

netcompany

Q2 | 22

Company Announcement
Six months ended 30 June 2022

Netcompany realised revenue growth of 58% in Q2 and maintains expectations for the full year on Group level

Summary

In Q2 2022, Netcompany grew revenue to DKK 1,305.8m – equal to 58% growth compared to Q2 2021, of which 50.7 percentage points was non-organic and related to Netcompany-Intrasoft. Organic revenue growth was 7.3%.

In constant currencies, revenue grew 57.6% compared to Q2 2021, of which 6.9 percentage points were organic and 50.7 percentage points were non-organic.

Adjusted EBITDA was DKK 188.8m compared to DKK 186.6m in Q2 2021. Adjusted EBITDA margin was 14.5% in Q2 2022 compared to 22.6% in Q2 2021.

- Temporary higher level of sickness in Netcompany Denmark and Norway impacted margin negatively by 2.5 percentage points.
- Non-recurring adjustments to three projects in Norway impacted margin negatively by 1.5 percentage points.
- Improved employee benefits impacted margins negatively by around 2 percentage points.
- Netcompany-Intrasoft impacted margin negatively by 0.9 percentage point.

The average number of full time employees grew from 3,238 in Q2 2021 to 6,719 in Q2 2022. The acquisition of Netcompany-Intrasoft accounted for 2,965 employees of the growth while Netcompany Core accounted for 516 employees of the growth.

Free cash flow was DKK 7.3m compared to negative DKK 10.2m in Q2 2021.

Revenue visibility for 2022 increased by 62.4% to DKK 4,976.7m compared to DKK 3,064.5m at the same time last year. The acquisition of Netcompany-Intrasoft accounted for DKK 1,555.7m of the increase.

Netcompany maintains expectations to revenue growth and margins for 2022 on Group level.

“In Q2 2022, we grew revenue by 58% compared to Q2 2021 to DKK 1,305.8m, despite a temporary higher level of sickness in Denmark and Norway and non-recurring adjustments to three projects in Norway.

We continued to see a strong performance in our UK operation that grew more than 30% in the quarter and at the same time Netcompany-Intrasoft performed above expectations and grew close to 15% in the quarter.

Irrespective of the rapid changes occurring in the macroeconomic environment, in which we operate, we continue to see our pipeline increase across our business, hence we have continued to add new employees to the Netcompany family.

At the end of Q2 2022, the Group accounts for more than 6,700 employees including Netcompany-Intrasoft, and during the second quarter of 2022, we welcomed more than 400 new employees in Netcompany Core and more than 250 in Netcompany-Intrasoft.

Despite challenging market conditions, we remain confident that Netcompany is well situated to maintain strong growth and financial performance based on the society and business critical nature of our business, the unique delivery model and best in class employees.”

André Rogaczewski

NETCOMPANY CEO AND CO-FOUNDER

Performance highlights Q2

Financial overview

DKK million	Q2 2022 (reported)	Q2 2022 (constant)*	Q2 2021	% change (reported)	Netcompany Intrasoft non-organic impact**	% change (constant)*
Revenue	1,305.8	1,303.1	826.7	58.0%	50.7pp	57.6%
Gross profit	364.0	364.3	293.4	24.1%	30.0pp	24.2%
Adjusted EBITDA	188.8	189.9	186.6	1.2%	28.1pp	1.8%
<i>Adjusted EBITDA margin</i>	<i>14.5%</i>	<i>14.6%</i>	<i>22.6%</i>	<i>-8.1pp</i>	<i>-0.9pp</i>	<i>-8.0pp</i>
Adjusted EBITA	156.0	157.4	166.7	-6.4%	25.4pp	-5.6%
<i>Adjusted EBITA margin</i>	<i>11.9%</i>	<i>12.1%</i>	<i>20.2%</i>	<i>-8.2pp</i>	<i>-0.9pp</i>	<i>-8.1pp</i>
EBITA	155.8	157.2	166.7	-6.5%	25.3pp	-5.7%
<i>EBITA margin</i>	<i>11.9%</i>	<i>12.1%</i>	<i>20.2%</i>	<i>-8.2pp</i>	<i>-0.9pp</i>	<i>-8.1pp</i>
Operating profit	123.2	124.6	157.7	-21.9%	22.8pp	-21.0%
<i>Operating profit margin</i>	<i>9.4%</i>	<i>9.6%</i>	<i>19.1%</i>	<i>-9.6pp</i>	<i>-0.4pp</i>	<i>-9.5pp</i>
Net profit / loss	85.0	86.5	112.4	-24.4%	20.2pp	-23.1%
Free cash flow	7.3	N/A	-10.2	-172.2%	N/A	N/A
Free cash flow (tax normalised)	-20.5	N/A	-49.2	-58.4%	N/A	N/A
Cash conversion ratio (tax normalised)	-18.5%	N/A	-41.2%	22.7pp	N/A	N/A

*Constant currencies measured using average exchange rates for Q2 2021

- Revenue increased by 58% to DKK 1,305.8m in reported currencies and by 57.6% in constant currencies.
- Organic revenue grew by 7.3%.
- Gross profit margin was 27.9% against 35.5% in Q2 2021.
- Adjusted EBITDA increased by 1.2% and yielded a margin of 14.5%.
- Adjusted EBITDA margin was 15.4% for the organic businesses.
- Free cash flow was DKK 7.3m in Q2 2022.
- Netcompany Core generated a tax normalised free cash flow of DKK 10.5m compared to DKK -49.2m in Q2 2021.
- Netcompany Core cash conversion rate normalised for tax payment was 12.5% compared to -41.2% in Q2 2021.
- Debt leverage to 12 months rolling adjusted EBITA was 2.4x.

Performance highlights First 6 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	2,677.2	2,666.0	1,681.8	59.2%	48.6pp	58.5%	3,632.0
Gross profit	781.3	779.3	619.0	26.2%	25.2pp	25.9%	1,333.3
Adjusted EBITDA	448.4	448.3	421.5	6.4%	20.5pp	6.4%	880.9
<i>Adjusted EBITDA margin</i>	<i>16.7%</i>	<i>16.8%</i>	<i>25.1%</i>	<i>-8.3pp</i>	<i>-2.7pp</i>	<i>-8.2pp</i>	<i>24.3%</i>
Adjusted EBITA	383.0	383.5	383.0	0.0%	17.5pp	0.1%	793.2
<i>Adjusted EBITA margin</i>	<i>14.3%</i>	<i>14.4%</i>	<i>22.8%</i>	<i>-8.5pp</i>	<i>-2.7pp</i>	<i>-8.4pp</i>	<i>21.8%</i>
EBITA	383.1	383.5	383.0	0.0%	17.5pp	0.1%	755.3
<i>EBITA margin</i>	<i>14.3%</i>	<i>14.4%</i>	<i>22.8%</i>	<i>-8.5pp</i>	<i>-2.7pp</i>	<i>-8.4pp</i>	<i>20.8%</i>
Operating profit	317.8	318.2	364.8	-12.9%	15.0pp	-12.8%	703.8
<i>Operating profit margin</i>	<i>11.9%</i>	<i>11.9%</i>	<i>21.7%</i>	<i>-9.8pp</i>	<i>-2.3pp</i>	<i>-9.8pp</i>	<i>19.4%</i>
Net profit / loss	217.7	218.3	311.9	-30.2%	10.4pp	-30.0%	574.3
Free cash flow	57.9	N/A	90.4	-36.0%	N/A	N/A	408.0
Free cash flow (tax normalised)	106.3	N/A	124.6	-14.7%	N/A	N/A	422.4
Cash conversion ratio (tax normalised)	39.6%	N/A	38.2%	1.4pp	N/A	N/A	68.8%

*Constant currencies measured using average exchange rates for 2021

- Revenue increased by 59.2% to DKK 2,677.2m in reported currencies and by 58.5% in constant currencies.
- Organic revenue grew by 10.6%.
- Gross profit margin was 29.2% against 36.8% for the same period in 2021.
- Adjusted EBITDA increased by 6.4% and yielded a margin of 16.7%.
- Adjusted EBITDA margin was 19.5% for the organic businesses.
- Free cash flow was DKK 57.9m for the first 6 months.
- Netcompany Core generated a tax normalised free cash flow of DKK 184.5m compared to DKK 124.6m for the same period in 2021.
- Cash conversion rate normalised for tax payment was 39.6% compared to 38.2% in first six months in 2021.
- Debt leverage to 12 months rolling adjusted EBITA was 2.4x

Conference call details

In connection to the publication of the results for Q2 2022, Netcompany will host a conference call on 11 August 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

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Webcast Player URL

<https://streams.eventcdn.net/netcompany/q2-2022/>

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Performance overview Q2

DKK million	Q2 2022 (reported)	Q2 2022 (constant)*	Q2 2021	% change (reported)	Netcompany Intrasoft non-organic impact**	% change (constant)*
Revenue	1,305.8	1,303.1	826.7	58.0%	50.7pp	57.6%
Cost of services	-941.7	-938.8	-533.3	76.6%	62.1pp	76.0%
Gross profit	364.0	364.3	293.4	24.1%	30.0pp	24.2%
<i>Gross profit margin</i>	27.9%	28.0%	35.5%	-7.6pp	-3.2pp	-7.5pp
Sales and marketing costs	-9.5	-9.5	-6.1	56.1%	9.9pp	55.6%
Administrative costs	-198.5	-197.5	-120.6	64.6%	37.2pp	63.8%
Adjusted EBITA	156.0	157.4	166.7	-6.4%	25.4pp	-5.6%
<i>Adjusted EBITA margin</i>	11.9%	12.1%	20.2%	-8.2pp	-0.9pp	-8.1pp
Special items	0.0	0.0	0.0	N/A	N/A	N/A
Other operating income / expense	-0.1	-0.1	0.0	N/A	N/A	N/A
EBITA	155.8	157.2	166.7	-6.5%	25.3pp	-5.7%
<i>EBITA margin</i>	11.9%	12.1%	20.2%	-8.2pp	-0.9pp	-8.1pp
Amortisation	-32.7	-32.7	-9.0	262.8%	69.5pp	262.8%
Operating profit (EBIT)	123.2	124.6	157.7	-21.9%	22.8pp	-21.0%
<i>Operating profit margin</i>	9.4%	9.6%	19.1%	-9.6pp	-0.4pp	-9.5pp
Net financials	-18.8	-18.7	-6.7	178.3%	76.8pp	177.8%
Fair value adj. of contingent consideration	0.0	0.0	0.0	N/A	0.0pp	N/A
Income / loss, investment in joint venture	-3.8	-3.8	-5.2	-26.9%	0.0pp	-26.9%
Income / loss, investment in associates	0.0	0.0	0.0	N/A	0.0pp	N/A
Profit / loss before tax	100.6	102.1	145.7	-30.9%	21.1pp	-30.0%
Tax	-15.6	-15.6	-33.3	-53.1%	24.4pp	-53.3%
<i>Effective tax rate</i>	15.5%	15.3%	22.9%	-7.3pp	4.8pp	-7.6pp
Net profit / loss	85.0	86.5	112.4	-24.4%	20.2pp	-23.1%

