 and of the results of the Group’s operations and cash flows for the period 1 January 2022 to 30 September 2022.

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, X NOVEMBER 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

Susan Helen Cooklin

Scanes Bentley

Hege Skryseth

Åsa Riisberg

CONSOLIDATED INTERIM FINANCIAL STATEMENTS



Income statement and Statement of comprehensive income

DKK thousands	Note	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Total 2021
Income statement						
Revenue	1	1,348,116	798,034	4,025,328	2,479,840	3,631,971
Cost of services	2	-876,987	-469,606	-2,772,867	-1,532,399	-2,298,687
Gross profit		471,129	328,428	1,252,460	947,441	1,333,284
Sales and marketing costs		-10,597	-5,684	-28,925	-17,912	-36,715
Administrative costs	3	-185,058	-122,833	-565,055	-346,633	-503,399
Special items	4	0	-30,000	5	-30,000	-37,729
Other operating income / expense		-492	0	-425	0	-184
EBITA		274,982	169,911	658,060	552,896	755,256
Amortisation		-34,930	-9,002	-100,235	-27,157	-51,424
Operating profit (EBIT)		240,052	160,909	557,825	525,739	703,833
Financial income	5	10,404	2,403	18,815	6,647	10,259
Financial expenses	5	-26,617	-8,555	-66,157	-26,174	-43,648
Fair value adj. of contingent consideration		0	0	0	49,485	78,906
Income / loss, investment in joint venture		-2,463	-5,583	-10,387	-16,802	-21,732
Income / loss, investment in associates		0	0	63	0	0
Profit / loss before tax		221,376	149,174	500,159	538,895	727,618
Tax on the profit for the period		-51,708	-40,610	-112,838	-118,385	-153,316
Net profit / loss for the period		169,668	108,564	387,321	420,510	574,302
<i>Of which</i>						
Non-controlling interest		-65	0	-467	0	-1,840
Netcompany Group A/S' share		169,733	108,564	387,788	420,510	576,142

Netcompany grew revenue by 69% and realised EBITDA margin of 23% and strong free cash flow in Q3 2022.

Netcompany Group A/S
Grønningen 17, 1270 Copenhagen
Company Registration no. 39 48 89 14
Company Announcement No. 27/2022
3 November 2022

CONTINUED INCOME STATEMENT AND STATEMENT
OF COMPREHENSIVE INCOME

DKK thousands	Note	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Total 2021
Earnings per share						
Earnings per share (DKK)	6	3.45	2.21	7.88	8.57	11.73
Diluted Earnings per share (DKK)	6	3.42	2.19	7.81	8.47	11.60
Statement of comprehensive income						
Net profit / loss for the period		169,668	108,564	387,321	420,510	574,302
Other comprehensive income items that may be reclassified subsequently to profit or loss:						
Exchange rate adjustments on translating foreign subsidiaries		-2,366	-648	-4,278	6,386	10,792
Income / loss from financial assets recognised at fair value		0	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	-38	0	0
Other comprehensive income, net of tax		-2,366	-648	-4,316	6,386	10,792
<i>Of which</i>						
Non-controlling interest		352	0	725	0	415
Netcompany Group A/S' share		-2,719	-648	-5,041	6,386	10,378
Total comprehensive income / loss		167,302	107,916	383,005	426,897	585,095
<i>Of which</i>						
Non-controlling interest		287	0	259	0	-1,425
Netcompany Group A/S' share		167,015	107,916	382,747	426,897	586,520

Statement of financial position

DKK thousands	Note	30 September 2022	30 September 2021	31 December 2021
Assets				
Intangible assets		3,869,887	2,423,977	3,896,198
Tangible assets		295,474	220,897	316,895
Investment in joint venture		92,846	78,163	103,233
Investment in associates		7,274	0	7,211
Other securities and invest- ments		1,290	0	2,102
Other receivables		48,789	22,575	26,225
Deferred tax assets		29,298	12,513	17,391
Total non-current assets		4,344,859	2,758,125	4,369,255
Trade receivables	7	1,057,912	575,238	1,031,880
Receivables from joint venture		15,163	12,038	7,311
Receivables from associates		16,369	0	16,369
Contract work in progress	8	1,222,848	534,479	1,019,974
Other receivables		37,716	11,604	39,557
Prepayments		94,869	41,051	74,900
Total receivables		2,444,878	1,174,411	2,189,992
Cash		223,639	195,117	458,779
Total current assets		2,668,517	1,369,528	2,648,771
Assets held for sale		0	0	3,123
Total assets		7,013,376	4,127,653	7,021,150

