

SameSystem A/S
Ballerupvej 62
DK-3500 Værløse
Business Registration No. 31 48 79 27



Interim consolidated financial statements

1 October 2020 – 31 March 2021

The Board of Directors adopted the Interim consolidated
financial statement on June 28, 2021

Chairman of the Meeting

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STATEMENT BY MANAGEMENT

The Board of Directors and Executive Board have today considered and approved the interim consolidated financial statements for the six months period 1.10.2020 – 31.03.2021 for SameSystem A/S.

The interim consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the interim consolidated financial statements give a true and fair view of the Group's assets, liabilities and financial position as at 31.03.2021 and of the results of the Group's activities and cash flows for the period 1.10.2020 – 31.03.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

Værløse, 28 June 2021

Executive Board

Henrik Peter Salicath
CEO

Board of Directors

Søren Ingerslev
Chairman

Hans Henrik Hoffmeyer

Thomas a Porta

Birgitte Nielsen

NEW CEO

With the organization having grown significantly and a customer base that spans across 21 countries in Europe, the Company has identified the need for new management experience to continue the accelerated European growth journey.

The new CEO is Henrik Salicath, who joins SameSystem from a position as CEO of the Danish SaaS company Fiftytwo.

Founder and now former CEO of SameSystem, Henrik Ritlov, who has been at the head of SameSystem's impressive growth since its foundation, will continue for a transition period as external consultant to the Company.

"For me, it has been incredibly important that we found the right man to take over as CEO of SameSystem. Founding and expanding this company has been absolutely fantastic for me, and now we are facing an accelerated European growth journey that requires great international experience. Henrik Salicath has the right skills, the right experience and the right mindset to be successful in the role of CEO of SameSystem," says Henrik Ritlov.

Henrik Salicath had his first day in SameSystem on April 6, and even though he has only been

in the company for a short time, the visions for the future are already clear:

"SameSystem is a fantastic company in every way. A unique product with fantastic potential, and with a culture unlike anything else. And it is on the foundation of highly skilled employees who know and understand retail from the inside, that we will build our future. We are a company of retail experts, which is key to our continued success and makes us an attractive employer for the experts of the future.

At the same time, we must further develop our product, to deliver on future customer expectation. It is our unique product and the way it helps and streamlines workflows for retailers that is the basis of our entire business. We must strengthen and develop this as much as we can.

The Retail industry is under transformation, and we as a company need to keep up, constantly be at the forefront of new technologies and know retail from the inside, to optimize and strengthen the retailers' business. It is our unique product and the incredibly talented employees that will turn us into a significant player in the European markets. That is my goal."



Henrik Ritlov &
Henrik Salicath

MANAGEMENT REVIEW H1 2020/21

During H1 2020/21 SameSystem initiated a strategy of growth and European expansion. Amid COVID-19, significant investments were made in staff and sales channels to position the company to achieve this. To fund the investment, the Company decided to welcome external investors. An initial capital injection in November 2020 of DKK 10m from selected investors enabled an early acceleration, and an expected injection in June 2021 from the IPO will fuel the strategy set in motion.

While SameSystem experienced the challenges of COVID-19, the Company realised a revenue of DKK 15.0m during H1 2020/21, which is at the same level as for H1 2019/20. Given that the H1 2020/21 is realised during the COVID-19 pandemic, the Company is satisfied to maintain the revenue level, which was feasible due to a very close co-operation with our customers,

our loyal and competent employee base, and the SameSystem product offering.

The impact from stronger sales efforts and retailers and foodservice providers reopening physical stores, is expected to show effect in Q3 2020/21.

The composition of revenue remains unchanged, meaning that subscriptions continue to make up more than 90% and churn remains low at 3-4%.

EBITDA and Net profit for H1 2020/21 were realised at DKK -6.1m and DKK -3.7m. EBITDA and Net profit were significantly reduced compared to H1 2019/20 in particular due to one-off costs related to the IPO as well as higher salary costs related to the increased number of employees.

HIGHLIGHTS

35.3m¹

in annual recurring revenue as per March 31, 2021 compared to 30.1m at the end of 2019/20

17.3%

increase in annual recurring revenue from 2019/20

1.2%

gross churn in ARR in H1 2020/21 compared to 3.1% in 2019/20

2.3%

uplift in existing customer base in H1 2020/21 compared to 5.1% in 2019/20

sameSYSTEM

63

new customers that have signed with SameSystem in H1 2020/21, but are yet to be onboarded

723

customers as per March 31, 2021 compared to 646 at the end of 2019/20

111

employees as per March 31, 2021 compared to 79 at the end of 2019/20

21

countries where SameSystem has customers as per March 31, 2021

1. ARR as per March 31, 2021 includes signed contracts of DKK 3.7m that are not onboarded yet due to delays caused by COVID-19 restrictions. The signed contracts are legally binding. However, the delayed onboarding means that invoicing has not yet been initiated. The contracts are included in the ARR as these represent the most accurate future expected annual recurring revenue run rate.