*Constant currencies measured using average exchange rates for Q2 2021

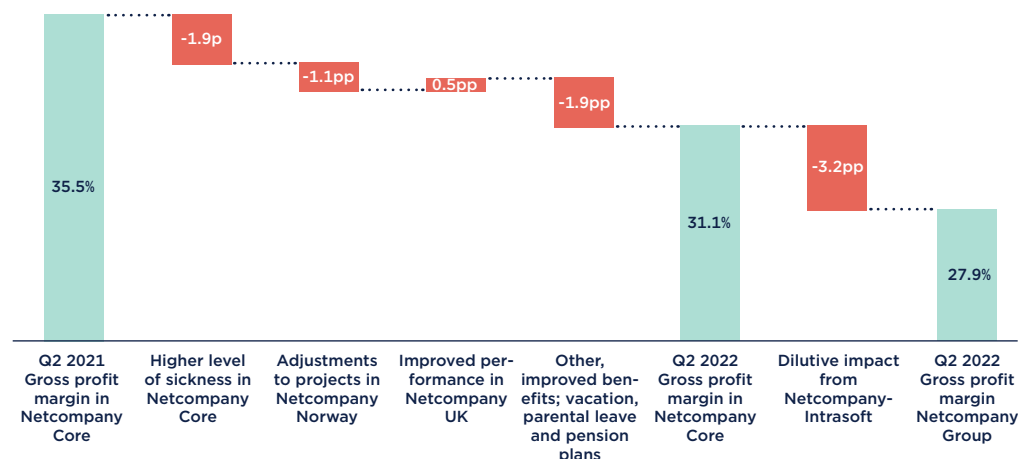
Reported revenue grew by 58% (constant 57.6%) to DKK 1,305.8m in Q2 2022 of which 7.3 percentage points were organic. Netcompany-Intrasoft realised revenue of DKK 419.1m and accounted for non-organic revenue growth of 50.7 percentage points in Q2 2022. Client facing FTEs in Netcompany-Core grew by 452 to 3,497 in Q2 2022. Netcompany-Intrasoft added another 2,784 client facing FTEs to the Group in Q2 2022 bringing the total number of client facing FTEs to 6,281 in Q2 2022.

In Q2 2022, revenue growth was negatively impacted by temporary increased level of sickness in Netcompany Core and adjustments to three projects in Norway. Combined, these events impacted the organic revenue growth negatively by 4.8 percentage points in Q2 2022.

Gross profit margin was 27.9% compared to 35.5% for the same period in 2021. As expected, Netcompany-Intrasoft realised a lower margin compared to Netcompany Core, which impacted the Group gross profit margin negatively by 3.2 percentage

CONTINUED PERFORMANCE OVERVIEW Q2

Development in gross profit margin in Q2



points. The additional decline of 4.4 percentage points in the gross profit margin was mainly driven by lower gross profit margins in Denmark and Norway, whereas the gross margin in the UK continued to improve compared to same period last year.

Sales and marketing costs increased by 56.1% to DKK 9.5m in Q2 2022, of which 9.9 percentage points were attributed to Netcompany-Intrasoft. The increased spending was driven by a wider presence in markets around Europe to expand

awareness. While the relative increase was high, the absolute amount spend on marketing remained low.

Administrative costs increased by 64.6% to DKK 198.5m in Q2 2022, of which 37.2 percentage points were attributed to Netcompany-Intrasoft, leaving the increase in Netcompany Core at 27.4% compared to Q2 2021. As was the case in Q1 2022, the comparable cost base for Q2 2021 was low compared to a “non-COVID level”. Sequentially from Q1 to Q2 2022, the growth in administrative cost in Netcompany Core

was lower in Q2 2022 compared to the 34.9 percentage point increase in administrative costs realised in Q1 2022.

Adjusted EBITA was DKK 156m compared to DKK 166.7m in Q2 2021 yielding an adjusted EBITA margin of 11.9% in Q2 2022 compared to 20.2% in Q2 2021. The lower adjusted EBITA margin for the Group was driven by the dilutive impact from Netcompany-Intrasoft of 0.9 percentage point and lower gross margins effects from Netcompany Core combined with a higher level of administrative costs as previously explained.

Amortisation increased by DKK 23.7m to DKK 32.7m as a result of the acquisition of Intrasoft International S.A. in 2021. The non-organic impact of including Netcompany-Intrasoft was, from an accounting perspective, less than the total amount of amortisation caused by the acquisition, as amortisation were allocated between all entities.

Operating profit (EBIT) was DKK 123.2m compared to DKK 157.7m in Q2 2021, yielding an EBIT margin of 9.4% compared to

19.1% in Q2 2021. Adjusting for the impact of Netcompany-Intrasoft, including the full amount of amortisation arising from the acquisition of Intrasoft International S.A. EBIT for Netcompany Core was DKK 104.9 yielding an EBIT margin for Netcompany Core of 11.8% for Q2 2022.

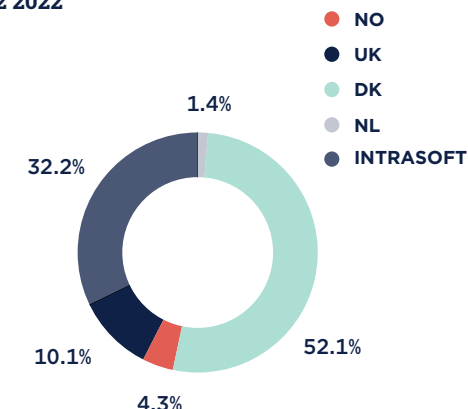
Net financials increased from DKK 6.7m in Q2 2021 to DKK 18.8m in Q2 2022 as a result of the higher amount of debt following the acquisition of Intrasoft International S.A.

Income taxes were lower in Q2 2022 compared to the same period last year. The effective tax rate for the quarter was 15.5%, which was mainly caused by a correction to Q1 2022. Adjusted for this correction, the effective tax rate was 20% in Q2 2022. The effective tax rate for the first six months of 2022 was 21.9%, which was in line with expectations.

Business Segments Q2

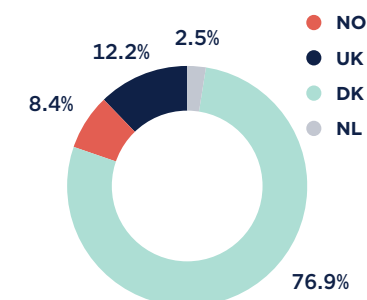
DKK million Constant (2021 rate)	Q2 2022					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	1,303.1	678.8	55.4	131.9	17.9	419.1
Gross profit	369.3	251.9	-3.4	36.1	-2.8	87.4
<i>Gross profit margin</i>	28.3%	37.1%	-6.2%	27.4%	-15.5%	20.9%
Local admin costs	-166.2	-92.2	-13.8	-17.4	-7.6	-35.3
Adjusted EBITDA before allocated cost from HQ	203.0	159.8	-17.3	18.7	-10.3	52.2
<i>Adjusted EBITDA margin before allocated cost from HQ</i>	15.6%	23.5%	-31.1%	14.2%	-57.6%	12.4%
Allocated costs from HQ	-13.1	-9.5	-1.0	-2.1	-0.5	0.0
Special Items, allocated	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation	-32.6	-17.2	-1.8	-2.4	-1.3	-9.8
Amortisation	-32.7	-19.1	-2.1	-4.2	-1.0	-6.3
Other operating income / expense	-0.1	0.0	0.0	0.0	0.0	-0.1
EBIT	124.6	113.9	-22.2	10.0	-13.1	36.0
Client facing FTEs	6,281	2,586	272	507	133	2,784

Revenue, %
Q2 2022



DKK million Reported	Q2 2021					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	826.7	637.1	68.3	100.8	20.4	0.0
Gross profit	299.4	252.8	16.8	25.0	4.7	0.0
<i>Gross profit margin</i>	36.2%	39.7%	24.6%	24.8%	23.1%	N/A
Local admin costs	-102.7	-71.6	-9.8	-16.0	-5.4	0.0
Adjusted EBITDA before allocated cost from HQ	196.7	181.3	7.0	9.1	-0.6	0.0
<i>Adjusted EBITDA margin before allocated cost from HQ</i>	23.8%	28.5%	10.3%	9.0%	-3.2%	N/A
Allocated costs from HQ	-10.1	-7.5	-0.9	-1.4	-0.4	0.0
Special Items, allocated	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation	-20.0	-15.1	-1.5	-2.2	-1.3	0.0
Amortisation	-9.0	-6.7	-0.8	-1.2	-0.3	0.0
Other operating income / expense	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	157.7	152.1	3.9	4.3	-2.6	0.0
Client facing FTEs	3,045	2,250	260	400	135	0

Revenue, %
Q2 2021



CONTINUED BUSINESS SEGMENTS Q2

Netcompany Denmark

Revenue growth in the Danish business was 6.5% and negatively impacted by the temporary increased level of sickness observed throughout Q2 compared to the level pre COVID. The negative impact hereof was more than 3 percentage points. In the end of Q2, the level of sickness began to decline towards a more normalised level. As in Q1, the private segment was the main growth driver in Denmark yielding 12.5% growth compared to Q2 2021, whereas growth in the public segment was 2.4%. A higher proportion of sickness occurred in the public entity of the Danish business unit.

The level of vacation held during the second quarter was on a normal level, further supporting that revenue growth will catch up during the second half of the year relative to 2021.

Adjusted EBITDA margin was 23.5% compared to 28.5% in the same period last year. The increased level of sickness impacted margin negatively by around 2 percentage points. In addition, it was expected – and included in the margin

guidance – that improved employee benefits related to vacation and parental leave would impact margin negatively by 2-3 percentage points in 2022.

Furthermore, the return to “business as usual” – meaning no restrictions to travel, social events etc. – had a negative impact on margins compared to 2021 as administrative costs increased.

Netcompany Norway

Revenue growth in Norway was negative in Q2 2022 as a consequence of adjustments made to three larger projects that had been ongoing for some time. The adjustment impacted revenue negatively by DKK 15m in the second quarter. In addition to the adjustments, the projects were already realising lower than normal rates. With the adjustments made in Q2, it is expected that the financial performance in Norway will be normalised during the second half of 2022.

Adjusted EBITDA was negative DKK 17.3m and was impacted by the adjustment of DKK 15m made to three projects in Norway. In addition, the Norwegian business

unit was also impacted negatively by higher level of sickness as in Denmark.

Netcompany UK

As in Q1 2022, the momentum in the UK business unit was strong, which resulted in revenue growth of 30.8% in Q2 2022. The growth was driven by the public segment, which grew 80%, whereas revenue declined in the private segment by 18.5% compared to Q2 2021. Customers such as NHS and HMRC continues to drive growth in the public segment.

Adjusted EBITDA was DKK 18.7m yielding an adjusted EBITDA margin of 14.2% - an increase of 5.2 percentage points compared to last year. The increase was driven by higher utilisation and better pricing compared to Q2 2021.

Netcompany Netherlands

Revenue growth in the Netherlands was negative 12.1% compared to last year, mainly driven by a small adjustment to one project in the portfolio. The Dutch business unit remains focused solely on the public segment.

Adjusted EBITDA margin was negative – mainly caused by the adjustment made to one specific project in the portfolio. In addition, administration costs increased at a relatively high pace driven by investments in management resources, severance costs and recruitment teams needed to support continued and profitable growth going forward.

Netcompany-Intrasoft

Revenue in Q2 was DKK 419.1m compared to DKK 365.8m (proforma) in Q2 2021, which yielded a growth of 14.6% in the second quarter. The growth was driven by strong performance both within the EU and the private segment, whereas the public segment in Greece grew at a lower pace. In addition, more joint projects with Netcompany Core have been won accelerating growth further.