DKK thousands	Note	30 September 2022	30 September 2021	31 December 2021
Equity and liabilities				
Share capital		50,000	50,000	50,000
Treasury shares		-302,896	-220,506	-241,409
Other reserves		-38	0	0
Retained earnings		3,591,138	2,952,326	3,222,530
Equity attributable to Group		3,338,205	2,781,820	3,031,121
Non-controlling interest		6,848	0	6,796
Total equity		3,345,053	2,781,820	3,037,918
Borrowings		1,974,572	576,810	2,275,788
Leasing liabilities		150,283	117,982	147,979
Pension obligations		18,008	0	18,198
Other payables		1,044	122,819	94,498
Deferred tax liability		120,140	55,928	134,255
Total non-current liabilities		2,264,047	873,539	2,670,719
Borrowings		49,902	0	74,497
Leasing liabilities		89,856	51,210	98,645
Prebilled invoices	8	380,188	49,358	350,880
Trade payables		209,189	50,049	328,496
Pension obligations		1,664	0	0
Other payables		656,190	266,296	446,006
Provisions		10,310	0	8,839
Income tax payable		6,978	55,382	5,150
Total current liabilities		1,404,276	472,294	1,312,514
Liabilities held for sale		0	0	0
Total liabilities		3,668,323	1,345,833	3,983,233
Total equity and liabilities		7,013,376	4,127,653	7,021,150

Cash Flow statement

DKK thousands	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Total 2021
Operating profit (EBIT)	240,052	160,909	557,825	525,739	703,833
Depreciation and amortisation	68,342	30,161	199,035	86,782	139,201
Non-cash items	4,991	5,836	8,584	32,690	43,685
Working capital changes	-32,183	-6,050	-225,211	-199,091	-189,249
Total	281,203	190,856	540,234	446,120	697,470
Income taxes paid	-5,061	2,668	-137,568	-119,281	-197,489
Financial income received	1,738	1,175	5,468	1,950	2,914
Financial expenses paid	-11,401	-4,623	-33,088	-25,110	-37,298
Cash flow from operating activities	266,479	190,076	375,046	303,679	465,597
Net cash outflow on acquisition of subsidiaries	0	0	0	-89,405	-1,270,938
Cash and cash equivalents acquired	0	0	0	0	132,415
Other investments	230	0	4,208	-25,000	-55,000
Capitalisation of intangible assets	-37,373	0	-74,226	0	-11,304
Acquisition of fixed assets	-7,600	-7,132	-21,444	-30,347	-46,246
Disposals of fixed assets	0	0	0	0	2,321
Other receivables (deposits)	-18,766	-2,523	-22,670	-3,991	-5,731
Cash flow from investment activities	-63,510	-9,655	-114,133	-148,743	-1,254,484
Dividends paid	0	0	0	-49,100	-49,100
Payment of treasury shares	0	0	-100,952	-49,999	-99,993
Proceeds from borrowings	0	0	2,182,836	0	1,350,000
Repayment of borrowings	-201,750	-150,000	-2,504,608	-185,182	-261,531
Repayment of right of use assets	-25,216	-14,109	-67,256	-38,581	-56,988
Cash flow from financing activities	-226,966	-164,109	-489,980	-322,862	882,388
Net increase in cash and cash equivalents	-23,997	16,312	-229,067	-167,926	93,501
Cash and cash equivalents at the beginning	250,552	179,012	458,779	358,996	358,996
Effect of exchange rate changes on the balance cash held in foreign currencies	-2,916	-208	-6,072	4,046	6,281
Cash and cash equivalents at the end	223,639	195,117	223,639	195,117	458,779

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 July 2022	50,000	-302,937	46,438	4,300	-38	3,365,387	3,163,150	6,561	3,169,711
Profit for the period	0	0	0	0	0	169,733	169,733	-65	169,668
Other comprehensive income	0	0	0	-2,719	0	0	-2,719	352	-2,366
Total comprehensive income	0	0	0	-2,719	0	169,733	167,015	287	167,302
Treasury Shares for the period	0	41	0	0	0	93	135	0	135
Share-based remuneration for the period	0	0	7,905	0	0	0	7,905	0	7,905
Movement of non-controlling interest	0	0	0	0	0	0	0	0	0
Total transactions with owners	0	41	7,905	0	0	93	8,040	0	8,040
Equity at 30 September 2022	50,000	-302,896	54,344	1,581	-38	3,535,214	3,338,205	6,848	3,345,053
Equity at 1 January 2022	50,000	-241,409	70,177	6,584	0	3,145,768	3,031,121	6,796	3,037,918
Profit for the period	0	0	0	0	0	387,788	387,788	-467	387,321
Other comprehensive income	0	0	0	-5,003	-38	0	-5,041	725	-4,316
Total comprehensive income	0	0	0	-5,003	-38	387,788	382,747	259	383,005
Treasury Shares for the period	0	-100,806	0	0	0	331	-100,475	0	-100,475
Share-based remuneration for the period	0	39,319	-15,834	0	0	1,326	24,812	0	24,812
Movement of non-controlling interest	0	0	0	0	0	0	0	-207	-207
Total transactions with owners	0	-61,487	-15,834	0	0	1,658	-75,663	-207	-75,871
Equity at 30 September 2022	50,000	-302,896	54,344	1,581	-38	3,535,214	3,338,205	6,848	3,345,053
Equity at 1 July 2021	50,000	-224,999	60,341	3,241	0	2,777,782	2,666,365	0	2,666,365
Profit for the period	0	0	0	0	0	108,564	108,564	0	108,564
Other comprehensive income	0	0	0	-648	0	0	-648	0	-648
Total comprehensive income	0	0	0	-648	0	108,564	107,916	0	107,916
Treasury Shares for the period	0	0	0	0	0	0	0	0	0
Share-based remuneration for the period	0	4,493	3,046	0	0	0	7,539	0	7,539
Total transactions with owners	0	4,493	3,046	0	0	0	7,539	0	7,539
Equity at 30 September 2021	50,000	-220,506	63,387	2,593	0	2,886,346	2,781,820	0	2,781,820