KEY FINANCIAL FIGURES AND RATIOS

DKK	FY 2021 H1	FY 2020 H1
Income statement		
Revenue	14,984,049	15,046,639
Gross profit	5,637,830	9,813,312
Gross profit margin	37.6%	65.2%
EBITDA	(2,549,335)	4,341,023
Operating profit/(loss)	(5,972,895)	2,068,212
Net financials	(115,738)	(116,060)
Profit before tax	(6,088,633)	1,952,152
Net profit for the year	(3,718,335)	1,520,230
Statement of financial position		
Investment in intangible assets	7,792,645	4,790,243
Investments in property, plant and equipment	0	0
Total assets	32,252,828	21,763,963
Equity	19,073,561	11,515,117

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (unaudited)

DKK	Note	31/03/2021	31/03/2020
Revenue	2	14,984,049	15,046,639
Other external expenses		(9,346,219)	(5,233,327)
Staff costs		(8,187,165)	(5,472,289)
Other operating income		0	0
Depreciation, amortisation and impairment		(3,423,560)	(2,272,811)
Operating profit/(loss)		(5,972,895)	2,068,212
Financial income		22,406	12,019
Financial expenses		(138,144)	(128,079)
Profit/(loss) before tax		(6,088,633)	1,952,152
Tax for the year		2,370,298	(431,922)
Profit/(loss) for the year		(3,718,335)	1,520,230
<i>Attributable to:</i>			
Shareholders of SameSystem A/S			
Earnings per share, basic (DKK)		(6.75)	2.94
Earnings per share, diluted (DKK)		(6.75)	2.94
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign enterprises		(9,133)	0
Other comprehensive income/(loss) after tax		(9,133)	0
Other comprehensive income/(loss)		(3,727,468)	1,520,230

CONSOLIDATED BALANCE SHEET (unaudited)

DKK	Note	31/03/2021	30/09/2020
Assets			
Intangible assets	3	25,614,928	20,588,157
Property, plant and equipment		426,254	453,594
Right-of-use assets		2,091,247	2,488,328
Deposits		364,241	327,176
Deferred tax asset		0	502,797
Total non-current assets		28,496,670	24,360,052
Trade receivables		1,569,782	1,859,409
Receivables from shareholders and management		0	653,609
Other receivables		106,179	12,862
Prepayments		543,037	44,091
Cash		1,537,160	411,208
Total current assets		3,756,158	2,981,179
Total assets		32,252,828	27,341,231
Liabilities and equity			
Share capital		551,111	516,667
Other reserves		19,979,643	16,058,762
Retained earnings		(1,457,193)	(3,334,544)
Total equity		19,073,561	13,240,885
Lease liabilities		996,182	1,535,750
Deferred tax		1,627,731	4,515,513
Other payables		1,454,852	1,454,852
Total non-current liabilities		4,078,765	7,506,115
Lease liabilities		1,251,006	1,096,940
Trade payables		2,446,012	917,948
Payables to associated enterprises		140,249	0
Other payables		5,263,235	4,579,343
Total current liabilities		9,100,502	6,594,231
Total liabilities		13,179,267	14,100,346
Total equity and liabilities		32,252,828	27,341,231

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

DKK 2020/2021	Share capital	Share premium	Reserve for capitalized development costs	Retained earnings	Total
Balance at 1 October 2020	516,667	0	0	12,724,218	13,240,885
Correction reserve cap. developm. costs			16,058,762	(16,058,762)	0
Balance at 1 October 2020	516,667	0	16,058,762	(3,334,554)	13,240,885
Comprehensive income for the period					
Net profit/(loss) for the period	0	0		(3,718,335)	(3,718,335)
Other comprehensive	0	0		(9,133)	(9,133)
Total other comprehensive income	0	0		(3,727,468)	(3,727,468)
Other legal bindings					
Capital. Developm. Costs			7,792,645	(7,792,645)	0
Transfers					
Depr./amort./impairm.			(2,765,874)	2,765,874	0
Tax on changes			(1,105,890)	1,105,890	0
Transactions with owners					
Issue of share capital	34,444	9,965,556		0	10,000,000
Transactions with owners	0	(439,856)		0	(439,856)
Total transactions with owners	34,444	9,525,700		0	9,560,144
Transferred from share premium account		(9,525,700)		9,525,700	0
Balance at 31 March 2021	555,111	0	19,979,643	(1,457,193)	19,073,561

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

DKK 2019/2020	Share capital	Reserve for capitalized development costs	Retained earnings	Total
Balance at 1 October 2019	516,667	0	9,478,220	9,994,887
Correction reserve cap. developm. costs		10,346,642	(10,346,642)	0
Balance at 1 October 2019	516,667	10,346,642	(868,422)	9,994,887
Comprehensive income for the period				
Net profit/(loss) for the period	0		1,520,230	1,520,230
Total other comprehensive income	0		1,520,230	1,520,230
Other legal bindings				
Capital. Developm. Costs		4,790,243	(4,790,243)	0
Transfers				
Depr./amort./impairm.		(1,764,564)	1,764,564	0
Tax on changes		(665,649)	665,649	0
Balance at 31 March 2020	516,667	12,706,672	(1,708,222)	11,515,117

INTERIM CONSOLIDATED CASH FLOW STATEMENT (unaudited)