Adjusted EBITDA margin improved from 10.7% in Q2 2021 (proforma) to 12.4% in Q2 2022 as a result of better pricing and joint projects with Netcompany Core.

Performance overview First 6 months

DKK million	YTD 2022 (reported)	YTD 2022 (constant)*	YTD 2021	% change (reported)	Netcompany Intrasoft non-organic impact**	% change (constant)*	Total 2021
Revenue	2,677.2	2,666.0	1,681.8	59.2%	48.6pp	58.5%	3,632.0
Cost of services	-1,895.9	-1,886.7	-1,062.8	78.4%	62.2pp	77.5%	-2,298.7
Gross profit	781.3	779.3	619.0	26.2%	25.2pp	25.9%	1,333.3
<i>Gross profit margin</i>	<i>29.2%</i>	<i>29.2%</i>	<i>36.8%</i>	<i>-7.6pp</i>	<i>-4.4pp</i>	<i>-7.6pp</i>	<i>36.7%</i>
Sales and marketing costs	-18.3	-18.2	-12.2	49.9%	13.6pp	49.2%	-36.7
Administrative costs	-380.0	-377.6	-223.8	69.8%	38.9pp	68.7%	-503.4
Adjusted EBITA	383.0	383.5	383.0	0.0%	17.5pp	0.1%	793.2
<i>Adjusted EBITA margin</i>	<i>14.3%</i>	<i>14.4%</i>	<i>22.8%</i>	<i>-8.5pp</i>	<i>-2.7pp</i>	<i>-8.4pp</i>	<i>21.8%</i>
Special items	-0.0	-0.0	0.0	N/A	N/A	N/A	-37.7
Other operating income / expense	0.1	0.1	0.0	N/A	N/A	N/A	-0.2
EBITA	383.1	383.5	383.0	0.0%	17.5pp	0.1%	755.3
<i>EBITA margin</i>	<i>14.3%</i>	<i>14.4%</i>	<i>22.8%</i>	<i>-8.5pp</i>	<i>-2.7pp</i>	<i>-8.4pp</i>	<i>20.8%</i>
Amortisation	-65.3	-65.3	-18.2	259.7%	67.4pp	259.7%	-51.4
Operating profit (EBIT)	317.8	318.2	364.8	-12.9%	15.0pp	-12.8%	703.8
<i>Operating profit margin</i>	<i>11.9%</i>	<i>11.9%</i>	<i>21.7%</i>	<i>-9.8pp</i>	<i>-2.3pp</i>	<i>-9.8pp</i>	<i>19.4%</i>
Net financials	-31.1	-31.1	-13.4	132.7%	64.7pp	132.3%	-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	-7.9	-7.9	-11.2	-29.4%	0.0pp	-29.4%	-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	278.8	279.3	389.7	-28.5%	11.9pp	-28.3%	727.6
Tax	-61.1	-61.0	-77.8	-21.4%	17.7pp	-21.6%	-153.3
<i>Effective tax rate</i>	<i>21.9%</i>	<i>21.8%</i>	<i>20.0%</i>	<i>2.0pp</i>	<i>1.5pp</i>	<i>1.9pp</i>	<i>21.1%</i>
Net profit / loss	217.7	218.3	311.9	-30.2%	10.4pp	-30.0%	574.3

*Constant currencies measured using average exchange rates for 2021

Revenue in the first six months of 2022 grew by 59.2% (constant 58.5%) and amounted DKK 2,677.2m. Non-organic revenue growth was 48.6% and organic revenue growth was 10.6% driven by a high activity level particular in the UK. The activity level in Denmark was also high, however revenue growth was negatively impacted by the temporary increased level of sickness experienced in the first six months of the year.

Gross profit margin was 29.2%, which was lower than the same period in 2021. Part of the lower margin was expected and guided for already, related to improved employee benefits. In addition, the inclusion of Netcompany-Intrasoft diluted the margin by 4.4 percentage points – which was slightly better than expected.

Adjusted EBITA was on par with the same period last year – despite higher revenue. Netcompany-Intrasoft contributed positively to adjusted EBITA. Whereas the increased level of sickness and adjustments to three projects in Norway impacted the first six months adjusted EBITA in Netcompany Core negatively with around DKK 65m or around 2 percentage points on Group adjusted EBITA margin.

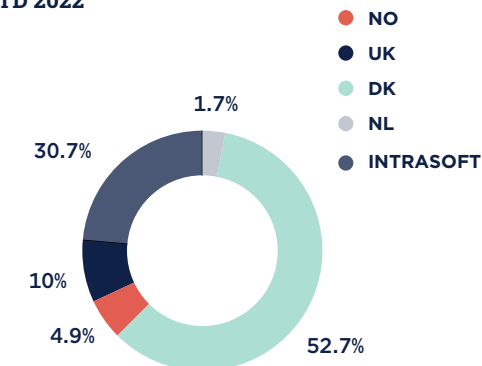
Business Segments First 6 months

DKK million

Constant (2021 rate)

	YTD 2022					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	2,666.0	1,404.1	130.9	267.3	46.1	817.6
Gross profit	791.3	544.1	9.2	77.5	4.0	156.5
<i>Gross profit margin</i>	29.7%	38.8%	7.0%	29.0%	8.6%	19.1%
Local admin costs	-315.8	-175.0	-25.7	-30.6	-14.2	-70.3
Adjusted EBITDA before allocated cost from HQ	475.5	369.1	-16.6	46.9	-10.2	86.2
<i>Adjusted EBITDA margin before allocated cost from HQ</i>	17.8%	26.3%	-12.7%	17.6%	-22.1%	10.5%
Allocated costs from HQ	-27.2	-19.7	-2.3	-4.2	-1.0	0.0
Special Items, allocated	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation	-64.8	-34.7	-3.6	-4.7	-2.6	-19.2
Amortisation	-65.3	-38.4	-4.5	-8.2	-2.0	-12.2
Other operating income / expense	0.1	0.0	0.0	0.0	0.0	0.1
EBIT	318.2	276.3	-27.0	29.8	-15.9	54.9
Client facing FTEs	6,183	2,541	270	483	138	2,751

Revenue, %
YTD 2022

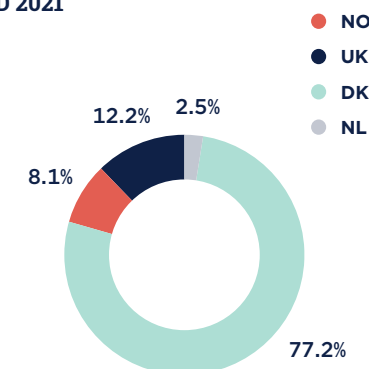


DKK million

Reported

	YTD 2021					
	Group	Denmark	Norway	UK	Netherlands	Intrasoft
Revenue from external customers	1,681.8	1,292.8	141.1	205.9	42.0	0.0
Gross profit	631.0	539.1	38.1	46.4	7.4	0.0
<i>Gross profit margin</i>	37.5%	41.7%	27.0%	22.5%	17.6%	N/A
Local admin costs	-192.4	-141.6	-17.1	-24.7	-9.1	0.0
Adjusted EBITDA before allocated cost from HQ	438.6	397.5	21.1	21.8	-1.7	0.0
<i>Adjusted EBITDA margin before allocated cost from HQ</i>	26.1%	30.7%	14.9%	10.6%	-4.0%	N/A
Allocated costs from HQ	-17.2	-12.5	-1.5	-2.5	-0.7	0.0
Special Items, allocated	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation	-38.5	-29.3	-2.2	-4.3	-2.6	0.0
Amortisation	-18.2	-13.2	-1.6	-2.6	-0.7	0.0
Other operating income / expense	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	364.8	342.5	15.7	12.3	-5.7	0.0
Client facing FTEs	2,984	2,189	252	405	138	0

Revenue, %
YTD 2021



CONTINUED BUSINESS SEGMENTS FIRST 6 MONTHS

Netcompany Denmark

Revenue growth in the Danish business was 8.6% and negatively impacted by the temporary increased level of sickness. During Q1 2022 a higher level of sickness not related to COVID was observed but at that time it was too early to determine whether it was a trend. The higher level of sickness continued during Q2, however, towards the end of the quarter the level began to normalise. The increased sickness impacted revenue growth negatively by more than 3% during the first six months of 2022.

The higher level of sickness also impacted adjusted EBITDA margin by around 2 percentage points. In addition, it was expected – and guided for – that margins would be negatively impacted by 2-3 percentage points in 2022, as a result of improved employee benefits introduced in Denmark at the beginning of the year, which was also materialised in the quarter.

Netcompany Norway

Revenue growth in Norway was negative by 7.2% in the first six months of 2022. The

main reason for this was the adjustments made to three projects in Norway and to a lesser extent the temporary higher level of sickness. Combined, these two factors impacted revenue growth negatively by DKK 30m or 21.3 percentage points, which meant that revenue would have grown by 14% in a normalised setting.

Adjusted EBITDA margin was negative by 12.7% compared to positive 14.9% in Q2 2021. Adjusted for the two issues mentioned above, adjusted EBITDA margin was 8.3%, as some of the adjusted projects was running at very low rates. Furthermore, administrative costs have increased to a higher level due to additional management resources added and higher costs for travel and social staff events.

Netcompany UK

In the UK, revenue grew by close to 29.9% in the first six months of 2022 driven by strong performance in the public segment. Significant wins with both the NHS and HMRS established a strong foundation for the growth realised and the future growth.

Adjusted EBITDA margin also improved from 10.6% in the first six months of 2021 to 17.6% in the first six months of 2022, driven by better pricing on projects, better execution on projects, a lower level of independent contractors and higher utilisation.

Netcompany Netherlands

Revenue in the Dutch business grew by 9.8% in the first six months – negatively impacted by an adjustment to one specific project made in Q2 2022. The Dutch business is still in a “turn-around” mode with good progression towards the desired operating modus.

Adjusted EBITDA margin was negative as a consequence of both the adjustment made to one project and also higher administrative costs including severance payments, additional management resources and a higher level of recruitment activities.

Netcompany-Intrasoft

In the first six months of 2022 revenue grew by 8.7% to DKK 817.6m compared to

DKK 752m (proforma) in the same period last year. The growth accelerated during Q2 as more projects were initiated after a somewhat slow start to the year. Netcompany-Intrasoft continued to win significant tenders within the EU and the private segment in Greece, while decision making in the public segment in Greece was somewhat slow – however, picking up.

Adjusted EBITDA margin was 10.5% compared to 9.7% (proforma) for the same period last year. The improved margin was a result of better pricing and more joint projects with Netcompany Core.

Revenue visibility

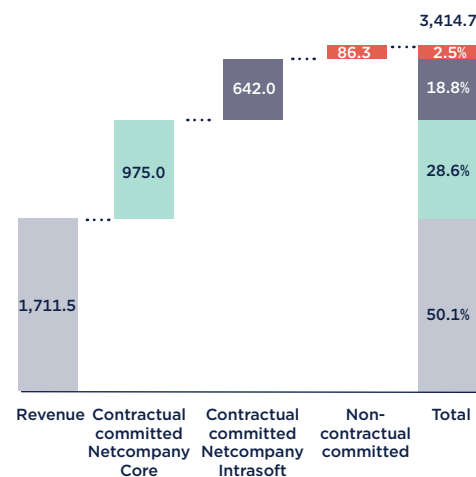
Netcompany measures revenue visibility on a 12 months rolling basis, based on two main input parameters, which are defined as the total value of committed engagements (which is comprised of fixed price engagements and service agreements), and ongoing time and material engagements with a high likelihood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

By the beginning of July 2022, revenue visibility for 2022 amounted to DKK 4,976.7m, of which contractual committed revenue amounted to DKK 2,138m and non-contractual committed engagements amounted to DKK 161.5m, while realised revenue in the first six months of 2022 amounted to DKK 2,677.2m.