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 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	420,510	420,510	0	420,510
Other comprehensive income	0	0	0	6,386	0	0	6,386	0	6,386
Total comprehensive income	0	0	0	6,386	0	420,510	426,897	0	426,897
Treasury Shares for the period	0	-49,999	0	0	0	0	-49,999	0	-49,999
Share-based remuneration for the period	0	4,493	20,909	0	0	0	25,402	0	25,402
Dividend paid	0	0	0	0	0	-49,100	-49,100	0	-49,100
Total transactions with owners	0	-45,506	20,909	0	0	-49,100	-73,698	0	-73,698
Equity at 30 September 2021	50,000	-220,506	63,387	2,593	0	2,886,346	2,781,820	0	2,781,820
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	0	576,142
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	415	586,934
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
Addition of non-controlling interest	0	0	0	0	0	0	0	6,382	6,382
Total transactions with owners	0	-66,409	27,699	0	0	54,691	15,981	6,382	22,362
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

NOTE 1

Segment information

Public Q3

DKK million	Group			Denmark		Norway		UK		Netherlands		Intrasoft	
	Q3 2022	Q3 2021	% change	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
Revenue	885.4	461.6	91.8%	425.5	366.2	41.8	35.9	95.0	42.8	25.7	16.7	297.4	0.0
Cost of service	-607.3	-281.0	116.1%	-240.5	-208.7	-35.4	-26.8	-70.7	-28.7	-20.1	-16.8	-240.6	0.0
Gross profit	278.0	180.6	54.0%	185.0	157.5	6.4	9.1	24.3	14.1	5.5	-0.2	56.9	0.0
<i>Gross profit margin</i>	<i>31.4%</i>	<i>39.1%</i>	<i>-7.7pp</i>	<i>43.5%</i>	<i>43.0%</i>	<i>15.2%</i>	<i>25.3%</i>	<i>25.6%</i>	<i>33.0%</i>	<i>21.5%</i>	<i>-1.0%</i>	<i>19.1%</i>	<i>N/A</i>
Allocated costs	-124.7	-71.5	74.4%	-60.3	-49.7	-9.4	-6.6	-12.4	-6.9	-7.6	-8.2	-34.9	0.0
Adjusted EBITA before HQ costs	153.4	109.1	40.6%	124.7	107.8	-3.1	2.4	11.9	7.2	-2.1	-8.4	21.9	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>17.3%</i>	<i>23.6%</i>	<i>-6.3pp</i>	<i>29.3%</i>	<i>29.4%</i>	<i>-7.4%</i>	<i>6.8%</i>	<i>12.5%</i>	<i>16.9%</i>	<i>-8.2%</i>	<i>-50.2%</i>	<i>7.4%</i>	<i>N/A</i>
Allocated costs from HQ	-7.0	-6.3	11.8%	-4.8	-4.8	-0.5	-0.5	-1.3	-0.6	-0.4	-0.4	0.0	0.0
EBITA	146.3	84.7	72.7%	119.9	89.2	-3.6	0.2	10.6	5.2	-2.5	-9.9	21.9	0.0
EBITA margin	16.5%	18.4%	-1.8pp	28.2%	24.4%	-8.6%	0.6%	11.2%	12.1%	-9.8%	-59.4%	7.4%	N/A
<i>Amortisation</i>	<i>-22.4</i>	<i>-5.4</i>	<i>318.3%</i>	<i>-11.6</i>	<i>-4.1</i>	<i>-1.3</i>	<i>-0.5</i>	<i>-3.1</i>	<i>-0.5</i>	<i>-1.0</i>	<i>-0.4</i>	<i>-5.5</i>	<i>0.0</i>
Operating profit	123.9	79.4	56.1%	108.3	85.2	-4.9	-0.2	7.6	4.7	-3.5	-10.3	16.4	0.0
<i>Operating profit margin</i>	<i>14.0%</i>	<i>17.2%</i>	<i>-3.2pp</i>	<i>25.5%</i>	<i>23.3%</i>	<i>-11.6%</i>	<i>-0.7%</i>	<i>8.0%</i>	<i>11.0%</i>	<i>-13.7%</i>	<i>-61.6%</i>	<i>5.5%</i>	<i>N/A</i>