DKK	Note	31/03/2021	31/03/2020
Operating profit/loss		(5,972,895)	2,068,212
Depreciation, amortisation and impairment		3,423,560	2,272,811
Change in working capital		2,685,801	(798,839)
Cash flow from operating activities		136,466	3,542,184
Investments in intangible assets	3	(7,792,645)	(4,790,243)
Investments in property plant and equipment		0	0
Cash flow from investing activities		(7,792,645)	(4,790,243)
Payment of principal portion of lease liabilities		(662,275)	(398,808)
Interest paid/received		(115,738)	(116,060)
Capital increase		9,560,144	0
Cash flow from financing activities		8,782,131	(514,868)
Change in cash and cash equivalents			
Cash, 1 October		411,208	295,058
Net cash flow		1,125,952	(1,762,927)
Cash 31 March		1,537,160	(1,467,869)

NOTES

1. Accounting policies

The interim report is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and Danish disclosure requirements for interim reports.

The interim report has been neither audited nor reviewed. The accounting policies, have been applied consistently with those of the Annual Report 2019/20. See the Annual Report 2019/20 for a comprehensive description of the accounting policies applied.

Judgments and estimates

The preparation of interim reports requires management to make accounting judgments and estimates that affect the use of accounting policies and recognised assets, liabilities, income and expenses. Actual results may differ from these estimates. The most significant estimates made by management when using the Group's accounting policies and the most significant judgment uncertainties attached hereto are the same for the preparation of the interim report as for the preparation of the Annual Report 2019/20.

2. Adoption of new and amended standards

The new and amended Standards and Interpretations that have been issued, and up to the date of issuance of the Group's financial statements are disclosed below. The Group have not adopted the new and amended Standard and Interpretation.

- Amendment to IFRS 9, IAS 39 and IFRS 7 "Interest rate benchmark reform" phase 2

The Group have not implemented the standard since it has no impact on recognition, measurement or disclosures in the Interim consolidated financial statement 2020/21 and is not expected to have significant impact on the financial reporting for future periods.

Definition of Key Figures and Ratios

Annual Recurring Revenue = total monthly subscription fee for licenses, iBeacon and digital signatures * 12

$$\text{Gross Churn rate (\%)} = \frac{(\text{Loss of ARR from customers churned in 2019/20})}{(\text{ARR in 2018/19})}$$

$$\text{Uplift (\%)} = \frac{(\text{Increase in ARR at existing customers in 2019/20})}{(\text{ARR in 2018/19})}$$

NOTES

2. Revenue

DKK	31/03/2021	31/03/2020
Subscription fees	14,484,351	13,430,202
Other	499,698	1,616,437
Total	14,984,049	15,046,639

DKK	31/03/2021	31/03/2020
Denmark	7,936,663	7,843,040
Nordics	2,624,436	2,670,820
ROW	4,422,950	4,532,779
Total	14,984,049	15,046,639

All revenue is derived from contracts with customers. Revenue from subscriptions fees are derived over time and revenue from other services are recognized when delivery occur.

3. Intangible assets

DKK 2020/2021	Completed development projects	Development projects in progress	Total
Cost as at 1 October	20,547,719	9,912,544	30,460,263
Additions	2,207,508	5,585,137	7,792,645
Transfer	635,613	(635,613)	0
Cost as at 31 March	23,390,840	14,862,068	38,252,908
Amortisation and impairment as at 1 October	9,872,106	0	9,872,106
Amortisation during the year	2,765,874	0	2,765,874
Amortisation and impairment as at 31 March	12,637,980	0	12,637,980
Carrying amount as at 31 March	10,752,860	14,862,068	25,614,928

NOTES

3. Intangible assets (continued)

DKK 2019/2020	Completed development projects	Development projects in progress	Total
Cost as at 1 October	15,999,934	4,338,995	20,338,929
Additions	0	10,121,334	10,121,334
Transfer	4,547,785	(4,547,785)	0
Cost as at 30 September	20,547,719	9,912,544	30,460,263
Amortisation and impairment as at 1 October	6,240,722	0	6,240,722
Amortisation during the year	3,631,384	0	3,631,384
Amortisation and impairment as at 30 September	9,872,106	0	9,872,106
Carrying amount as at 30 September	10,675,613	9,912,544	20,588,157

Completed development projects comprise software development costs relating to development of the existing software platform. The software is under continuous development for the use of clients and is sold as a license to access the software for a given period. The user has access to upgrades and new functionalities during the contract period.

Development costs for the year cover both development of the front-end and the back-end part of the software solution. Both parts to increase the user experience and functionalities within the software in order to increase the Group's revenue by maintaining existing clients and acquire new clients.

It is Management's assessment that the life expectancy of the finite-lived assets, as well as the expected future revenue streams from the assets are sufficient to cover the value of recognised developed software at the reporting date.

4. Events after the reporting period

SameSystem has initiated an IPO-process in order to facilitate the planned expansion in Europe. Completing the IPO at the end of June 2021 will strengthen the capital base for the investment in people for especially sales and technological development as well as help fuel the marketing efforts that will support the larger international presence of our already competitive product offering.