Compared to Q2 2021, revenue visibility improved by 62.4% from DKK 3,064.5m for 2021 to DKK 4,976.7m for 2022. While 11.6 percentage points of the improvement was organic, 50.8 percentage points was directly attributable to Netcompany-Intrasoft.

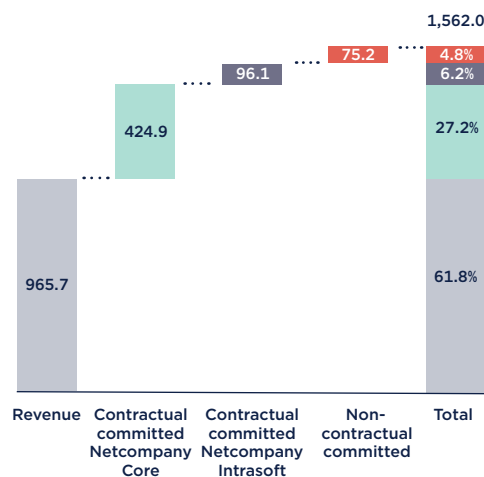
DKK million

Public segment



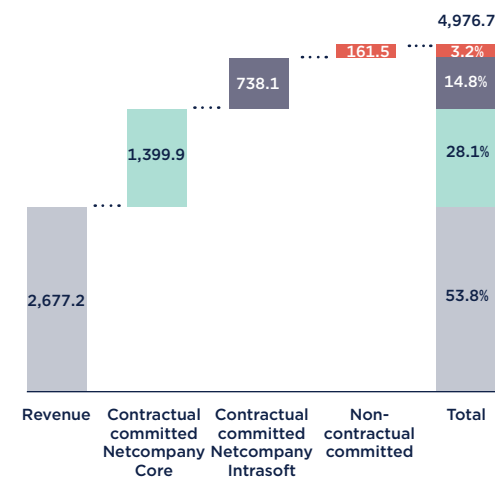
Revenue visibility in the public segment amounted to DKK 3,414.7m, of which contractual committed revenue amounted to DKK 1,617m and non-contractual committed engagements amounted to DKK 86.3m, while realised revenue in Q2 2022 amounted to DKK 1,711.5m.

Private segment



Revenue visibility in the private segment amounted to DKK 1,562m, of which contractual committed revenue amounted to DKK 521m and non-contractual committed engagements amounted to DKK 75.2m, while realised revenue in Q2 2022 amounted to 965.7m.

Total segment



By the beginning of July 2022, the total order backlog for Netcompany-Intrasoft amounted DKK 7,379.2m mainly within EU institutions. Of the total order backlog for Netcompany-Intrasoft DKK 738.1m is expected to be released in the last six month of 2022.

Employees

Netcompany employed an average of 6,719 FTEs in Q2 2022, which was an increase of 3,481 FTEs compared to Q2 2021 (3,238 FTEs). The increase in FTEs was driven by the acquisition of Intrasoft in October 2021 accounting for more than 2,950 FTEs.

Out of the 2,950+ employees in Netcompany-Intrasoft, around 650 were either freelancers or Benelux contractors.

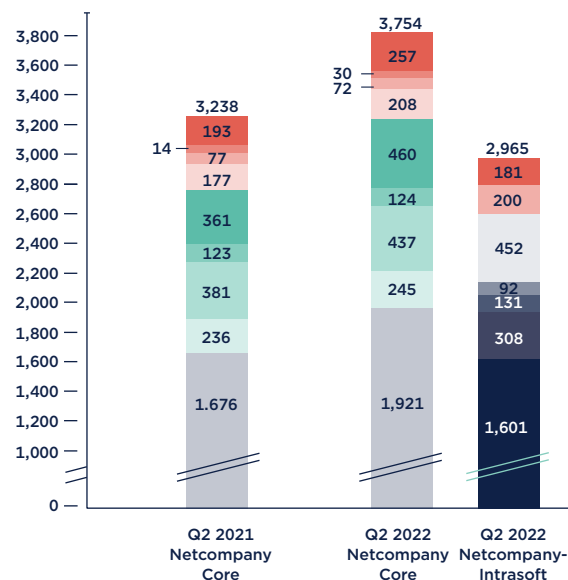
The number of client facing employees for the Group increased by 3,236 from 3,045 in Q2 2021 to 6,281 in Q2 2022. of which the Netcompany-Intrasoft impacted by more than 2,750 client facing employees.

The level of non-client facing employees was 6.5% in Q2 2022 compared to 5.9% in Q2 2021. On a sequentially basis the level of non-client employees decreased from 6.6% in Q1 2022.

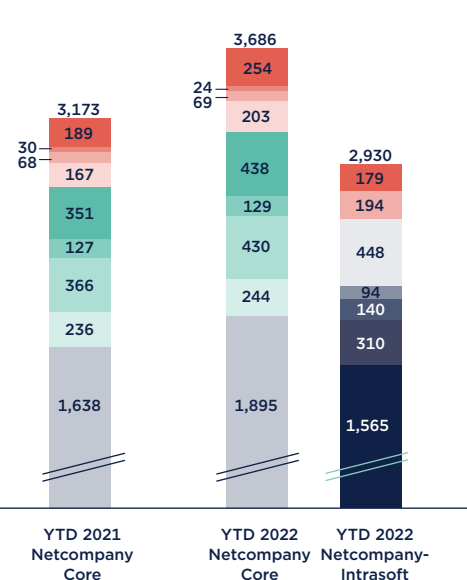
Attrition rates in all countries increased in Q2 2022, as rates in the first half of 2021 was significantly lower than normally, due to a higher number of voluntary leavers in a tighter labour market post COVID-19.

The average attrition rate was 23.9% compared to 18.3% during the same period last

Avg. FTEs increased to 6,719 during Q2 2022



Avg. FTEs increased to 6,616 during 2022

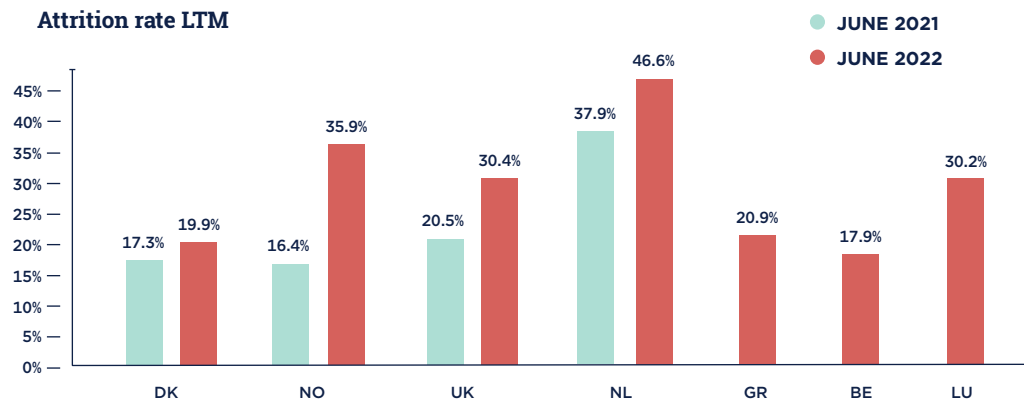


- ADMINISTRATION
- UK CONTRACTORS
- FREELANCERS
- BENELUX CONTRACTORS
- OTHER
- LUXEMBOURG
- BELGIUM
- GREECE
- VIETNAM
- UNITED KINGDOM
- NETHERLANDS
- POLAND
- NORWAY
- DENMARK

year. The attrition rate for Netcompany Core during the last 12 months was 26%, which was an increase of 7.7 percentage points compared to the same period last year. The attrition rate for Netcompany-Intrasoft was 21.3% corresponding to an increase of 1.8 percentage points compared to Q1 2022.

Rolling three months churn rates have declined during Q2 2022 and churn rates are expected to be reduced further during the remainder of 2022.

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 7.3m in Q2 2022, compared to negative DKK 10.2m in Q2 2021. Netcompany-Intrasoft impacted the free cash flow negatively by DKK 29.7m, hence Netcompany Core generated a free cash flow of DKK 36.7m in Q2 2022.

Adjusted for taxes paid on account¹, the Group generated a free cash flow of negative DKK 20.5m in Q2 2022 compared to negative DKK 49.2m in Q2 2021.

The increase in free cash flow adjusted for taxes paid on account was driven by a less negative development in working capital changes compared to the same period last year. The negative development in working capital changes in Q2 2022 was driven by an increase of DKK 189m in trade receivables from DKK 906.7m by the end of Q1 2022 to DKK 1,095.7m, which was partly offset by a decrease in work in progress of DKK 69m from DKK 840.2m by the end of Q1 2022 to DKK 771.2m. The development in working capital changes

was slightly offset by the increased capex mainly caused by DKK 19.9m in self developed platforms capitalised in Netcompany-Intrasoft.

Cash conversion rate increased from -8.5% in Q2 2021 to 6.6% in Q2 2022. Adjusted for taxes paid on account, cash conversion rate increased from negative 41.2% in Q2 2021 to negative 18.5% in Q2 2022.

Trade receivables

At the end of Q2 2022, the Group trade receivables, excluding expected credit losses, increased by 87% to DKK 1,116.1m. The increase was partly caused by the acquisition of Intrasoft having trade receivables excluding expected credit losses of DKK 399.6m by the end of Q2 2022, which on a sequentially basis corresponded to an increase of 38.9% compared to trade receivables in Netcompany-Intrasoft by the end of Q1 2022.

In Netcompany Core, trade receivables excluding expected credit losses increased by 20.1% to DKK 716.5m compared to

DKK million	Not overdue	0-30 days	30-60 days	60-90 days	>90 days	Total
Trade receivables, 30 June 2022	672.6	209.6	91.6	60.2	82.1	1,116.1
<i>Paid in the following month</i>	<i>232.4</i>	<i>180.5</i>	<i>25.6</i>	<i>29.5</i>	<i>8.1</i>	<i>476.1</i>
<i>% paid subsequently</i>	<i>34.6%</i>	<i>86.1%</i>	<i>27.9%</i>	<i>49.0%</i>	<i>9.8%</i>	<i>42.7%</i>

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

the same period last year. The increase was caused by work in progress being invoiced.

Days sales outstanding increased from 65 days in Q2 2021 to 77 days in Q2 2022. The overdue part of trade receivables increased from 29.8% by the end of Q2 2021 to 39.7% by the end of Q2 2022 mainly driven by Netcompany-Intrasoft. The overdue part of trade receivables in Netcompany Core was 32.6%, which was on level with 29.8% in the same period last year.

Trade receivables paid subsequently in July 2022 amounted to DKK 476.1m of which DKK 243.7m was overdue as of 30 June 2022. Payments received in the following month, slightly decreased to 42.7% of total trade receivables compared to 49.1% in the same period in 2021.

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 30 June 2022, Netcompany's work in progress amounted to DKK 771.2m, represented by contract work in progress of DKK 1,144.3m and prepayments received from customers of DKK 373.2m.