CONTINUED Segment information

Private Q3

DKK million	Group			Denmark		Norway		UK		Netherlands		Intrasoft	
	Q3 2022	Q3 2021	% change	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
Revenue	462.8	336.4	37.6%	288.3	257.5	29.7	22.4	37.2	55.8	0.4	0.6	107.2	0.0
Cost of service	-269.7	-188.6	43.0%	-132.9	-128.9	-24.4	-18.1	-26.1	-41.1	-0.3	-0.4	-85.9	0.0
Gross profit	193.1	147.9	30.6%	155.3	128.6	5.4	4.3	11.0	14.8	0.1	0.2	21.3	0.0
<i>Gross profit margin</i>	<i>41.7%</i>	<i>43.9%</i>	<i>-2.2pp</i>	<i>53.9%</i>	<i>49.9%</i>	<i>18.1%</i>	<i>19.1%</i>	<i>29.7%</i>	<i>26.4%</i>	<i>15.5%</i>	<i>36.7%</i>	<i>19.9%</i>	<i>N/A</i>
Allocated costs	-60.1	-46.5	29.3%	-38.4	-31.8	-5.6	-4.5	-4.4	-10.1	-0.1	-0.2	-11.6	0.0
Adjusted EBITA before HQ costs	133.0	101.3	31.2%	116.9	96.8	-0.2	-0.2	6.6	4.7	-0.0	0.1	9.7	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>28.7%</i>	<i>30.1%</i>	<i>-1.4pp</i>	<i>40.6%</i>	<i>37.6%</i>	<i>-0.8%</i>	<i>-0.9%</i>	<i>17.8%</i>	<i>8.4%</i>	<i>-6.5%</i>	<i>10.4%</i>	<i>9.0%</i>	<i>N/A</i>
Allocated costs from HQ	-3.8	-4.2	-9.9%	-3.1	-3.0	-0.3	-0.4	-0.5	-0.8	-0.0	-0.0	0.0	0.0
Other operating income / expense	-0.5	0.0	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.5	0.0
EBITA	128.6	85.2	51.0%	113.9	85.0	-0.5	-1.6	6.1	1.8	-0.0	0.0	9.2	0.0
<i>EBITA margin</i>	<i>27.8%</i>	<i>25.3%</i>	<i>2.5pp</i>	<i>39.5%</i>	<i>33.0%</i>	<i>-1.8%</i>	<i>-7.3%</i>	<i>16.5%</i>	<i>3.2%</i>	<i>-7.7%</i>	<i>5.2%</i>	<i>8.6%</i>	<i>N/A</i>
Amortisation	-12.5	-3.6	243.4%	-8.5	-2.6	-0.7	-0.3	-1.1	-0.7	-0.0	-0.0	-2.1	0.0
Operating profit	116.2	81.5	42.4%	105.3	82.4	-1.3	-1.9	5.0	1.0	-0.0	0.0	7.1	0.0
<i>Operating profit margin</i>	<i>25.1%</i>	<i>24.2%</i>	<i>0.9pp</i>	<i>36.5%</i>	<i>32.0%</i>	<i>-4.3%</i>	<i>-8.7%</i>	<i>13.6%</i>	<i>1.9%</i>	<i>-10.6%</i>	<i>4.1%</i>	<i>6.6%</i>	<i>N/A</i>

CONTINUED Segment information

Public 9 months

DKK million	Group			Denmark		Norway		UK		Netherlands		Intrasoft	
	YTD 2022	YTD 2021	% change	YTD 2022	YTD 2021	YTD 2022	YTD 2021	YTD 2022	YTD 2021	YTD 2022	YTD 2021	YTD 2022	YTD 2021
Revenue	2,596.8	1,451.9	78.9%	1,223.2	1,123.1	123.4	115.5	281.5	155.6	70.8	57.7	897.9	0.0
Cost of service	-1,881.7	-948.4	98.4%	-773.8	-695.1	-110.4	-89.6	-208.9	-112.9	-61.3	-50.8	-727.2	0.0
Gross profit	715.1	503.5	42.0%	449.5	428.0	13.0	25.9	72.6	42.7	9.4	6.8	170.7	0.0
<i>Gross profit margin</i>	<i>27.5%</i>	<i>34.7%</i>	<i>-7.1pp</i>	<i>36.7%</i>	<i>38.1%</i>	<i>10.5%</i>	<i>22.5%</i>	<i>25.8%</i>	<i>27.5%</i>	<i>13.3%</i>	<i>11.9%</i>	<i>19.0%</i>	<i>N/A</i>
Allocated costs	-371.5	-207.9	78.7%	-178.1	-148.8	-28.5	-18.1	-39.3	-21.5	-24.1	-19.6	-101.4	0.0
Adjusted EBITA before HQ costs	343.6	295.6	16.2%	271.3	279.3	-15.5	7.9	33.2	21.3	-14.7	-12.8	69.3	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>13.2%</i>	<i>20.4%</i>	<i>-7.1pp</i>	<i>22.2%</i>	<i>24.9%</i>	<i>-12.6%</i>	<i>6.8%</i>	<i>11.8%</i>	<i>13.7%</i>	<i>-20.8%</i>	<i>-22.2%</i>	<i>7.7%</i>	<i>N/A</i>
Allocated costs from HQ	-24.2	-16.9	43.1%	-16.5	-12.6	-2.0	-1.4	-4.3	-1.8	-1.4	-1.1	0.0	0.0
EBITA	319.4	260.6	22.6%	254.8	252.9	-17.5	4.8	28.9	17.9	-16.1	-15.0	69.3	0.0
<i>EBITA margin</i>	<i>12.3%</i>	<i>17.9%</i>	<i>-5.6pp</i>	<i>20.8%</i>	<i>22.5%</i>	<i>-14.2%</i>	<i>4.1%</i>	<i>10.3%</i>	<i>11.5%</i>	<i>-22.8%</i>	<i>-26.0%</i>	<i>7.7%</i>	<i>N/A</i>
Amortisation	-65.1	-16.6	291.2%	-34.4	-12.3	-4.1	-1.4	-8.9	-1.9	-3.0	-1.1	-14.6	0.0
Operating profit	254.3	243.9	4.2%	220.4	240.6	-21.6	3.4	20.0	16.0	-19.1	-16.1	54.7	0.0
<i>Operating profit margin</i>	<i>9.8%</i>	<i>16.8%</i>	<i>-7.0pp</i>	<i>18.0%</i>	<i>21.4%</i>	<i>-17.5%</i>	<i>2.9%</i>	<i>7.1%</i>	<i>10.3%</i>	<i>-27.0%</i>	<i>-27.9%</i>	<i>6.1%</i>	<i>N/A</i>