Work in progress increased by 69.6% from DKK 454.6m in Q2 2021 to DKK 771.2m in Q2 2022, driven by the inclusion of work in progress from Netcompany-Intrasoft. In the same period, revenue increased by 58% from DKK 826.7m in Q2 2021 to DKK

1,305.8m in Q2 2022, while revenue for the last 12 months increased by 46.9%.

As a total, trade receivables and work in progress increased by 78.6% from DKK 1,045.5m at the end of Q2 2021 to DKK 1,866.9m end of Q2 2022. The increase was mainly driven by the inclusion of Intrasoft.

In Netcompany Core, work in progress was reduced by 17.3%, while trade receivables combined with work in progress

increased by 4.2% from DKK 1,045.5m at the end of Q2 2021 to DKK 1,089.2m end of Q2 2022. At the same time organic revenue increased by 7.3% in Q2 2022.

Funding and liquidity

During Q2 2022, Netcompany completed the scheduled refinancing of current debt to banks. The terms and margins within the signed Group facility agreement were slightly improved and now also involves ESG measures. The new facility agreement consist of committed facilities constituting of DKK 2,800m and an additional facility of DKK 2,000m, available only for new acquisitions.

At 30 June 2022, DKK 2,173.8m of the committed lines were utilised on borrowings and DKK 236.7m on guarantees, leaving a total of DKK 2,380.5m available in unutilised funding of which DKK 380.5m can be utilised for normal operations if needed with no additional costs or covenants.

In addition, Netcompany-Intrasoft had drawn DKK 51.7m on local facilities and DKK 246.6m on local guarantees, having

no impact on the Group facilities except the leverage.

Including net cash balance as of 30 June 2022 of DKK 250.6m available funding was DKK 1,031m.

Risk management

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

Capital structure

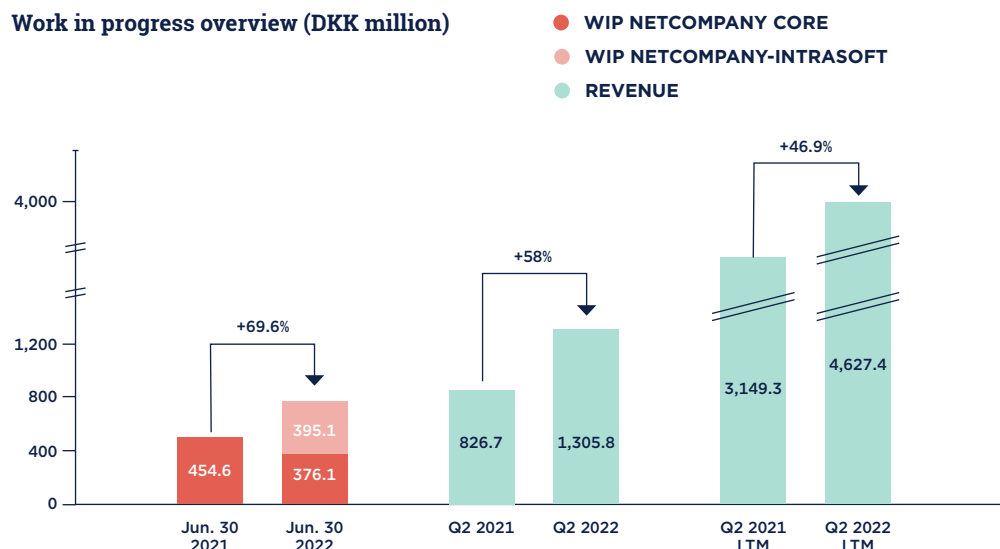
As a consequence of the acquisition of Intrasoft, the debt ratio increased to 2.4x at the end of Q2 2022, which is fully compliant with current covenants. The ratio was calculated as debt excluding utilised guarantees against 12 months rolling adjusted EBITA.

During Q2 2022, Netcompany executed yet another share buyback programme of DKK 50.7m.

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.

Work in progress overview (DKK million)



Guidance 2022

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

Revenue growth in Netcompany Core was slightly below expectations in Q2 2022, whereas revenue growth in Netcompany-Intrasoft was above expectations. Taking this into account, revenue growth for the Group is in line with expectations and supports the guidance for the full year.

The temporary higher level of sickness impacting Netcompany Core during the first 6 months of the year and the adjustments to three projects in Norway had an unexpected impact on margins. This was somewhat offset by better than expected margins in the UK and in Netcompany-Intrasoft.

However, a continued high level of sickness in Netcompany Core in the remaining part of the year - as seen in the first half of 2022 - will have a negative impact on margins. Towards the end of Q2, sickness level began to normalise and for the remaining part of the year our assumption is that sickness will normalise during Q3, hence Netcompany maintains guidance for Group margin.

In addition, the uncertainty in the macro-economic environment in the markets, in which we operate, might lead to a recession, which potentially could have a negative impact on the margins too.

Apart from the 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.

Shareholder information

Capital

Netcompany's share capital is DKK 50m divided into 50m shares. During Q2 2022, 131,600 treasury shares were purchased as part of a DKK 50.7m share buyback programme. Netcompany holds 857,602 treasury shares equivalent to 1.7% of the share capital. The shares will be used to honour the Group's commitments under its RSU and LTIP programmes.

Share-based incentive schemes/restricted stock units

In total, 237,068 RSUs were issued at 30 June 2022, of which 63,045 were granted to Executive Management and 174,023 were granted to other Key Management Personnel and other employees.

The fair value of the RSUs at grant was DKK 107.9m. The cost related hereto is expensed over the vesting period. A total amount of DKK 8.5m was recognised as personnel costs in the income statement in Q2 2022 and DKK 16.9m in the first six months of 2022.

Additional information on the remuneration to members of the Board of Directors and Executive Management Board is disclosed in the remuneration policy.

Contingent purchase price / restricted stock units

In connection with the acquisition of 100% of the shares of QDelft B.V. (now Netcompany Netherlands) in 2019, a total of 305,067 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

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 2022 to 30 June 2022. The Q2 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 at 30 June 2022 and of the results of the Group’s operations and cash flows for the period 1 January 2022 to 30 June 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, 11 AUGUST 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	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Total 2021
Income statement						
Revenue	1	1,305,756	826,660	2,677,212	1,681,806	3,631,971
Cost of services	2	-941,711	-533,306	-1,895,880	-1,062,793	-2,298,687
Gross profit		364,045	293,354	781,331	619,013	1,333,284
Sales and marketing costs		-9,545	-6,114	-18,328	-12,228	-36,715
Administrative costs	3	-198,529	-120,585	-379,988	-223,800	-503,399
Special items	4	0	0	-5	0	-37,729
Other operating income / expense		-123	0	67	0	-184
EBITA		155,847	166,655	383,078	382,985	755,256
Amortisation		-32,662	-9,002	-65,305	-18,155	-51,424
Operating profit (EBIT)		123,185	157,653	317,774	364,830	703,833
Financial income	5	3,537	2,337	8,411	4,245	10,259
Financial expenses	5	-22,293	-9,076	-39,540	-17,619	-43,648
Fair value adj. of contingent consideration		0	0	0	49,485	78,906
Income / loss, investment in joint venture		-3,796	-5,192	-7,924	-11,219	-21,732
Income / loss, investment in associates		0	0	63	0	0
Profit / loss before tax		100,633	145,722	278,783	389,721	727,618
Tax on the profit for the period		-15,642	-33,321	-61,130	-77,774	-153,316
Net profit / loss for the period		84,991	112,402	217,653	311,947	574,302
<i>Of which</i>						
Non-controlling interest		339	0	-401	0	-1,840
Netcompany Group A/S' share		84,652	112,402	218,054	311,947	576,142

CONTINUED INCOME STATEMENT AND STATEMENT
OF COMPREHENSIVE INCOME

DKK thousands	Note	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Total 2021
Earnings per share						
Earnings per share (DKK)	6	1.72	2.29	4.43	6.35	11.73
Diluted Earnings per share (DKK)	6	1.70	2.26	4.38	6.28	11.60
Statement of comprehensive income						
Net profit / loss for the period		84,991	112,402	217,653	311,947	574,302
Other comprehensive income items that may be reclassified subsequently to profit or loss:						
Exchange rate adjustments on translating foreign subsidiaries		-2,967	-1,255	-1,912	7,034	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		-2,967	-1,255	-1,950	7,034	10,792
<i>Of which</i>						
Non-controlling interest		245	0	373	0	415
Netcompany Group A/S' share		-3,212	-1,255	-2,322	7,034	10,378
Total comprehensive income / loss		82,024	111,146	215,704	318,981	585,095
<i>Of which</i>						
Non-controlling interest		584	0	-28	0	-1,425
Netcompany Group A/S' share		81,440	111,146	215,732	318,981	586,520

Statement of financial position

DKK thousands	Note	30 June 2022	30 June 2021	31 December 2021
Assets				
Intangible assets		3,867,468	2,432,979	3,896,198
Tangible assets		309,292	200,027	316,895
Investment in joint venture		95,309	83,746	103,233
Investment in associates		7,277	0	7,211
Other securities and investments		1,386	0	2,102
Other receivables		30,128	20,193	26,225
Deferred tax assets		26,158	11,953	17,391
Total non-current assets		4,337,018	2,748,899	4,369,255
Trade receivables	7	1,095,691	590,861	1,031,880
Receivables from joint venture		7,302	11,908	7,311
Receivables from associates		16,375	0	16,369
Contract work in progress	8	1,144,349	485,124	1,019,974
Other receivables		46,181	24,525	39,557
Prepayments		110,926	49,700	74,900
Tax receivables		44,525	0	0
Total receivables		2,465,349	1,162,119	2,189,992
Cash		250,552	179,012	458,779
Total current assets		2,715,901	1,341,132	2,648,771
Assets held for sale		0	0	3,123
Total assets		7,052,919	4,090,031	7,021,150

DKK thousands	Note	30 June 2022	30 June 2021	31 December 2021
Equity and liabilities				
Share capital		50,000	50,000	50,000
Treasury shares		-302,937	-224,999	-241,409
Other reserves		-38	0	0
Retained earnings		3,416,125	2,841,364	3,222,530
Equity attributable to Group		3,163,150	2,666,365	3,031,121
Non-controlling interest		6,561	0	6,796
Total equity		3,169,711	2,666,365	3,037,918
Borrowings	9	2,173,797	726,331	2,275,788
Leasing liabilities		173,561	107,864	147,979
Pension obligations		17,484	0	18,198
Other payables	10	1,012	122,819	94,498
Deferred tax liability		121,715	58,827	134,255
Total non-current liabilities		2,487,570	1,015,842	2,670,719
Borrowings		51,670	0	74,497
Leasing liabilities		77,744	39,726	98,645
Prebilled invoices	8	373,153	30,490	350,880
Trade payables		186,356	43,874	328,496
Pension obligations		1,664	0	0
Other payables	10	696,670	285,097	446,006
Provisions	11	8,380	0	8,839
Income tax payable		0	8,639	5,150
Total current liabilities		1,395,638	407,825	1,312,514
Liabilities held for sale		0	0	0
Total liabilities		3,883,208	1,423,667	3,983,233
Total equity and liabilities		7,052,919	4,090,031	7,021,150

Cash Flow statement

DKK thousands	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Total 2021
Operating profit (EBIT)	123,185	157,653	317,774	364,830	703,833
Depreciation and amortisation	65,474	28,979	130,693	56,620	139,201
Non-cash items	-6,076	9,565	3,593	26,854	43,685
Working capital changes	-128,263	-188,984	-193,028	-193,041	-189,249
Total	54,320	7,213	259,031	255,264	697,470
Income taxes paid	-9,500	-4,382	-132,508	-121,949	-197,489
Financial income received	942	235	3,730	774	2,914
Financial expenses paid	-6,781	-8,237	-21,686	-20,486	-37,298
Cash flow from operating activities	38,981	-5,171	108,567	113,603	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	-207	-25,000	3,978	-25,000	-55,000
Capitalisation of intangible assets	-19,907	0	-36,853	0	-11,304
Acquisition of fixed assets	-11,728	-5,005	-13,844	-23,215	-46,246
Disposals of fixed assets	0	0	0	0	2,321
Other receivables (deposits)	1,853	-1,062	-3,903	-1,469	-5,731
Cash flow from investment activities	-29,989	-31,067	-50,623	-139,089	-1,254,484
Dividends paid	0	0	0	-49,100	-49,100
Payment of treasury shares	-50,661	-49,999	-100,952	-49,999	-99,993
Proceeds from borrowings	2,182,404	0	2,182,404	0	1,350,000
Repayment of borrowings	-2,187,474	-35,182	-2,302,426	-35,182	-261,531
Repayment of right of use assets	-21,258	-13,190	-42,040	-24,471	-56,988
Cash flow from financing activities	-76,989	-98,371	-263,015	-158,752	882,388
Net increase in cash and cash equivalents	-67,997	-134,609	-205,070	-184,238	93,501
Cash and cash equivalents at the beginning	322,656	314,834	458,779	358,996	358,996
Effect of exchange rate changes on the balance cash held in foreign currencies	-4,106	-1,213	-3,156	4,254	6,281
Cash and cash equivalents at the end	250,552	179,012	250,552	179,012	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 April 2022	50,000	-252,276	37,911	7,511	-38	3,280,735	3,123,844	6,184	3,130,028
Profit for the period	0	0	0	0	0	84,652	84,652	339	84,991
Other comprehensive income	0	0	0	-3,212	0	0	-3,212	245	-2,967
Total comprehensive income	0	0	0	-3,212	0	84,652	81,440	584	82,024
Treasury Shares for the period	0	-50,661	0	0	0	0	-50,661	0	-50,661
Share-based remuneration for the period	0	0	8,527	0	0	0	8,527	0	8,527
Movement of non-controlling interest	0	0	0	0	0	0	0	-207	-207
Total transactions with owners	0	-50,661	8,527	0	0	0	-42,134	-207	-42,341
Equity at 30 June 2022	50,000	-302,937	46,438	4,300	-38	3,365,387	3,163,150	6,561	3,169,711
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	218,054	218,054	-401	217,653
Other comprehensive income	0	0	0	-2,285	-38	0	-2,322	373	-1,950
Total comprehensive income	0	0	0	-2,285	-38	218,054	215,732	-28	215,704
Treasury Shares for the period	0	-100,848	0	0	0	238	-100,610	0	-100,610
Share-based remuneration for the period	0	39,319	-23,739	0	0	1,326	16,907	0	16,907
Movement of non-controlling interest	0	0	0	0	0	0	0	-207	-207
Total transactions with owners	0	-61,528	-23,739	0	0	1,564	-83,703	-207	-83,910
Equity at 30 June 2022	50,000	-302,937	46,438	4,300	-38	3,365,387	3,163,150	6,561	3,169,711
Equity at 1 April 2021	50,000	-175,000	50,993	4,496	0	2,665,381	2,595,870	0	2,595,870
Profit for the period	0	0	0	0	0	112,402	112,402	0	112,402
Other comprehensive income	0	0	0	-1,255	0	0	-1,255	0	-1,255
Total comprehensive income	0	0	0	-1,255	0	112,402	111,146	0	111,146
Treasury Shares for the period	0	-49,999	0	0	0	0	-49,999	0	-49,999
Share-based remuneration for the period	0	0	9,348	0	0	0	9,348	0	9,348
Total transactions with owners	0	-49,999	9,348	0	0	0	-40,651	0	-40,651
Equity at 30 June 2021	50,000	-224,999	60,341	3,241	0	2,777,782	2,666,365	0	2,666,365

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	311,947	311,947	0	311,947
Other comprehensive income	0	0	0	7,034	0	0	7,034	0	7,034
Total comprehensive income	0	0	0	7,034	0	311,947	318,981	0	318,981
Treasury Shares for the period	0	-49,999	0	0	0	0	-49,999	0	-49,999
Share-based remuneration for the period	0	0	17,862	0	0	0	17,862	0	17,862
Dividend paid	0	0	0	0	0	-49,100	-49,100	0	-49,100
Total transactions with owners	0	-49,999	17,862	0	0	-49,100	-81,237	0	-81,237
Equity at 30 June 2021	50,000	-224,999	60,341	3,241	0	2,777,782	2,666,365	0	2,666,365
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 Q2

DKK million	Group			Denmark		Norway		UK		Netherlands		Intrasoft	
	Q2 2022	Q2 2021	% change	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
Revenue	836.9	488.0	71.5%	386.4	377.4	33.5	40.3	92.4	50.5	17.6	19.8	307.0	0.0
Cost of service	-633.1	-331.0	91.3%	-262.4	-249.6	-35.7	-32.1	-71.7	-33.9	-20.4	-15.4	-242.9	0.0
Gross profit	203.8	157.0	29.8%	124.0	127.8	-2.1	8.2	20.7	16.6	-2.8	4.4	64.1	0.0
<i>Gross profit margin</i>	<i>24.4%</i>	<i>32.2%</i>	<i>-7.8pp</i>	<i>32.1%</i>	<i>33.9%</i>	<i>-6.4%</i>	<i>20.2%</i>	<i>22.4%</i>	<i>32.9%</i>	<i>-16.1%</i>	<i>22.2%</i>	<i>20.9%</i>	<i>N/A</i>
Allocated costs	-130.0	-71.8	81.0%	-61.5	-50.4	-10.0	-6.7	-15.5	-8.2	-8.8	-6.5	-34.2	0.0
Adjusted EBITA before HQ costs	73.8	85.2	-13.4%	62.5	77.5	-12.2	1.4	5.2	8.4	-11.6	-2.1	29.9	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>8.8%</i>	<i>17.5%</i>	<i>-8.6pp</i>	<i>16.2%</i>	<i>20.5%</i>	<i>-36.4%</i>	<i>3.5%</i>	<i>5.6%</i>	<i>16.6%</i>	<i>-66.0%</i>	<i>-10.5%</i>	<i>9.7%</i>	<i>N/A</i>
Allocated costs from HQ	-8.3	-6.2	34.5%	-5.6	-4.7	-0.7	-0.5	-1.5	-0.6	-0.5	-0.4	0.0	0.0
EBITA	65.5	79.0	-17.1%	56.9	72.8	-12.9	0.9	3.7	7.7	-12.1	-2.4	29.9	0.0
<i>EBITA margin</i>	<i>7.8%</i>	<i>16.2%</i>	<i>-8.4pp</i>	<i>14.7%</i>	<i>19.3%</i>	<i>-38.4%</i>	<i>2.2%</i>	<i>4.0%</i>	<i>15.3%</i>	<i>-68.7%</i>	<i>-12.3%</i>	<i>9.7%</i>	<i>N/A</i>
Amortisation	-21.4	-5.5	288.5%	-11.3	-4.2	-1.3	-0.5	-3.1	-0.6	-1.0	-0.3	-4.7	0.0
Operating profit	44.0	73.5	-40.0%	45.5	68.6	-14.2	0.4	0.6	7.2	-13.0	-2.7	25.2	0.0
<i>Operating profit margin</i>	<i>5.3%</i>	<i>15.1%</i>	<i>-9.8pp</i>	<i>11.8%</i>	<i>18.2%</i>	<i>-42.4%</i>	<i>1.0%</i>	<i>0.6%</i>	<i>14.2%</i>	<i>-74.2%</i>	<i>-13.9%</i>	<i>8.2%</i>	<i>N/A</i>

CONTINUED Segment information

Private Q2

DKK million	Group			Denmark		Norway		UK		Netherlands		Intrasoft	
	Q2 2022	Q2 2021	% change	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
Revenue	468.9	338.7	38.4%	292.3	259.7	22.3	28.0	41.7	50.3	0.4	0.6	112.1	0.0
Cost of service	-308.6	-202.3	52.5%	-170.0	-140.8	-23.7	-19.3	-26.4	-41.9	-0.3	-0.3	-88.1	0.0
Gross profit	160.3	136.4	17.5%	122.3	119.0	-1.4	8.7	15.3	8.4	0.0	0.3	24.0	0.0
<i>Gross profit margin</i>	<i>34.2%</i>	<i>40.3%</i>	<i>-6.1pp</i>	<i>41.8%</i>	<i>45.8%</i>	<i>-6.2%</i>	<i>30.9%</i>	<i>36.6%</i>	<i>16.7%</i>	<i>11.1%</i>	<i>49.2%</i>	<i>21.4%</i>	<i>N/A</i>
Allocated costs	-65.0	-44.8	45.0%	-42.3	-30.2	-5.7	-4.5	-5.4	-9.9	-0.1	-0.1	-11.5	0.0
Adjusted EBITA before HQ costs	95.3	91.6	4.0%	80.1	88.7	-7.1	4.2	9.9	-1.5	-0.1	0.2	12.4	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>20.3%</i>	<i>27.0%</i>	<i>-6.7pp</i>	<i>27.4%</i>	<i>34.2%</i>	<i>-31.6%</i>	<i>14.8%</i>	<i>23.7%</i>	<i>-2.9%</i>	<i>-17.4%</i>	<i>26.3%</i>	<i>11.1%</i>	<i>N/A</i>
Allocated costs from HQ	-4.8	-3.9	22.5%	-3.9	-2.8	-0.4	-0.4	-0.5	-0.7	-0.0	-0.0	0.0	0.0
Other operating income/expense	-0.1	0.0	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.0
EBITA	90.4	87.7	3.1%	76.2	85.9	-7.4	3.8	9.4	-2.2	-0.1	0.2	12.3	0.0
<i>EBITA margin</i>	<i>19.3%</i>	<i>25.9%</i>	<i>-6.6pp</i>	<i>26.1%</i>	<i>33.1%</i>	<i>-33.3%</i>	<i>13.5%</i>	<i>22.4%</i>	<i>-4.4%</i>	<i>-19.0%</i>	<i>25.0%</i>	<i>11.0%</i>	<i>N/A</i>
Amortisation	-11.2	-3.5	222.2%	-7.8	-2.5	-0.8	-0.3	-1.1	-0.7	-0.0	-0.0	-1.6	0.0
Operating profit	79.1	84.2	-6.0%	68.4	83.4	-8.2	3.5	8.3	-2.9	-0.1	0.1	10.7	0.0
<i>Operating profit margin</i>	<i>16.9%</i>	<i>24.9%</i>	<i>-8.0pp</i>	<i>23.4%</i>	<i>32.1%</i>	<i>-36.7%</i>	<i>12.4%</i>	<i>19.8%</i>	<i>-5.7%</i>	<i>-22.2%</i>	<i>23.9%</i>	<i>9.6%</i>	<i>N/A</i>