CONTINUED Segment information

Private 9 months

DKK million	Group			Denmark		Norway		UK		Netherlands		Intrasoft	
	YTD 2022	YTD 2021	% change	YTD 2022	YTD 2021	YTD 2022	YTD 2021	YTD 2022	YTD 2021	YTD 2022	YTD 2021	YTD 2022	YTD 2021
Revenue	1,428.5	1,028.0	39.0%	894.6	793.4	82.1	83.9	126.2	148.9	1.3	1.7	324.3	0.0
Cost of service	-891.2	-584.0	52.6%	-471.2	-408.3	-73.5	-58.4	-84.6	-116.3	-1.2	-1.1	-260.7	0.0
Gross profit	537.3	443.9	21.0%	423.4	385.1	8.6	25.6	41.6	32.6	0.1	0.6	63.6	0.0
<i>Gross profit margin</i>	37.6%	43.2%	-5.6pp	47.3%	48.5%	10.4%	30.5%	33.0%	21.9%	9.7%	37.5%	19.6%	N/A
Allocated costs	-184.4	-128.9	43.0%	-118.7	-91.7	-16.4	-12.4	-14.7	-24.5	-0.4	-0.4	-34.2	0.0
Adjusted EBITA before HQ costs	352.9	315.0	12.0%	304.7	293.5	-7.8	13.2	26.9	8.1	-0.2	0.2	29.4	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	24.7%	30.6%	-5.9pp	34.1%	37.0%	-9.5%	15.7%	21.3%	5.4%	-18.0%	14.0%	9.1%	N/A
Allocated costs from HQ	-13.8	-10.8	28.0%	-11.0	-7.7	-1.1	-1.0	-1.6	-2.0	-0.0	-0.0	0.0	0.0
Other operating income / expense	-0.4	0.0	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.4	0.0
EBITA	338.7	292.3	15.9%	293.7	277.0	-9.0	11.1	25.2	4.0	-0.3	0.2	29.0	0.0
<i>EBITA margin</i>	23.7%	28.4%	-4.7pp	32.8%	34.9%	-10.9%	13.3%	20.0%	2.7%	-19.7%	11.3%	8.9%	N/A
Amortisation	-35.2	-10.5	234.1%	-24.1	-7.6	-2.4	-1.0	-3.4	-2.0	-0.0	-0.0	-5.3	0.0
Operating profit	303.5	281.8	7.7%	269.6	269.5	-11.3	10.2	21.8	2.0	-0.3	0.2	23.7	0.0
<i>Operating profit margin</i>	21.2%	27.4%	-6.2pp	30.1%	34.0%	-13.8%	12.1%	17.3%	1.3%	-23.3%	10.0%	7.3%	N/A

CONTINUED Segment information

Geographical

Segment information related to geographical areas

	Q3 2022									
DKK thousands	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	Total
Revenue from external customers	725,366	73,623	139,492	27,614	165,395	33,472	125,259	21,420	36,475	1,348,116

	Q3 2021									
DKK thousands	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	Total
Revenue from external customers	623,717	58,340	98,664	17,313	0	0	0	0	0	798,034

Geographical 9 months and full year

Segment information related to geographical areas

	YTD 2021									
DKK thousands	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	Total
Revenue from external customers	1,916,535	199,421	304,523	59,361	0	0	0	0	0	2,479,840

	YTD 2022									
DKK thousands	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	Total
Revenue from external customers	2,139,400	208,181	419,469	75,068	559,722	71,248	392,185	62,586	97,468	4,025,328

	Total 2021									
DKK thousands	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

NOTE 2 Cost of services

DKK thousands	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Total 2021
Cost of services	-228,793	-58,432	-689,752	-183,286	-380,909
Salaries	-642,297	-405,089	-2,065,247	-1,331,024	-1,888,564
Depreciation	-5,897	-6,085	-17,868	-18,089	-29,214
Cost of services total	-876,987	-469,606	-2,772,867	-1,532,399	-2,298,687

NOTE 3 Administrative costs

DKK thousands	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Total 2021
Administrative costs	-90,496	-62,799	-267,342	-159,840	-237,845
Salaries	-67,047	-44,960	-216,782	-145,258	-206,990
Depreciation	-27,515	-15,074	-80,932	-41,535	-58,564
Administrative costs total	-185,058	-122,833	-565,055	-346,633	-503,399

NOTE 4 Special items

DKK thousands	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Total 2021
Costs related to M&A	0	-30,000	5	-30,000	-37,729
Total special items	0	-30,000	5	-30,000	-37,729

NOTE 5 Financial income and expenses

DKK thousands	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Total 2021
Financial Income					
Exchange rate adjustments	9,912	2,382	16,581	6,567	10,039
Other financial income	492	21	2,234	80	220
Financial income total	10,404	2,403	18,815	6,647	10,259
Financial expenses					
Interest expense, bank loan	-10,023	-2,425	-23,295	-7,513	-14,510
Interest expense, leasing	-1,516	-988	-4,531	-2,709	-4,103
Exchange rate adjustments	-12,422	-3,295	-24,110	-8,590	-12,906
Other financial expenses	-2,657	-1,848	-14,221	-7,362	-12,130
Financial expenses total	-26,617	-8,555	-66,157	-26,174	-43,648

NOTE 6 Earnings per share

DKK thousands	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Total 2021
Earnings per share - EPS (DKK)	3.45	2.21	7.88	8.57	11.73
Diluted earnings per share - EPS-D (DKK)	3.42	2.19	7.81	8.47	11.60
Profit	169,733	108,564	387,788	420,510	576,142
Average number of shares	50,000	50,000	50,000	50,000	50,000
Average number of treasury shares	857	959	783	927	906
Average number of shares in circulation	49,143	49,041	49,217	49,073	49,094
Average number of outstanding restricted stock units	476	574	478	585	582
Average number of diluted shares in circulation	49,618	49,615	49,695	49,658	49,676

The earnings per share in 2021 was affected by the fair value adjustments of the contingent consideration and would have been 10.13 in 2021, if normalised for fair value adjustments.

NOTE 7 Trade receivables

DKK thousands	30 September 2022	30 September 2021	31 December 2021
Not overdue	707,512	386,822	675,255
0-30 days overdue	159,569	124,469	217,253
31-60 days overdue	57,362	25,445	73,940
61-90 days overdue	39,001	15,990	27,954
Over 90 days overdue	112,813	22,512	54,398
Total trade receivables excl. expected credit loss	1,076,257	575,238	1,048,800
Expected credit loss	-18,344	-0	-16,920
Total trade receivables	1,057,912	575,238	1,031,880

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 expected credit loss is made. At 30 September 2022, the Group recognised an allowance for expected credit losses of DKK 18.3m (30 September 2021: DKK 0m), and credit losses of DKK 5.8m have incurred during Q3 2021.

The credit quality of trade receivables at 30 September 2022 is considered satisfactory.

NOTE 8 Contract work in progress

DKK thousands	30 September 2022	30 September 2021	31 December 2021
Selling price of work performed on fixed price projects	3,963,887	1,487,618	2,594,288
Invoiced amount on fixed price projects	-3,121,227	-1,002,496	-1,925,194
Total contract work in progress	842,660	485,122	669,094

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

Contract work in progress	1,222,848	534,479	1,019,974
Prebilled invoices	-380,188	-49,358	-350,880
Total contract work in progress	842,660	485,122	669,094

Based on the current project portfolio including monitoring of deliveries on projects, the Group has recognised a provision of DKK 10.3 million, covering legal claims and project related risks (DKK 0.0 million).

NOTE 9 **Income Statement classified by function**

DKK thousands	Q3 2022	Q3 2021	YTD 2022	YTD 2021	Total 2021
Income statement					
Revenue	1,348,116	798,034	4,025,328	2,479,840	3,631,971
Cost of services, incl. depreciation and amortisation	-876,987	-469,606	-2,772,867	-1,532,399	-2,298,687
Gross profit	471,129	328,428	1,252,460	947,441	1,333,284
Sales and marketing costs	-10,597	-5,684	-28,925	-17,912	-36,715
Administrative costs, incl. depreciation, amortisation and special items	-219,988	-161,835	-665,286	-403,790	-592,552
Other operating income / expense	-492	0	-425	0	-184
Operating profit (EBIT)	240,052	160,909	557,825	525,739	703,833
Financial income	10,404	2,403	18,815	6,647	10,259
Financial expenses	-26,617	-8,555	-66,157	-26,174	-43,648
Fair value adjustment of contingent consideration	0	0	0	49,485	78,906
Income / loss from investment in joint venture	-2,463	-5,583	-10,387	-16,802	-21,732
Income / loss from investment in associates	0	0	63	0	0
Profit / loss before tax	221,376	149,174	500,159	538,895	727,618
Tax on the profit for the period	-51,708	-40,610	-112,838	-118,385	-153,316
Net profit / loss for the period	169,668	108,564	387,321	420,510	574,302

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

Cost of services	-5,897	-6,085	-17,868	-18,089	-29,214
Administrative costs	-62,445	-24,076	-181,166	-68,692	-109,987
Depreciation and amortisation	-68,342	-30,161	-199,035	-86,782	-139,201

NOTE 10

Collateral provided and contingent liabilities

As part of its contract commitments with customers, the Group has through its banks provided performance guarantees of DKK 405.8m (DKK 199.9m).