CONTINUED Segment information

Public First 6 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	1,711.5	990.3	72.8%	797.8	756.9	81.6	79.6	186.5	112.8	45.1	41.0	600.5	0.0
Cost of service	-1,274.4	-667.3	91.0%	-533.3	-486.4	-75.0	-62.7	-138.2	-84.2	-41.2	-34.0	-486.7	0.0
Gross profit	437.1	322.9	35.4%	264.5	270.5	6.6	16.8	48.3	28.6	3.9	7.0	113.9	0.0
<i>Gross profit margin</i>	<i>25.5%</i>	<i>32.6%</i>	<i>-7.1pp</i>	<i>33.2%</i>	<i>35.7%</i>	<i>8.1%</i>	<i>21.2%</i>	<i>25.9%</i>	<i>25.4%</i>	<i>8.6%</i>	<i>17.1%</i>	<i>19.0%</i>	<i>N/A</i>
Allocated costs	-246.9	-136.4	80.9%	-117.9	-99.0	-19.0	-11.4	-27.0	-14.6	-16.5	-11.4	-66.5	0.0
Adjusted EBITA before HQ costs	190.2	186.5	2.0%	146.6	171.5	-12.4	5.4	21.3	14.0	-12.6	-4.4	47.3	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	<i>11.1%</i>	<i>18.8%</i>	<i>-7.7pp</i>	<i>18.4%</i>	<i>22.7%</i>	<i>-15.2%</i>	<i>6.8%</i>	<i>11.4%</i>	<i>12.4%</i>	<i>-27.9%</i>	<i>-10.8%</i>	<i>7.9%</i>	<i>N/A</i>
Allocated costs from HQ	-17.2	-10.7	61.6%	-11.7	-7.8	-1.5	-0.9	-3.0	-1.3	-1.0	-0.7	0.0	0.0
EBITA	173.0	175.9	-1.6%	134.9	163.7	-13.9	4.5	18.3	12.7	-13.6	-5.1	47.3	0.0
<i>EBITA margin</i>	<i>10.1%</i>	<i>17.8%</i>	<i>-7.6pp</i>	<i>16.9%</i>	<i>21.6%</i>	<i>-17.0%</i>	<i>5.7%</i>	<i>9.8%</i>	<i>11.3%</i>	<i>-30.2%</i>	<i>-12.4%</i>	<i>7.9%</i>	<i>N/A</i>
Amortisation	-42.6	-11.3	278.4%	-22.9	-8.2	-2.9	-0.9	-5.9	-1.4	-2.0	-0.7	-9.1	0.0
Operating profit	130.4	164.6	-20.8%	112.0	155.5	-16.7	3.6	12.4	11.3	-15.6	-5.8	38.3	0.0
<i>Operating profit margin</i>	<i>7.6%</i>	<i>16.6%</i>	<i>-9.0pp</i>	<i>14.0%</i>	<i>20.5%</i>	<i>-20.5%</i>	<i>4.5%</i>	<i>6.7%</i>	<i>10.1%</i>	<i>-34.6%</i>	<i>-14.2%</i>	<i>6.4%</i>	<i>N/A</i>

CONTINUED Segment information

Private First 6 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	965.7	691.5	39.6%	606.3	535.9	52.3	61.5	89.0	93.0	1.0	1.1	217.1	0.0
Cost of service	-621.5	-395.5	57.2%	-338.2	-279.4	-49.1	-40.2	-58.4	-75.2	-0.9	-0.7	-174.8	0.0
Gross profit	344.2	296.1	16.3%	268.1	256.6	3.2	21.3	30.6	17.8	0.1	0.4	42.2	0.0
<i>Gross profit margin</i>	35.6%	42.8%	-7.2pp	44.2%	47.9%	6.1%	34.6%	34.4%	19.2%	7.6%	38.0%	19.5%	N/A
Allocated costs	-124.2	-82.4	50.8%	-80.3	-59.9	-10.8	-7.9	-10.3	-14.4	-0.3	-0.2	-22.5	0.0
Adjusted EBITA before HQ costs	220.0	213.7	2.9%	187.8	196.7	-7.6	13.4	20.3	3.4	-0.2	0.2	19.7	0.0
<i>Adjusted EBITA margin before allocated cost from HQ</i>	22.8%	30.9%	-8.1pp	31.0%	36.7%	-14.5%	21.8%	22.8%	3.7%	-22.4%	16.2%	9.1%	N/A
Allocated costs from HQ	-10.0	-6.5	52.7%	-8.0	-4.7	-0.8	-0.6	-1.2	-1.2	-0.0	-0.0	0.0	0.0
Other operating income/expense	0.1	0.0	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0
EBITA	210.0	207.1	1.4%	179.8	192.0	-8.4	12.8	19.1	2.2	-0.2	0.2	19.8	0.0
<i>EBITA margin</i>	21.7%	30.0%	-8.2pp	29.7%	35.8%	-16.1%	20.7%	21.4%	2.4%	-24.3%	15.0%	9.1%	N/A
Amortisation	-22.7	-6.9	229.1%	-15.5	-5.0	-1.6	-0.7	-2.3	-1.3	-0.0	-0.0	-3.2	0.0
Operating profit	187.4	200.2	-6.4%	164.3	187.1	-10.0	12.1	16.8	0.9	-0.3	0.1	16.6	0.0
<i>Operating profit margin</i>	19.4%	29.0%	-9.6pp	27.1%	34.9%	-19.2%	19.7%	18.8%	1.0%	-28.2%	13.7%	7.7%	N/A

CONTINUED Segment information

Geographical

Segment information related to geographical areas

DKK thousands	Q2 2022									Total
	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	
Revenue from external customers	682,580	56,108	136,817	18,712	192,762	33,526	140,298	20,674	24,279	1,305,756

DKK thousands	Q2 2021									Total
	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	
Revenue from external customers	637,124	68,283	100,834	20,420	0	0	0	0	0	826,660

Geographical 6 months and full year

Segment information related to geographical areas

DKK thousands	YTD 2022									Total
	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	
Revenue from external customers	1,414,035	134,559	279,977	47,454	394,327	37,776	266,926	41,166	60,993	2,677,212

DKK thousands	YTD 2021									Total
	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	
Revenue from external customers	1,292,818	141,081	205,859	42,048	0	0	0	0	0	1,681,806

DKK thousands	Total 2021									Total
	Denmark	Norway	UK	Netherlands	Belgium	Luxembourg	Greece	Spain	Other	
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	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Total 2021
Cost of services	-240,163	-60,771	-460,958	-124,854	-380,909
Salaries	-696,610	-466,507	-1,422,950	-925,935	-1,888,564
Depreciation	-4,938	-6,028	-11,971	-12,005	-29,214
Cost of services total	-941,711	-533,306	-1,895,880	-1,062,793	-2,298,687

NOTE 3 Administrative costs

DKK thousands	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Total 2021
Administrative costs	-94,889	-52,911	-176,836	-97,041	-237,845
Salaries	-75,767	-53,724	-149,735	-100,298	-206,990
Depreciation	-27,874	-13,949	-53,417	-26,461	-58,564
Administrative costs total	-198,529	-120,585	-379,988	-223,800	-503,399

NOTE 4 Special items

DKK thousands	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Total 2021
Costs related to M&A	0	0	-5	0	-37,729
Total special items	0	0	-5	0	-37,729

NOTE 5 Financial income and expenses

DKK thousands	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Total 2021
Financial Income					
Exchange rate adjustments	3,270	2,296	6,668	4,185	10,039
Other financial income	268	41	1,742	59	220
Financial income total	3,537	2,337	8,411	4,245	10,259
Financial expenses					
Interest expense, bank loan	-6,672	-2,499	-13,272	-5,089	-14,510
Interest expense, leasing	-1,570	-908	-3,015	-1,721	-4,103
Exchange rate adjustments	-6,501	-3,885	-11,689	-5,295	-12,906
Other financial expenses	-7,550	-1,784	-11,564	-5,514	-12,130
Financial expenses total	-22,293	-9,076	-39,540	-17,619	-43,648

NOTE 6 Earnings per share

DKK thousands	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Total 2021
Earnings per share - EPS (DKK)	1.72	2.29	4.43	6.35	11.73
Diluted earnings per share - EPS-D (DKK)	1.70	2.26	4.38	6.28	11.60
Profit	84,652	112,402	218,054	311,947	576,142
Average number of shares	50,000	50,000	50,000	50,000	50,000
Average number of treasury shares	740	923	746	911	906
Average number of shares in circulation	49,260	49,077	49,254	49,089	49,094
Average number of outstanding restricted stock units	479	605	480	591	582
Average number of diluted shares in circulation	49,739	49,682	49,733	49,679	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 June 2022	30 June 2021	31 December 2021
Not overdue	672,572	418,727	675,255
0-30 days overdue	209,634	155,656	217,253
31-60 days overdue	91,591	8,269	73,940
61-90 days overdue	60,179	4,728	27,954
Over 90 days overdue	82,135	9,313	54,398
Total trade receivables excl. expected credit loss	1,116,111	596,692	1,048,800
Expected credit loss	-20,420	-5,831	-16,920
Total trade receivables	1,095,691	590,861	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 bad debt is made. At 30 June 2022, the Group recognised a provision for expected credit losses of DKK 20.4m (30 June 2021: DKK 5.8m), and no credit losses have incurred during Q2 2022.

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

NOTE 8

Contract work in progress

DKK thousands	30 June 2022	30 June 2021	31 December 2021
Selling price of work performed on fixed price projects	3,928,651	1,342,730	2,594,288
Invoiced amount on fixed price projects	-3,157,455	-888,095	-1,925,194
Total contract work in progress	771,197	454,634	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	1,144,349	485,124	1,019,974
Prebilled invoices	-373,153	-30,490	-350,880
Total contract work in progress	771,197	454,634	669,094

NOTE 9 Borrowings

DKK thousands	Currency	Maturity	Fixed or floating interest	Loan cost	Nominal value	Carrying amount
Bank loan	DKK	2023	Floating	9,039	2,182,836	2,173,797
Bank loan	EUR	2022	Fixed	0	37,196	37,196
Bank loan	USD	2022	Fixed	0	14,474	14,474
30 June 2022				9,039	2,234,506	2,225,467

DKK thousands	Currency	Maturity	Fixed or floating interest	Loan cost	Nominal value	Carrying amount
Bank loan	DKK	2023	Floating	3,669	730,000	726,331
30 June 2021				3,669	730,000	726,331
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	2023	Floating	0	49,766	49,766
Bank loan	EUR	2023	Floating	0	15,968	15,968
31 December 2021				4,212	2,345,734	2,341,522

NOTE 10 **Other payables**

DKK thousands	30 June 2022	30 June 2021	31 December 2021
Wages and salaries, payroll taxes, social security costs, etc. payable	77,244	47,871	166,026
Holiday pay obligation	160,520	134,799	92,197
VAT and duties	95,579	79,909	105,759
Contingent purchase price & earn out	93,398	122,819	93,398
Holdback	60,816	0	60,816
Other costs payable	210,126	22,517	22,308
Total other payables	697,682	407,916	540,504

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 11 **Provision**

DKK thousands	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Total 2021
Other provisions beginning of period	8,477	0	8,839	0	0
Additions, acquisition of subsidiaries	0	0	0	0	12,131
Decrease in the period	-529	0	-3,045	0	-3,291
Provisions for the period	432	0	2,586	0	0
Other provisions end of period	8,380	0	8,380	0	8,839