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

NOTE 11

Related party transactions

There have been no related party transactions with any significant shareholders in Q3 2022.

NOTE 12

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 Q3 2022 financial report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the Europe-

an 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 13 Financial figures and highlights Q vs. Q

DKK million	Q3 2022	Q3 2021	% change Q3	YTD 2022	YTD 2021	% change YTD
Income statement						
Public revenue	885.4	461.6	91.8%	2,596.8	1,451.9	78.9%
Private revenue	462.8	336.4	37.6%	1,428.5	1,028.0	39.0%
Revenue by segments, total	1,348.1	798.0	68.9%	4,025.3	2,479.8	62.3%
Development revenue	657.5	488.4	34.6%	1,916.5	1,519.1	26.2%
Maintenance revenue	683.5	309.6	120.8%	2,096.4	960.7	118.2%
License revenue	7.1	0.0	N/A	12.5	0.0	N/A
Revenue by types, total	1,348.1	798.0	68.9%	4,025.3	2,479.8	62.3%
Organic revenue	943.5	798.0	18.2%	2,803.1	2,479.8	13.0%
Non-organic revenue	404.6	0.0	N/A	1,222.2	0.0	N/A
Revenue by growth, total	1,348.1	798.0	68.9%	4,025.3	2,479.8	62.3%
Special items	0.0	-30.0	-100.0%	0.0	-30.0	-100.0%
Adjusted EBITDA	308.9	221.1	39.7%	757.3	642.5	17.9%
EBITDA	308.4	191.1	61.4%	756.9	612.5	23.6%
Adjusted EBITA	275.5	199.9	37.8%	658.5	582.9	13.0%
EBITA	275.0	169.9	61.8%	658.1	552.9	19.0%
Operating profit (EBIT)	240.1	160.9	49.2%	557.8	525.7	6.1%
Net financials	-16.2	-6.2	163.5%	-47.3	-19.5	142.4%
Net profit / loss	169.7	108.6	56.3%	387.3	420.5	-7.9%
Financial position						
Capex	-45.0	-7.1	530.6%	-95.7	-30.3	215.3%
Total assets	7,013.4	4,127.7	69.9%	7,013.4	4,127.7	69.9%
Equity	3,345.1	2,781.8	20.2%	3,345.1	2,781.8	20.2%
Dividends Paid	0.0	0.0	N/A	0.0	49.1	-100.0%
Net increase in cash and cash equivalents	-24.0	16.3	-247.1%	-229.1	-167.9	36.4%
Free cash flow	221.5	182.9	21.1%	279.4	273.3	2.2%
Free cash flow (tax normalised)	168.2	136.9	22.8%	274.5	261.5	5.0%

CONTINUED FINANCIAL HIGHLIGHTS AND KEY FIGURES Q VS. Q

DKK million	Q3 2022	Q3 2021	% change Q3	YTD 2022	YTD 2021	% change YTD
Earnings per share						
Earnings per share (DKK)	3.45	2.21	56.0%	7.88	8.57	-8.0%
Diluted earnings per share (DKK)	3.42	2.19	56.3%	7.81	8.47	-7.8%
Employees						
Average number of full-time employees	7,039	3,385	107.9%	6,757	3,244	108.3%
Financial ratios						
Revenue growth	68.9%	14.9%	54.1pp	62.3%	20.0%	42.3pp
Gross profit margin	34.9%	41.2%	-6.2pp	31.1%	38.2%	-7.1pp
Adjusted EBITDA margin	22.9%	27.7%	-4.8pp	18.8%	25.9%	-7.1pp
EBITDA margin	22.9%	23.9%	-1.1pp	18.8%	24.7%	-5.9pp
Adjusted EBITA margin	20.4%	25.1%	-4.6pp	16.4%	23.5%	-7.1pp
EBITA margin	20.4%	21.3%	-0.9pp	16.3%	22.3%	-5.9pp
Operating profit margin	17.8%	20.2%	-2.4pp	13.9%	21.2%	-7.3pp
Effective tax rate	23.4%	27.2%	-3.9pp	22.6%	22.0%	0.6pp
Return on equity	5.5%	4.2%	1.4pp	12.6%	16.2%	-3.5pp
Solvency ratio	47.7%	67.4%	-19.7pp	47.7%	67.4%	-19.7pp
ROIC	4.1%	3.6%	0.5pp	9.3%	13.8%	-4.5pp
ROIC (Adjusted for Goodwill)	12.7%	13.8%	-1.1pp	29.0%	53.5%	-24.5pp
Cash conversion ratio	112.5%	158.3%	-45.8pp	60.0%	61.9%	-1.9pp
Cash conversion ratio (tax normalised)	85.4%	118.5%	-33.1pp	59.0%	59.2%	-0.2pp

NOTE 13

Financial figures and highlights

DKK million	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Income statement								
Public revenue	885.4	836.9	874.6	758.5	461.6	488.0	502.3	465.9
Private revenue	462.8	468.9	496.8	393.6	336.4	338.7	352.8	306.9
Revenue by segments, total	1,348.1	1,305.8	1,371.5	1,152.1	798.0	826.7	855.1	772.7
<i>Development revenue</i>	657.5	604.2	654.8	783.3	488.4	513.2	517.5	433.7
Maintenance revenue	683.5	698.9	713.9	367.3	309.6	313.5	337.7	339.1
License revenue	7.1	2.6	2.7	1.5	0.0	0.0	0.0	0.0
Revenue by types, total	1,348.1	1,305.8	1,371.5	1,152.1	798.0	826.7	855.1	772.7
Organic revenue	943.5	886.7	972.9	866.5	798.0	826.7	855.1	772.7
Non-organic revenue	404.6	419.1	398.5	285.6	0.0	0.0	0.0	0.0
Revenue by growth, total	1,348.1	1,305.8	1,371.5	1,152.1	798.0	826.7	855.1	772.7
Special items	0.0	0.0	-0.0	-7.7	-30.0	0.0	0.0	0.0
Adjusted EBITDA	308.9	188.8	259.6	238.4	221.1	186.6	234.8	240.1
EBITDA	308.4	188.7	259.8	230.5	191.1	186.6	234.8	240.1
Adjusted EBITA	275.5	156.0	227.0	210.3	199.9	166.7	216.3	223.5
EBITA	275.0	155.8	227.2	202.4	169.9	166.7	216.3	223.5
Operating profit (EBIT)	240.1	123.2	194.6	178.1	160.9	157.7	207.2	200.0
Net financials	-16.2	-18.8	-12.4	-13.9	-6.2	-6.7	-6.6	-5.4
Net profit / loss	169.7	85.0	132.7	153.8	108.6	112.4	199.5	5.0
Financial position								
Capex	-45.0	-31.6	-19.1	-27.2	-7.1	-5.0	-18.2	-3.7
Total assets	7,013.4	7,052.9	7,032.8	7,021.1	4,127.7	4,090.0	4,074.5	4,039.4
Equity	3,345.1	3,169.7	3,130.0	3,037.9	2,781.8	2,666.4	2,595.9	2,428.6
Net increase in cash and cash equivalents	-24.0	-68.0	-137.1	261.4	16.3	-134.6	-49.6	120.4
Free cash flow	221.5	7.3	50.5	134.7	182.9	-10.2	100.6	208.9
Free cash flow (tax normalised)	168.2	-20.5	126.8	160.9	136.9	-49.2	173.8	210.5

CONTINUED NOTE 13 FINANCIAL FIGURES AND HIGHLIGHTS Q3

DKK million	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Earnings per share								
Earnings per share (DKK)	3.45	1.72	2.71	3.17	2.21	2.29	4.06	0.10
Diluted Earnings per share (DKK)	3.42	1.70	2.68	3.13	2.19	2.26	4.02	0.10
Employees								
Average number of full-time employees	7,039	6,719	6,513	5,417	3,385	3,238	3,109	2,996
Financial ratios								
Revenue growth	68.9%	58.0%	60.4%	49.1%	14.9%	22.4%	22.9%	15.2%
Gross profit margin	34.9%	27.9%	30.4%	33.5%	41.2%	35.5%	38.1%	42.4%
Adjusted EBITDA margin	22.9%	14.5%	18.9%	20.7%	27.7%	22.6%	27.5%	31.1%
EBITDA margin	22.9%	14.4%	18.9%	20.0%	23.9%	22.6%	27.5%	31.1%
Adjusted EBITA margin	20.4%	11.9%	16.6%	18.3%	25.1%	20.2%	25.3%	28.9%
EBITA margin	20.4%	11.9%	16.6%	17.6%	21.3%	20.2%	25.3%	28.9%
Operating profit margin	17.8%	9.4%	14.2%	15.5%	20.2%	19.1%	24.2%	25.9%
Effective tax rate	23.4%	15.5%	25.5%	18.5%	27.2%	22.9%	18.2%	89.6%
Return on equity	5.5%	2.9%	4.6%	5.6%	4.2%	4.5%	8.4%	0.2%
Solvency ratio	47.7%	44.9%	44.5%	43.3%	67.4%	65.2%	63.7%	60.1%
ROIC	4.1%	2.0%	3.3%	4.0%	3.6%	3.7%	6.7%	0.2%
ROIC (adjusted for Goodwill)	12.7%	6.2%	10.8%	14.5%	13.8%	13.8%	27.8%	0.8%
Cash conversion ratio	112.5%	6.6%	32.0%	78.0%	158.3%	-8.5%	48.7%	893.4%
Cash conversion rate (tax normalised)	85.4%	-18.5%	80.2%	93.2%	118.5%	-41.2%	84.1%	900.4%

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 EBITDA 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	=	$\frac{\text{Net profit} - \text{Non-controlling interest}}{\text{Average outstanding shares}}$	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	=	$\frac{\text{Net profit} - \text{Non-controlling interest}}{\text{Average outstanding shares} + \text{Diluted shares}}$	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			

¹Key figures defined according to IFRS.

²Key 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 2019 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.