NOTE 12 **Income Statement classified by function**

DKK thousands	Q2 2022	Q2 2021	YTD 2022	YTD 2021	Total 2021
Income statement					
Revenue	1,305,756	826,660	2,677,212	1,681,806	3,631,971
Cost of services, incl. depreciation and amortisation	-941,711	-533,306	-1,895,880	-1,062,793	-2,298,687
Gross profit	364,045	293,354	781,331	619,013	1,333,284
Sales and marketing costs	-9,545	-6,114	-18,328	-12,228	-36,715
Administrative costs, incl. depreciation, amortisation and special items	-231,191	-129,587	-445,297	-241,955	-592,552
Other operating income / expense	-123	0	67	0	-184
Operating profit (EBIT)	123,185	157,653	317,774	364,830	703,833
Financial income	3,537	2,337	8,411	4,245	10,259
Financial expenses	-22,293	-9,076	-39,540	-17,619	-43,648
Fair value adjustment of contingent consideration	0	0	0	49,485	78,906
Income / loss from investment in joint venture	-3,796	-5,192	-7,924	-11,219	-21,732
Income / loss from investment in associates	0	0	63	0	0
Profit / loss before tax	100,633	145,722	278,783	389,721	727,618
Tax on the profit for the period	-15,642	-33,321	-61,130	-77,774	-153,316
Net profit / loss for the period	84,991	112,402	217,653	311,947	574,302

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

Cost of services	-4,938	-6,028	-11,971	-12,005	-29,214
Administrative costs	-60,535	-22,951	-118,721	-44,616	-109,987
Depreciation and amortisation	-65,474	-28,979	-130,693	-56,620	-139,201

NOTE 13

Collateral provided and contingent liabilities

As a part of the contract commitments with customers, the Group has through its banks provided performance guarantees of DKK 483.3m (DKK 118.1m).

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

NOTE 14

Related party transactions

In Q2 2022, Netcompany recognised revenue from Smarter Airports A/S of DKK 21.8m.

NOTE 15

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 Q2 2022 financial report have 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 16 Financial figures and highlights Comparative

DKK million	Q2 2022	Q2 2021	% change Q2	YTD 2022	YTD 2021	% change YTD
Income statement						
Public revenue	836.9	488.0	71.5%	1,711.5	990.3	72.8%
Private revenue	468.9	338.7	38.4%	965.7	691.5	39.6%
Revenue by segments, total	1,305.8	826.7	58.0%	2,677.2	1,681.8	59.2%
Development revenue	604.2	513.2	17.7%	1,259.0	1,030.7	22.2%
Maintenance revenue	698.9	313.5	123.0%	1,412.9	651.2	117.0%
License revenue	2.6	0.0	N/A	5.3	0.0	N/A
Revenue by types, total	1,305.8	826.7	58.0%	2,677.2	1,681.8	59.2%
Organic revenue	886.7	826.7	7.3%	1,859.6	1,681.8	10.6%
Non-organic revenue	419.1	0.0	N/A	817.6	0.0	N/A
Revenue by growth, total	1,305.8	826.7	58.0%	2,677.2	1,681.8	59.2%
Special items	0.0	0.0	N/A	-0.0	0.0	N/A
Adjusted EBITDA	188.8	186.6	1.2%	448.4	421.5	6.4%
EBITDA	188.7	186.6	1.1%	448.5	421.5	6.4%
Adjusted EBITA	156.0	166.7	-6.4%	383.0	383.0	0.0%
EBITA	155.8	166.7	-6.5%	383.1	383.0	0.0%
Operating profit (EBIT)	123.2	157.7	-21.9%	317.8	364.8	-12.9%
Net financials	-18.8	-6.7	178.3%	-31.1	-13.4	132.7%
Net profit / loss	85.0	112.4	-24.4%	217.7	311.9	-30.2%
Financial position						
Capex	-31.6	-5.0	532.1%	-50.7	-23.2	118.4%
Total assets	7,052.9	4,090.0	72.4%	7,052.9	4,090.0	72.4%
Equity	3,169.7	2,666.4	18.9%	3,169.7	2,666.4	18.9%
Dividends Paid	0.0	0.0	N/A	0.0	49.1	-100.0%
Net increase in cash and cash equivalents	-68.0	-134.6	-49.5%	-205.1	-184.2	11.3%
Free cash flow	7.3	-10.2	-172.2%	57.9	90.4	-36.0%
Free cash flow (tax normalised)	-20.5	-49.2	-58.4%	106.3	124.6	-14.7%

CONTINUED FINANCIAL HIGHLIGHTS AND KEY FIGURES COMPARATIVE

DKK million	Q2 2022	Q2 2021	% change Q2	YTD 2022	YTD 2021	% change YTD
Earnings per share						
Earnings per share (DKK)	1.72	2.29	-25.0%	4.43	6.35	-30.3%
Diluted earnings per share (DKK)	1.70	2.26	-24.8%	4.38	6.28	-30.2%
Employees						
Average number of full-time employees	6,719	3,238	107.5%	6,616	3,173	108.5%
Financial ratios						
Revenue growth	58.0%	22.4%	35.6pp	59.2%	22.7%	36.5pp
Gross profit margin	27.9%	35.5%	-7.6pp	29.2%	36.8%	-7.6pp
Adjusted EBITDA margin	14.5%	22.6%	-8.1pp	16.7%	25.1%	-8.3pp
EBITDA margin	14.4%	22.6%	-8.1pp	16.8%	25.1%	-8.3pp
Adjusted EBITA margin	11.9%	20.2%	-8.2pp	14.3%	22.8%	-8.5pp
EBITA margin	11.9%	20.2%	-8.2pp	14.3%	22.8%	-8.5pp
Operating profit margin	9.4%	19.1%	-9.6pp	11.9%	21.7%	-9.8pp
Effective tax rate	15.5%	22.9%	-7.3pp	21.9%	20.0%	2.0pp
Return on equity	2.9%	4.5%	-1.6pp	7.5%	12.6%	-5.2pp
Solvency ratio	44.9%	65.2%	-20.2pp	44.9%	65.2%	-20.2pp
ROIC	2.0%	3.7%	-1.6pp	5.2%	10.1%	-4.9pp
ROIC (Adjusted for Goodwill)	6.2%	13.8%	-7.6pp	16.0%	38.4%	-22.4pp
Cash conversion ratio	6.6%	-8.5%	15.2pp	21.5%	27.7%	-6.2pp
Cash conversion ratio (tax normalised)	-18.5%	-41.2%	22.7pp	39.6%	38.2%	1.4pp

NOTE 16 Financial figures and highlights Qs

DKK million	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Income statement								
Public revenue	836.9	874.6	758.5	461.6	488.0	502.3	465.9	436.3
Private revenue	468.9	496.8	393.6	336.4	338.7	352.8	306.9	258.4
Revenue by segments, total	1,305.8	1,371.5	1,152.1	798.0	826.7	855.1	772.7	694.7
Development revenue	604.2	654.8	783.3	488.4	513.2	517.5	433.7	380.1
Maintenance revenue	698.9	713.9	367.3	309.6	313.5	337.7	339.1	314.6
License revenue	2.6	2.7	1.5	0.0	0.0	0.0	0.0	0.0
Revenue by types, total	1,305.8	1,371.5	1,152.1	798.0	826.7	855.1	772.7	694.7
Organic revenue	886.7	972.9	866.5	798.0	826.7	855.1	772.7	694.7
Non-organic revenue	419.1	398.5	285.6	0.0	0.0	0.0	0.0	0.0
Revenue by growth, total	1,305.8	1,371.5	1,152.1	798.0	826.7	855.1	772.7	694.7
Special items	0.0	-0.0	-7.7	-30.0	0.0	0.0	0.0	0.0
Adjusted EBITDA	188.8	259.6	238.4	221.1	186.6	234.8	240.1	212.0
EBITDA	188.7	259.8	230.5	191.1	186.6	234.8	240.1	212.0
Adjusted EBITA	156.0	227.0	210.3	199.9	166.7	216.3	223.5	195.5
EBITA	155.8	227.2	202.4	169.9	166.7	216.3	223.5	195.5
Operating profit (EBIT)	123.2	194.6	178.1	160.9	157.7	207.2	200.0	170.2
Net financials	-18.8	-12.4	-13.9	-6.2	-6.7	-6.6	-5.4	-6.2
Net profit / loss	85.0	132.7	153.8	108.6	112.4	199.5	5.0	128.1
Financial position								
Capex	-31.6	-19.1	-27.2	-7.1	-5.0	-18.2	-3.7	-5.3
Total assets	7,052.9	7,032.8	7,021.1	4,127.7	4,090.0	4,074.5	4,039.4	3,875.9
Equity	3,169.7	3,130.0	3,037.9	2,781.8	2,666.4	2,595.9	2,428.6	2,413.8
Net increase in cash and cash equivalents	-68.0	-137.1	261.4	16.3	-134.6	-49.6	120.4	-62.7
Free cash flow	7.3	50.5	134.7	182.9	-10.2	100.6	208.9	149.9
Free cash flow (tax normalised)	-20.5	126.8	160.9	136.9	-49.2	173.8	210.5	115.0

CONTINUED NOTE 16 FINANCIAL FIGURES AND HIGHLIGHTS Q5

DKK million	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Earnings per share								
Earnings per share (DKK)	1.72	2.71	3.17	2.21	2.29	4.06	0.10	2.61
Diluted Earnings per share (DKK)	1.70	2.68	3.13	2.19	2.26	4.02	0.10	2.60
Employees								
Average number of full-time employees	6,719	6,513	5,417	3,385	3,238	3,109	2,996	2,827
Financial ratios								
Revenue growth	58.0%	60.4%	49.1%	14.9%	22.4%	22.9%	15.2%	17.3%
Gross profit margin	27.9%	30.4%	33.5%	41.2%	35.5%	38.1%	42.4%	42.2%
Adjusted EBITDA margin	14.5%	18.9%	20.7%	27.7%	22.6%	27.5%	31.1%	30.5%
EBITDA margin	14.4%	18.9%	20.0%	23.9%	22.6%	27.5%	31.1%	30.5%
Adjusted EBITA margin	11.9%	16.6%	18.3%	25.1%	20.2%	25.3%	28.9%	28.1%
EBITA margin	11.9%	16.6%	17.6%	21.3%	20.2%	25.3%	28.9%	28.1%
Operating profit margin	9.4%	14.2%	15.5%	20.2%	19.1%	24.2%	25.9%	24.5%
Effective tax rate	15.5%	25.5%	18.5%	27.2%	22.9%	18.2%	89.6%	21.9%
Return on equity	2.9%	4.6%	5.6%	4.2%	4.5%	8.4%	0.2%	5.9%
Solvency ratio	44.9%	44.5%	43.3%	67.4%	65.2%	63.7%	60.1%	62.3%
ROIC	2.0%	3.3%	4.0%	3.6%	3.7%	6.7%	0.2%	4.4%
ROIC (adjusted for Goodwill)	6.2%	10.8%	14.5%	13.8%	13.8%	27.8%	0.8%	19.8%
Cash conversion ratio	6.6%	32.0%	78.0%	158.3%	-8.5%	48.7%	893.4%	101.4%
Cash conversion rate (tax normalised)	-18.5%	80.2%	93.2%	118.5%	-41.2%	84.1%	900.4%	77.8%

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			

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.